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# **National Council of Nonprofits Statement on Removal of Harmful Provision from Reconciliation Bill**

In response to removal of a provision from the reconciliation bill that would have provided unprecedented authority for the Treasury Secretary to remove tax-exempt status, National Council of Nonprofits President and CEO Diane Yentel released the following statement:

“The removal of the harmful provision giving the Trump administration sweeping authority to strip certain nonprofits of tax-exempt status is a significant victory for nonprofit advocates, though we must remain vigilant to ensure the language doesn’t get added back into the bill on its way to enactment. Still, the broader tax bill poses serious threats to the nonprofit sector and to the communities we serve. Remaining in the bill are provisions to increase taxes on foundation and university endowments, forcing them to divert funding away from scholarships, research, and vital community grants, and arbitrarily restricting corporate giving. It also imposes new taxes on essential employee benefits offered by many nonprofit organizations, making it harder to attract and retain the talented, mission-driven staff our sector depends on.

“These provisions don’t just burden institutions, they harm people. Students seeking an affordable education, researchers pursuing breakthroughs in diseases like Alzheimer’s and cancer, and families relying on nonprofits for housing, healthcare, and food will all be impacted. **Nonprofits are not adversaries of the government, they are partners in service.**”

“This bill weakens that partnership and undermines the infrastructure of care that millions of Americans rely on, especially in rural and underserved areas. While we are pleased that members of Congress listened to their constituents and removed a harmful provision, this bill must undergo further revision and Congress must choose: will they support their communities who depend on nonprofit services, or will they stand by policies that dismantle the very institutions holding our society together?”

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Communities thrive when nonprofits succeed. For more than 30 years, the National Council of Nonprofits has mobilized the largest network of nonprofits in the United States to achieve transformative results. We champion, connect, and inform nonprofits across the country. Join our collective efforts to ensure a connected and powerful nonprofit community equipped to champion the public good. Learn more at [www.councilofnonprofits.org](http://www.councilofnonprofits.org).