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Natural Disaster Tax Relief

People across the country are suffering from some kind of natural disaster, whether escaping wildfires, adapting to drought conditions in many places and coping with flooding in others, struggling to find clean drinking water, or rebuilding their lives after devastating events. And charitable nonprofits are right there with them providing relief, recovery, and support. Nonprofits need resources to keep these efforts going.

Why It Matters

As Americans suffering from natural disasters turn to charitable nonprofits, they are discovering that the nonprofits where they seek relief are themselves struggling. Charitable nonprofits see the anguish of people displaced from their homes and businesses, but nonprofits already on the edge simply cannot take on the additional volume of work without more resources.

Where We Stand

With great urgency, we ask Congress to enable charitable nonprofits to provide the assistance sought

by the millions of residents whose lives have been disrupted. Specifically, we call on Congress to restore and improve charitable giving incentives and reinstate and enhance the Employee Retention Tax Credit so charitable nonprofits have the resources and staff they need to provide relief and recovery to Americans now.

- [Letter to President Biden and Congressional Leaders](#), Coalition of National Nonprofits, Updated Sept. 13, 2022

Status

In July 2025, President Trump signed into law the Filing Relief for Natural Disasters Act ([S. 132](#)/ [H.R. 517](#)), introduced by Rep. Kustoff (R-TN), to postpone federal tax deadlines after a qualified state disaster declaration, including “any natural catastrophe” or fire, flood, or explosion that “causes damage of sufficient severity and magnitude to warrant” a request to postpone such federal tax deadlines. Previously, the IRS had to wait for the federal government to approve a disaster declaration before providing relief.

The 2025 budget reconciliation bill ([H.R. 1](#)) includes a new universal charitable deduction to encourage charitable giving among taxpayers who do not itemize their deductions. Individuals could receive a tax incentive up to \$1,000 and married couples could receive up to \$2,000, allowing them to support charitable nonprofits supporting relief and recovery during and after natural disasters.

Other [charitable giving incentives](#) ideally suited to help nonprofits serve through natural disasters were allowed to expire at the end of 2021. Greater incentives for charitable giving are needed as nonprofits play an essential role in immediate relief and continuing recovery efforts.

We urge Congress and the Administration to:

- Extend two additional disaster-relief giving incentives that expired on December 31, 2021:
 - The provision permitting individuals who itemize to deduct charitable donations up to **100% of their adjusted gross income**, and

- The measure allowing corporations to deduct charitable donations up to **25% of taxable income**.

Related Insights & Analysis

- [Congress Needs to Include Relief for Charitable Nonprofits in Disaster Relief Legislation](#), National Council of Nonprofits, Nov. 4, 2024.
- [Natural Disaster Tax Relief](#), National Council of Nonprofits Policy Paper, Aug. 12, 2024.
- [Letter to President Biden and Congressional Leaders](#), Coalition of National Nonprofits, Updated Sept. 13, 2022.

Additional Resources

- [Nonprofit Recommendations for Disaster Relief and Recovery](#), State Association Network of the National Council of Nonprofits, June 13, 2019.
- [Suggestions for Tax Provisions to Help Nonprofits Respond to National Disasters](#), North Carolina Center for Nonprofits, June 2019.