Clearing the Path to Make Volunteerism Easier

This is National Volunteer Week, an annual recognition of the dedication and critical work of volunteers in support of people and the missions of charitable nonprofits. Due to the pandemic and multiple other factors, however, there are fewer volunteers now than in the past. Public policy can help reverse this trend if advocates take notice and take action.

First, a recap of the bad news. According to the AmeriCorps and U.S. Census Bureau biennial *Volunteering and Civic Life in America* report released in late January, formal volunteering dropped more than 23 percent, from 30 percent of the public in 2019 to 23.2 percent in 2021 (at the height of the pandemic). A report from the University of Maryland’s Do Good Institute, *The State of Volunteer Engagement*, found that nearly half of respondents to a survey said recruiting enough volunteers is a “big problem,” a steep (62 percent) increase compared with 2003. More recently, in responding to state surveys of nonprofits such as those conducted in Florida (fall 2022) and New Jersey (February 2023), nonprofits continued to identify finding volunteers – and avoiding burnout of current volunteers – as ongoing challenges.

The point of data, of course, is to identify problems; the job of advocates is to develop and implement solutions. Two areas of action involve removing adverse tax
consequences of policies related to educational awards and to volunteer mileage.

**Educational Awards**

At both the federal and state levels, some policymakers have heard the concerns of nonprofits and volunteers and introduced legislation to ensure that governments don’t tax benefits provided to individuals who dedicate their time to charitable work.

- The **Action for National Service Act** (S. 779/H.R. 1588) would, among other things, reward participation in the AmeriCorps program with expanded educational benefits and ensure those benefits are exempt from federal taxes.
- The **AmeriCorps Education Award Tax Relief Act** (expected to be re-introduced this spring) would likewise exclude the stipends paid to individuals volunteering through the AmeriCorps program, thus exempting the awards from federal income tax.
- A bill in the Maine House this month (L.D. 1573) to promote participation in state and federal volunteerism programs would allow individuals to exclude a national service educational award amount or state loan relief from state income taxes.

**Volunteer Mileage**

A separate challenge for volunteers is the unfair treatment they receive under federal tax law for the miles they drive on behalf of charitable nonprofits. The **volunteer mileage rate** has been stuck at 14 cents per mile for 26 years while the business rate is adjusted at least annually – with the latest increase to 62.5 cents. Worse still, the federal government and some states treat as income – and tax – any mileage reimbursements from nonprofits that volunteers get that exceed the 14 cents/mile rate. In an era of higher gas prices and fewer volunteers, the costs of driving long distances to deliver meals or take individuals to medical appointments is prohibitive for many.

Bills in the last Congress (H.R. 7432; H.R. 8265) sought to raise the federal volunteer mileage rate to the higher business rate, at least temporarily. Similar legislation is expected this spring.

**Volunteerism Infrastructure**
Finally, it’s good to remember that governments generally recognize the value of volunteerism – as a way for residents to stay connected, as a means for addressing community concerns, and as an efficient and effective way to bring many hands and minds to bear on specific challenges. Governmental support has come about due to ongoing advocacy by groups like Voices for National Service and state and local advocates for volunteer supports and programs.

- **AmeriCorps**, the “new” (as of Sept. 29, 2020) operating name of the Corporation for National and Community Service, runs multiple programs that put more than 200,000 members and volunteers to work serving 36,000 communities across the United States. AmeriCorps focuses on six key areas of impact: disaster services, education, economic opportunity, environmental stewardship, healthy futures, and veterans & military families.
- Most states have their own offices dedicated to promoting volunteerism. Good examples are California Volunteers, Volunteer Delaware, Serve Idaho, and the Virginia Volunteer Network. Find your State Service Commission.

To conclude, charitable nonprofits need volunteers at most levels of operations, from the front desk to the board room, but they can’t simply wait for trained, eager, qualified volunteers to walk through the door or show up at events. Nonprofit professionals help themselves and their missions when they advocate to remove barriers like taxes on educational benefits and mileage expenses and maintain close working relationships with governmental agencies dedicated to bringing people together.

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