

Values-Based Messaging on Giving Policy

MAY 2019

Acknowledgements

This research was conducted by TargetPoint Consulting and made possible thanks to the generosity of Charles Stewart Mott Foundation, Fidelity Charitable Trustees' Initiative, and Leadership 18.

Agenda

1.

Research background and methodology

2.

Key findings

3.

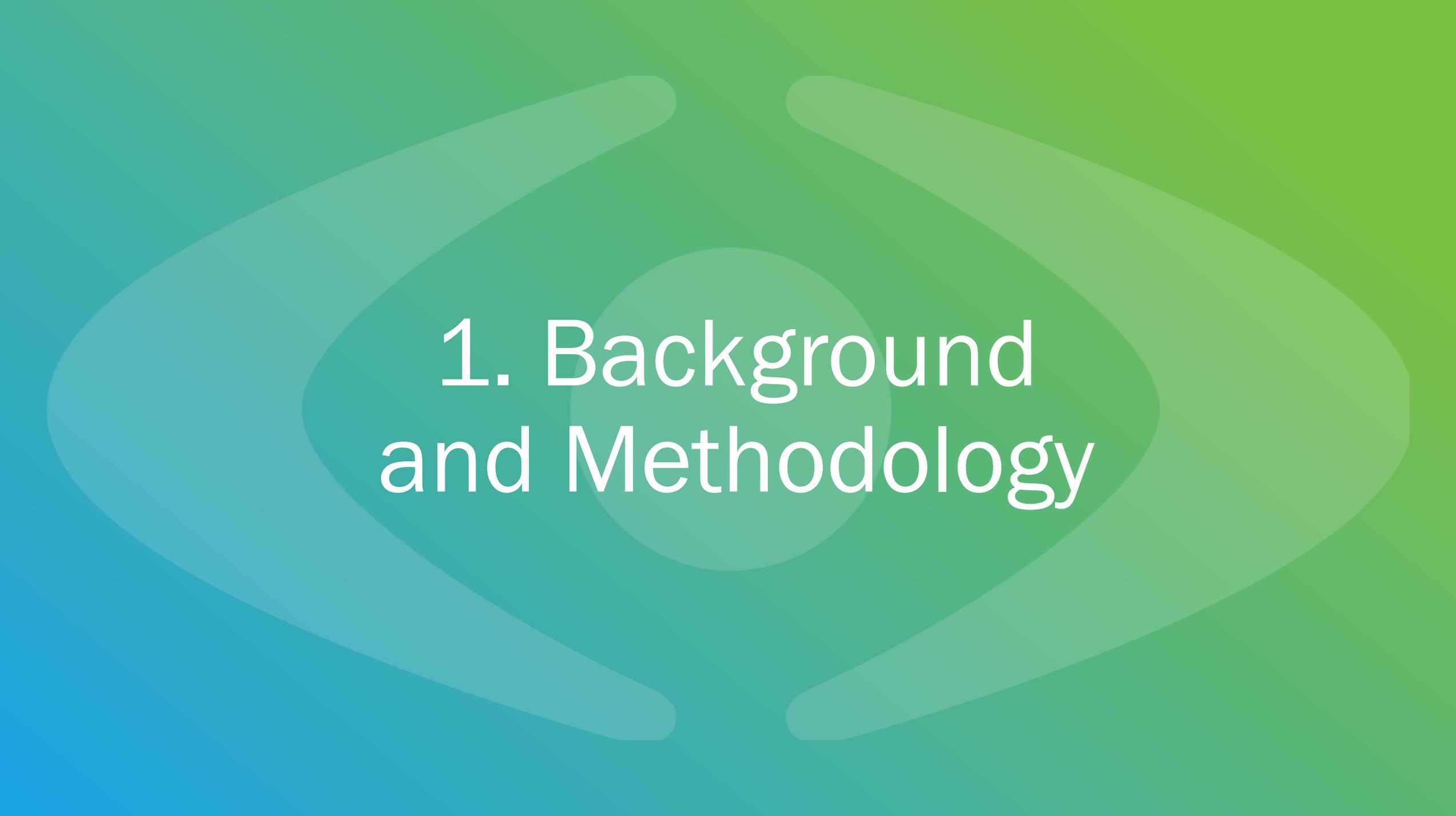
Charitable giving opinions and habits

4.

Messages on expanding charitable giving incentives

5.

Putting research to work



1. Background and Methodology

Messaging Research Background

1. Policy decisions are made by emotion & values, not reason
(Jonathan Haidt, Drew Westin)

2. Motivate action by targeting audience's emotions & values
(George Lakoff, Jonathan Haidt)

3. Messaging with only a few values may limit nonprofit policy impact and long-term goals

4. Messaging research enables nonprofits to build more support for policy issues

Research Methodology



1,011 Interviews
among registered
voters nationwide



300 interviews
conducted using
mobile phones



Conducted
March 5-6, 2019



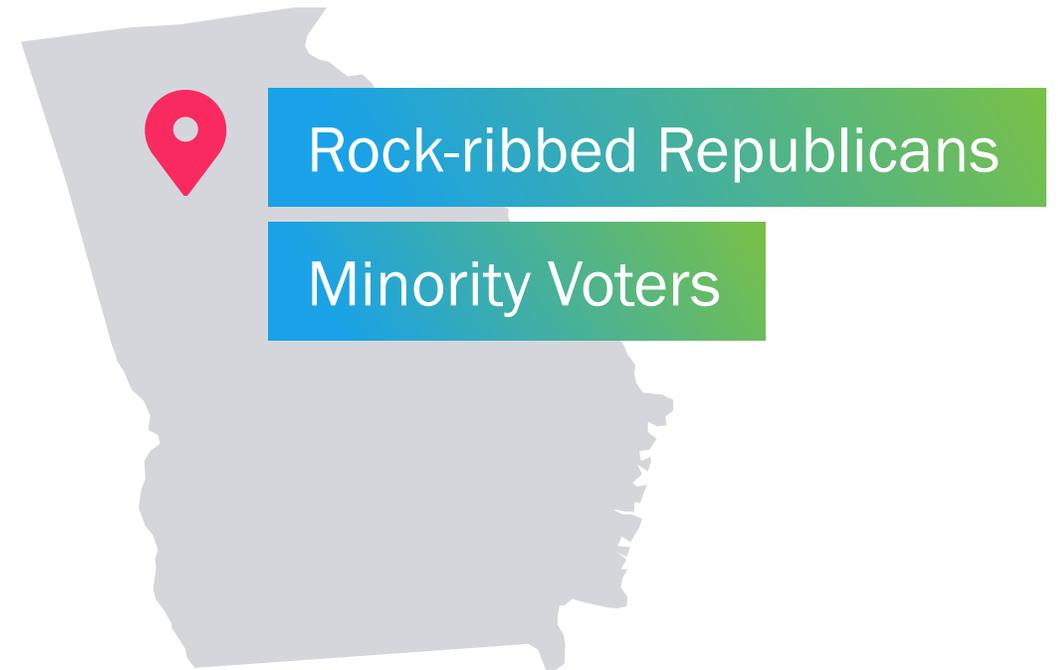
Margin of Error
is 3.1%

Focus Groups

Grand Rapids Michigan
February 5th



Atlanta, Georgia
February 6th



A large, stylized graphic of an eye is centered on the page. The eye is composed of several overlapping, semi-transparent shapes in shades of green and teal. The iris is a light green circle, and the pupil is a darker green circle. The eyelids are formed by larger, curved shapes in various shades of green and teal, creating a sense of depth and focus.

2. Key Findings

Key Findings

1. Nonprofits have strong support for giving policy before any messaging, 74% support expanding the charitable tax deduction. This improves to 82% after messaging.

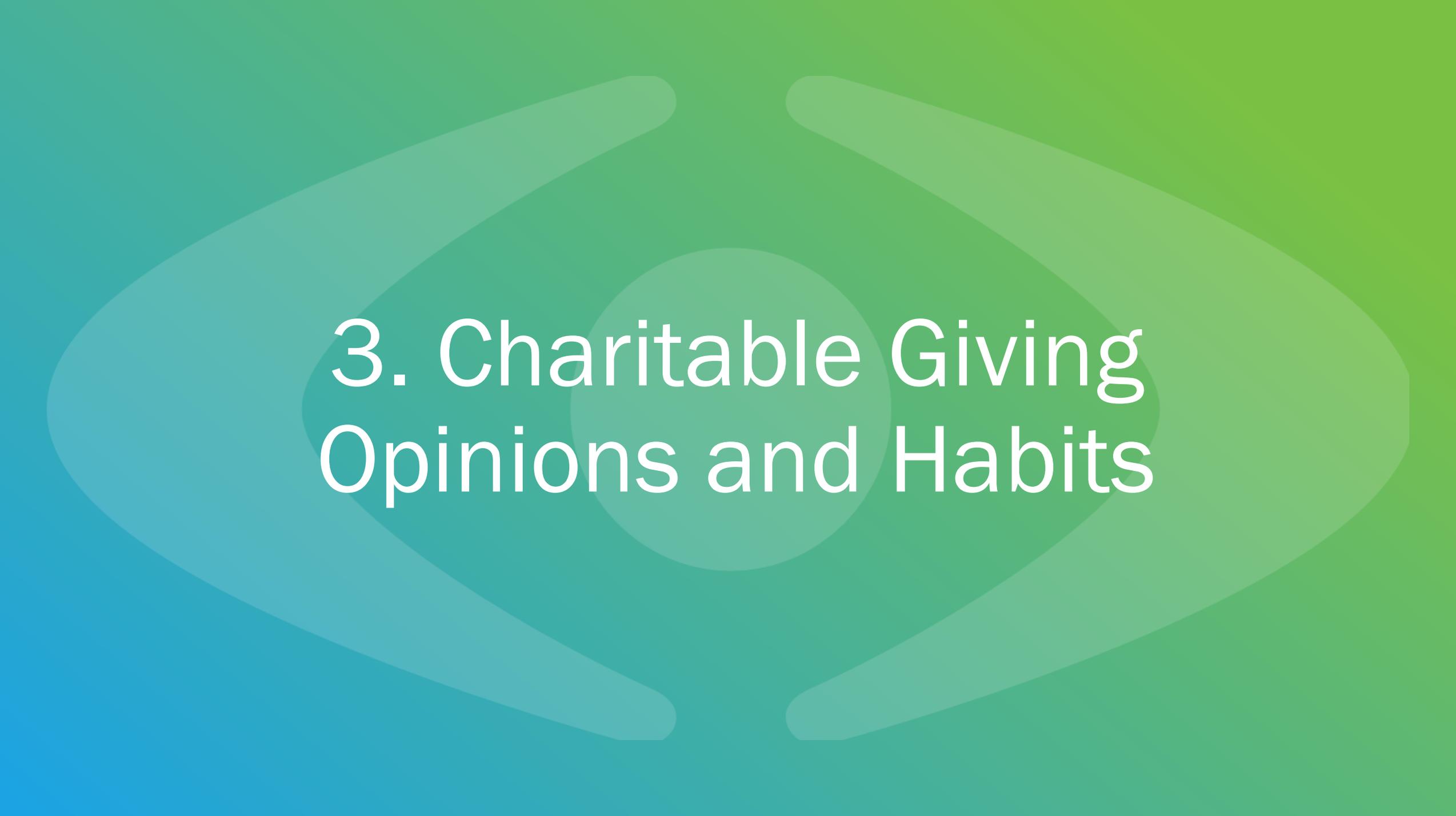
2. Local organizations serve as the most effective messengers.

3. Voters in the focus groups were aware of the recent tax changes, most noting the standard deduction increase, but are not exactly sure how the change will affect their return this year.

4. Awareness of tax changes is growing as more voters say they will take the standard deduction– 69% will take the standard deduction this tax season compared to 59% last year.

5. Our best message overall deals with expanding the tax deduction being a matter of fairness.

6. Our best messages among Republicans say support for charities prevent greater reliance on government programs and expanding the tax deduction being a matter of fairness.

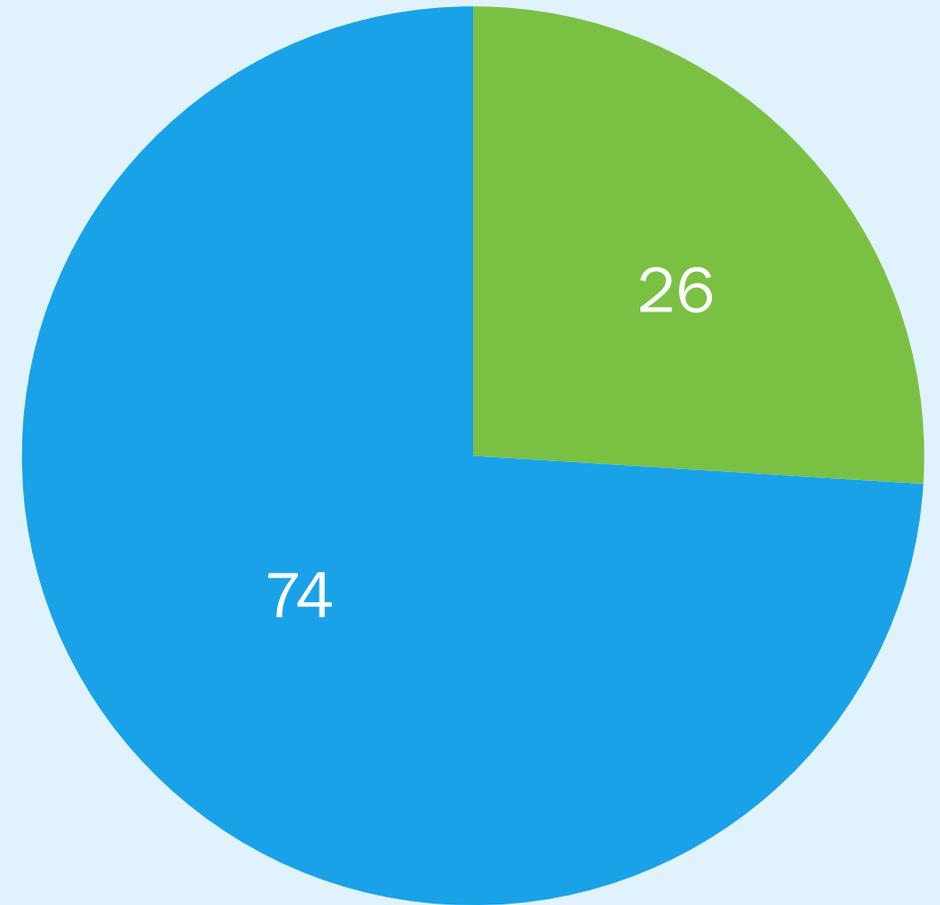
The background features a stylized illustration of two hands, one light blue and one light green, cupping a central globe. The globe is a darker shade of green. The overall background is a gradient from light blue on the left to light green on the right.

3. Charitable Giving Opinions and Habits

Donation History

Question

Now I'm going to ask you about charitable giving. In the last 12 months have you, personally donated money to a religious organization, charity or other charitable cause?



■ No, Have Not Donated ■ Yes, Have Donated

Average Spent on Charitable Giving

Question

In the last 12 months, how much would you say you have donated in total to religious or charitable organizations?



Total giving under \$1,000: 71%

Total giving over \$1,000: 29%

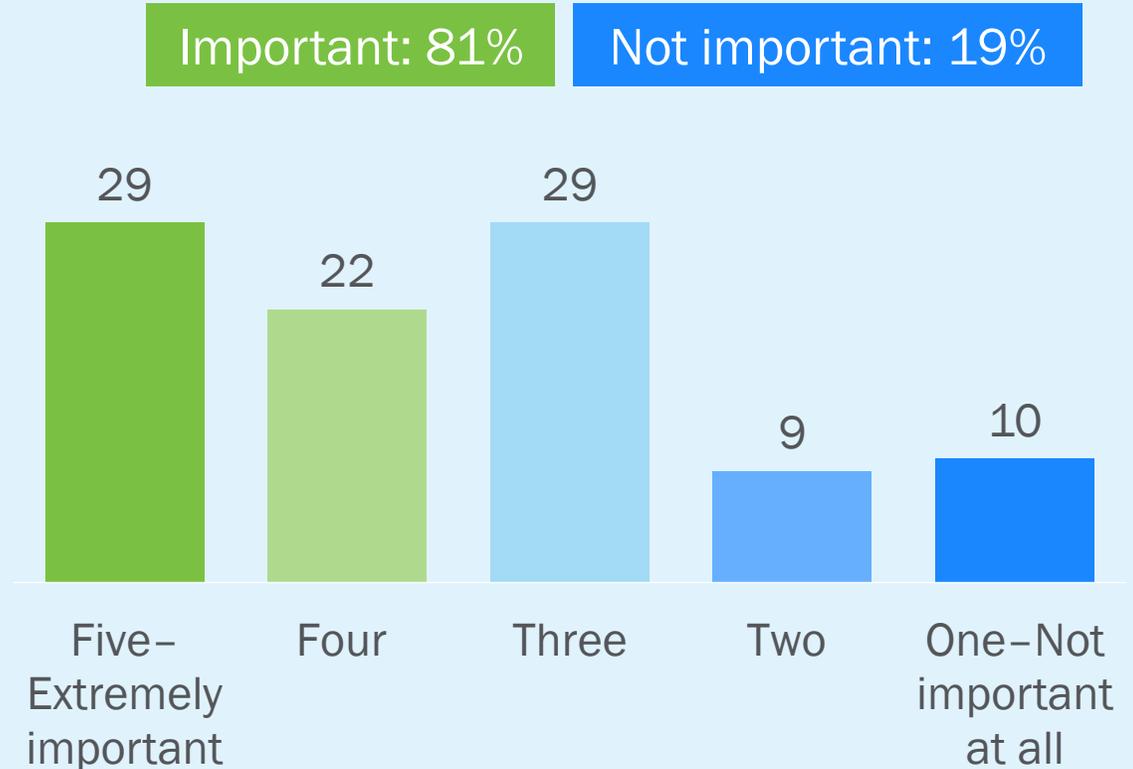
Average Donation: \$1,775.78

2017 Average Donation: \$1,751.85

Charitable Organizations in Your Community

Question

On a scale of 1 to 5, with 5 being extremely important and 1 being not important at all, how would you rate the role of charitable organizations in your community?

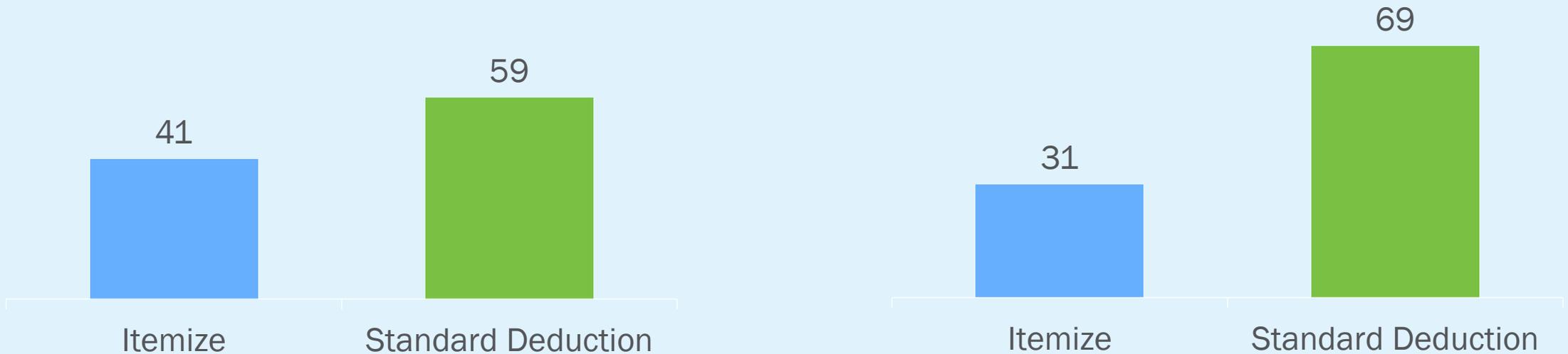


Although an uncommon opinion, voters who view charitable organizations as not important at all to their communities are more likely than average to identify as Republican, be middle aged, and white.

Itemized or Standard Deduction

Question A. Thinking about your federal taxes and how you have filed them in the past, did you typically itemize your tax deductions, or did you usually take the standard deduction?

Question B. And thinking about this year's taxes, do you think you will itemize your tax deductions, or do you think you will take the standard deduction when you do your taxes this year?



A majority of voters who earn \$100,000-\$200,000 are now increasingly taking the standard deduction rather than itemizing their taxes, 37% chose the standard deduction in 2018, compared to 58% this tax season.

Tax Filing Method

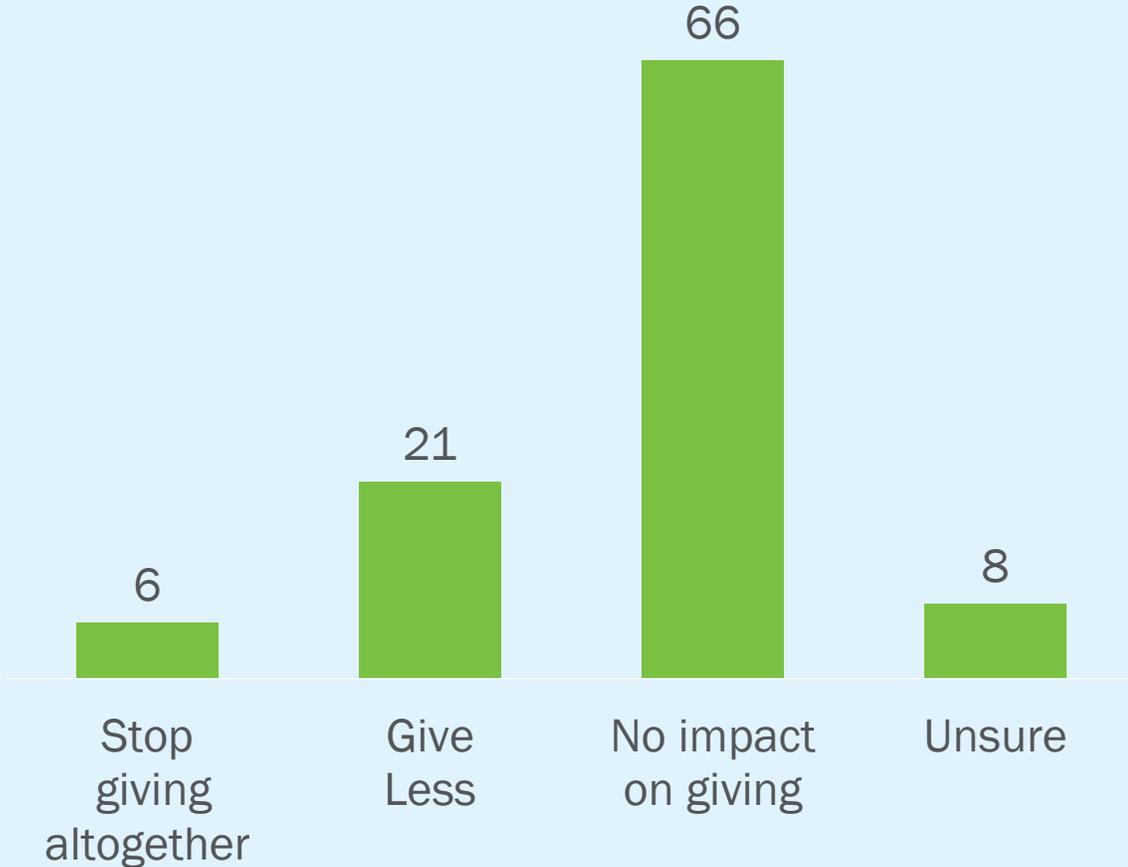
		2018 Tax Year	
		ITEMIZE	STANDARD DEDUCTION
2017 Tax Year	ITEMIZE	28% Average Household Income: \$117,923	14% Average Household Income: \$102,808
	STANDARD DEDUCTION	3%*	55% Average Household Income: \$68,513

* N size too small to report average income

Impact of No Deduction on Charitable Giving—Personal

Question

Under the new tax laws recently passed by Congress, millions of Americans will no longer receive a deduction for charitable giving. If you found out that you will no longer receive a tax deduction for your contribution, what impact would that have on how much **you** give to charities – would you stop giving altogether, give less to charity, or would this have no impact on your level of donations?



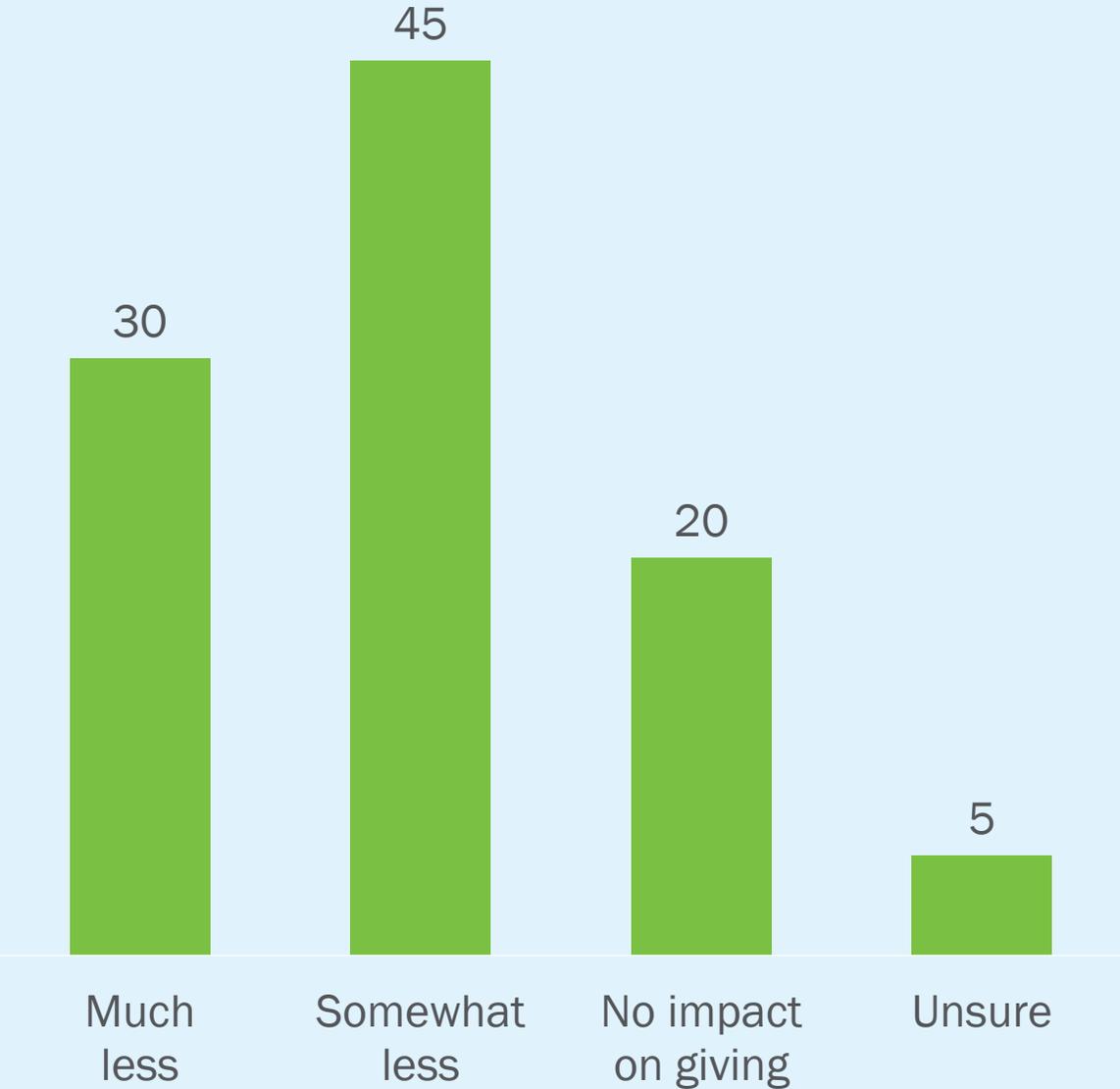
Despite unwillingness of focus group participants to admit this policy change would impact their giving, we can see clearly that it will have an impact when people are able to answer anonymously

Impact of No Deduction on Charitable Giving— Nationwide

Question

And what about overall, what impact do you think there will be when people realize they will no longer receive a deduction for charitable contributions?

Do you think **people across the country** will give much less overall to charity, will give somewhat less to charity, or do you think this won't have any impact overall on people's donations to charities?



4. Messages on Expanding Charitable Giving Incentives

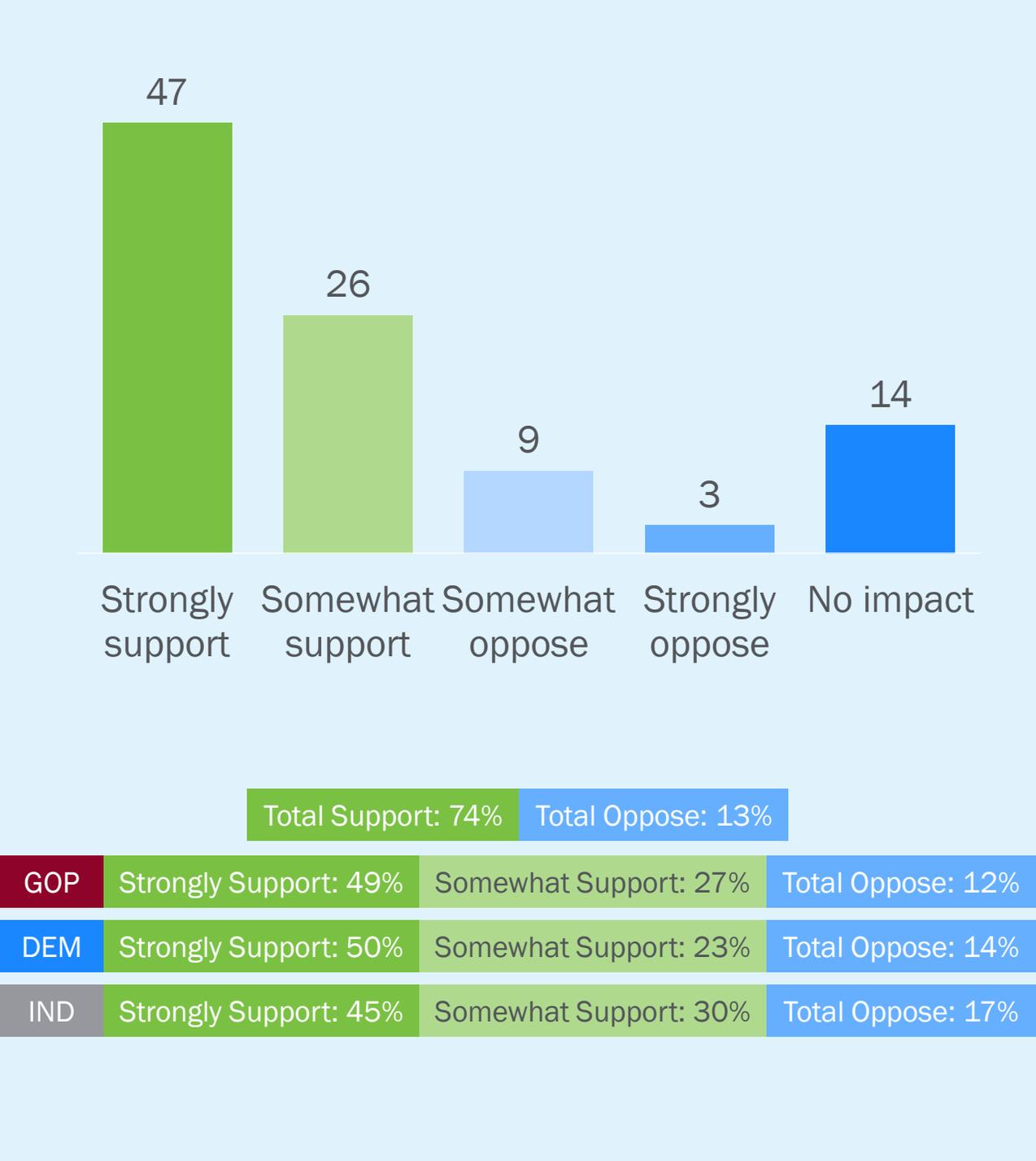
“You have two types of giving I think, regardless if people are giving from the heart or giving to get something, you both are going to be able to claim it and that’s going to make everybody happy. If you take one of those away you’re going to start losing giving, no matter which way it is.”

Swing Voter in Grand Rapids, Michigan

Expanding Charitable Tax Deduction Pre Ballot

Question

Would you support or oppose efforts to expand the charitable tax deduction to **all** taxpayers; regardless of income or whether or not they itemize on their tax returns?

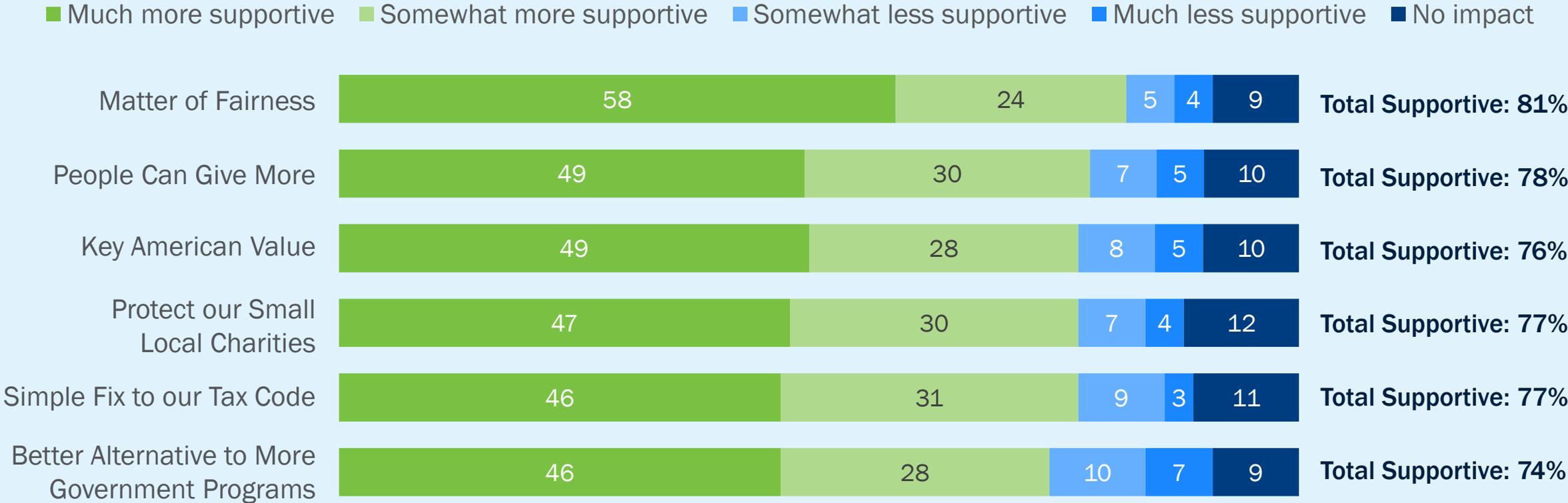


Expanding Charitable Tax Deduction Messages Tested

Abbreviation	Message
Matter of Fairness	Expanding the charitable tax deduction to include all taxpayers, not just the wealthy, is a matter of fairness. Every individual and family who donates to charities regardless of the amount they give should be given the same opportunity to deduct their donation amount from their taxes.
People Can Give More	Providing a financial incentive to give, like an expanded charitable deduction, will mean more people are able to give more and will enable charities to serve more people in their communities.
Protect Our Small Local Charities	Expanding the charitable tax deduction to all taxpayers will protect our smaller, local charities who depend more heavily on small contributions from lots of low income and middle class donors who currently don't receive the benefits of a deduction.
Simple Fix to Our Tax Code	Too often tax breaks are overly complicated and only a select handful of people are able to take advantage of them. Expanding the charitable tax deduction is an easy, simple fix to our tax code that will save millions of middle-class tax payers money on their taxes.
Key American Value	We need to expand the charitable tax deduction to send a message to all Americans, and especially the younger generations that charitable giving is a key American value that should be rewarded.
Better Alternative to More Government Programs	Helping churches and charities care for those in need is always a better alternative than turning to more government programs. Expanding the charitable tax deduction will help make sure they have as many resources as possible.

Charitable Tax Deduction Messages

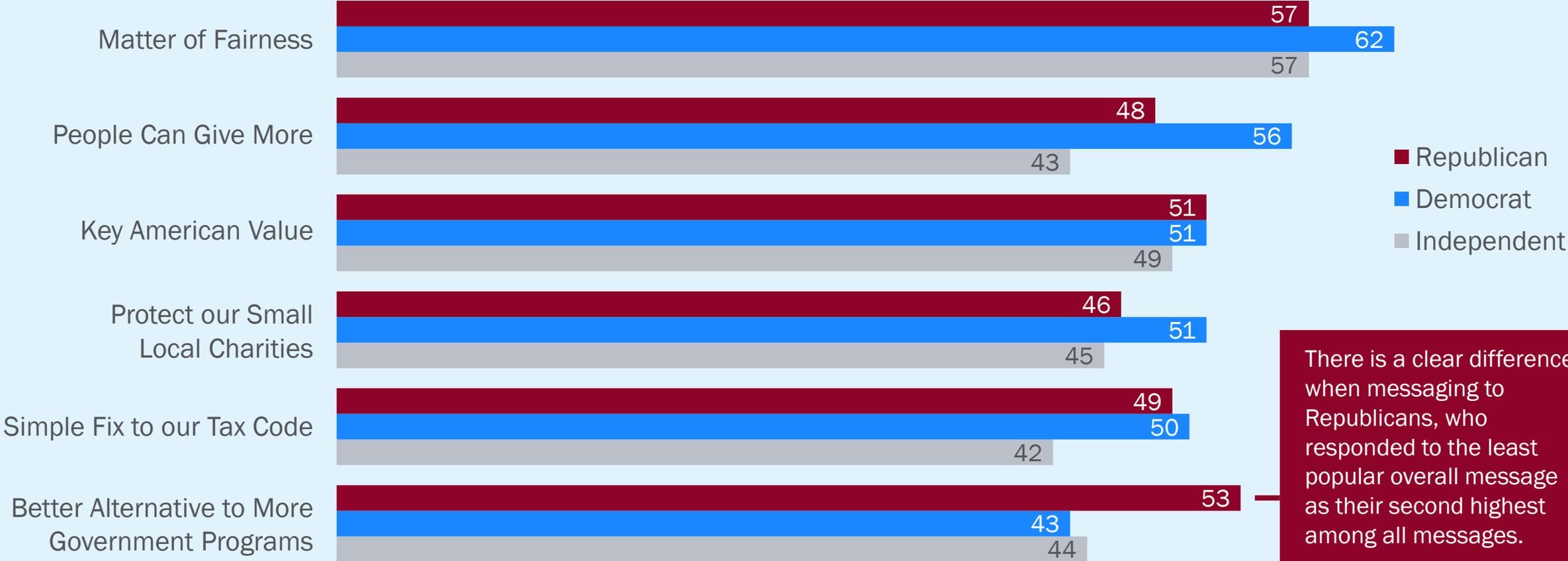
Question. Please indicate if the following statements make you more or less supportive of expanding the charitable tax deduction.



*Issues are sorted by much more supportive

Charitable Tax Deduction Messages— Much More Supportive

Question. Please indicate if the following statements make you more or less supportive of expanding the charitable tax deduction.



There is a clear difference when messaging to Republicans, who responded to the least popular overall message as their second highest among all messages.

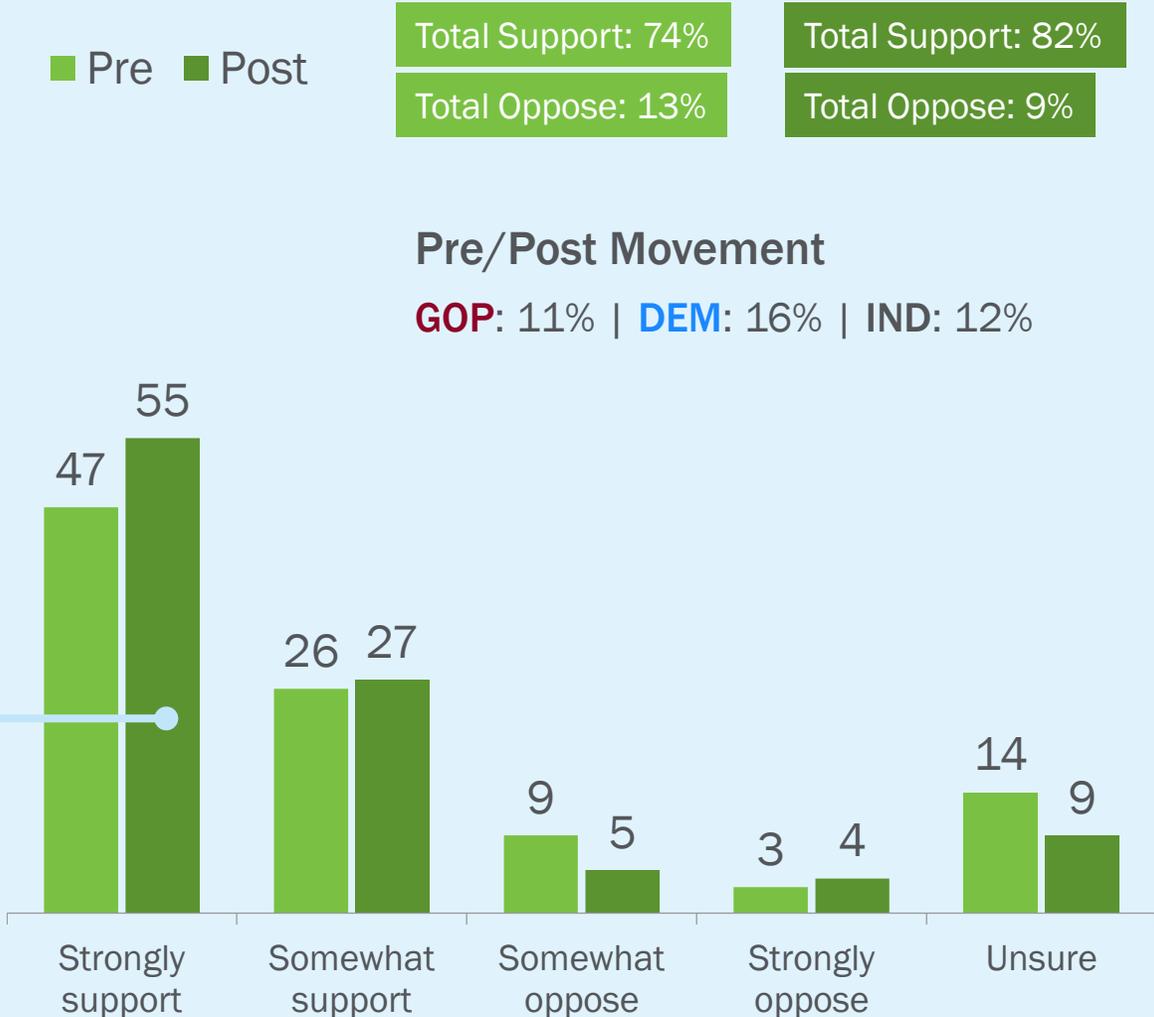
*Values shown only much more supportive / messages in order of overall much more supportive percentage

Expanding Charitable Tax Deduction Post Ballot

Question

Would you support or oppose efforts to expand the charitable tax deduction to all taxpayers; regardless of income or whether or not they itemize on their tax returns?

15% of voters moved into the STRONGLY Support category after messaging. These voters are younger, more female, and more likely to identify as a Democrat than average. Messaging on fairness was the most popular among this group.

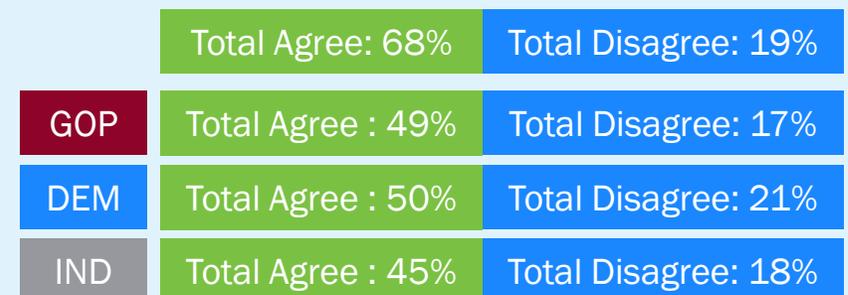
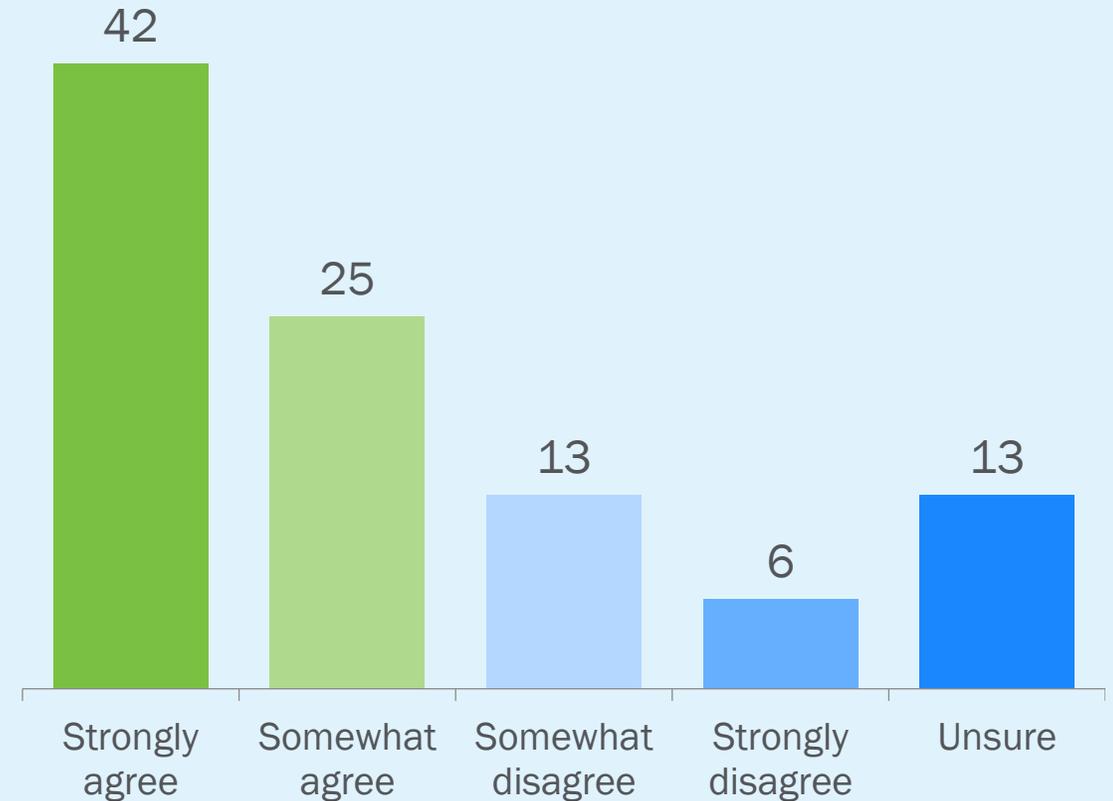


Millennials started off as the weakest group on our side before messaging but after messaging were the most improved group on the post ballot

Charitable Donations Should Not Be Taxed

Question

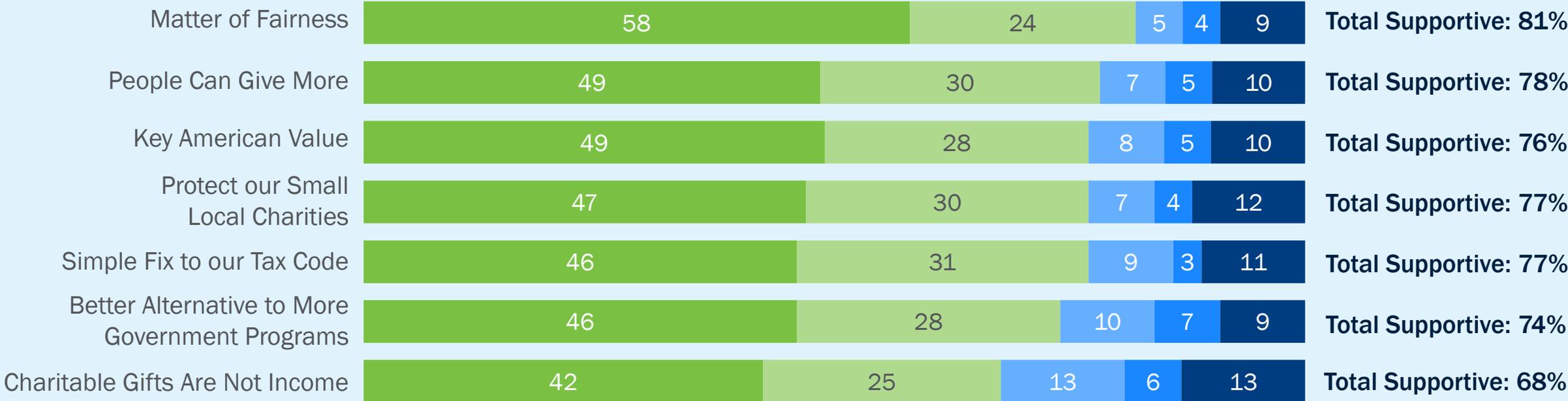
Some people have argued that donations to charities are not really income at all and because they serve the common good, should never be taxed in the first place. Would you say you agree or disagree with the idea that donations to charity should NOT be considered income and should NOT be taxed at all?



Charitable Tax Deduction Messages

Question. Some people have argued that donations to charities are not really income at all and because they serve the common good, should never be taxed in the first place. Would you say you agree or disagree with the idea that donations to charity should not be considered income and should not be taxed at all?

■ Much more supportive
 ■ Somewhat more supportive
 ■ Somewhat less supportive
 ■ Much less supportive
 ■ No impact



**Issues are sorted by much more supportive*

Expanding Charitable Tax Deduction Messaging Matrix

The below matrix indicates the most popular tax deduction messages among key demographics—by “total supportive” expanding the charitable tax deduction. (1=most popular; 2=2nd most popular)

Message	Symbol	REGION				INCOME					
		Northeast	Midwest	South	West	Less than \$35k	\$35k-\$50k	\$50k-\$75k	\$75k-\$100k	\$100k-\$200k	More than \$200k
Matter of Fairness		2	1	1	1*	1	1	1	1		
People Can Give More			2	2		2	2		2		2
Protect Our Small Local Charities								2		1*	
Simple Fix to Our Tax Code		1								1*	1
Key American Value								2			
Better Alternative than More Government Programs											

*West Region only has #1 included because there is no statistical difference between the next 4 messages. There are two #1 messages for the \$100-200K income bracket, because the messages tied for first place.

Top Messaging

Most Popular

- Expanding the charitable tax deduction to include all taxpayers, not just the wealthy, is a matter of fairness. Every individual and family who donates to charities regardless of the amount they give should be given the same opportunity to deduct their donation amount from their taxes.
- Providing a financial incentive to give, like an expanded charitable deduction, will mean more people are able to give more and will enable charities to serve more people in their communities.

Most Persuasive

- Expanding the charitable tax deduction to include all taxpayers, not just the wealthy, is a matter of fairness. Every individual and family who donates to charities regardless of the amount they give should be given the same opportunity to deduct their donation amount from their taxes.
- We need to expand the charitable tax deduction to send a message to all Americans, and especially the younger generations that charitable giving is a key American value that should be rewarded.
- Helping churches and charities care for those in need is always a better alternative than turning to more government programs. Expanding the charitable tax deduction will help make sure they have as many resources as possible.

Top Messaging

Most Popular Among Republicans

- Expanding the charitable tax deduction to include all taxpayers, not just the wealthy, is a matter of fairness. Every individual and family who donates to charities regardless of the amount they give should be given the same opportunity to deduct their donation amount from their taxes.
- Helping churches and charities care for those in need is always a better alternative than turning to more government programs. Expanding the charitable tax deduction will help make sure they have as many resources as possible.

Most Persuasive Among Republicans

- Expanding the charitable tax deduction to include all taxpayers, not just the wealthy, is a matter of fairness. Every individual and family who donates to charities regardless of the amount they give should be given the same opportunity to deduct their donation amount from their taxes.
- Providing a financial incentive to give, like an expanded charitable deduction, will mean more people are able to give more and will enable charities to serve more people in their communities.

Major Takeaways

1. Tax policies to increase giving are broadly supported, regardless of message

2. Use local messengers whenever possible

3. To build support or persuade policymakers, consider using more than a single message

4. Although some messages are universal, also consider targeting messages to a specific audience

5. Be cautious about framing messages around 2017 tax bill

A large, stylized graphic of an eye in shades of green and teal, centered on the page. The eye is composed of several overlapping, semi-transparent shapes: a central circle for the iris, two large, curved shapes for the eyelids, and four elongated, teardrop-shaped shapes for the eyelashes. The background is a gradient from light green at the top to a darker teal at the bottom.

5. Putting Research to Work

Putting Research to Work

1. Recruit local charities as most effective messengers to policymakers

2. Identify 2-3 messages targeting your policy audience:
 - a. Start with Fairness message
 - b. Pick back-up message based on audience

3. Use positive, future-oriented messages:
 - a. Focus on how more donors/donations improve community
 - b. Avoid framing message around 2017 tax bill, but also don't say the tax bill had "no impact"

Example 1—Democratic Policymaker

Messengers

Meeting includes local charity that policymaker or staff person knows.

First Message

“Expanding the charitable tax deduction is a matter of fairness. Everyone who donates to charity should be given the same opportunity.”

Second Message

“Charitable giving is a key American value, and expanding the charitable tax deduction sends a powerful message to all Americans.”

Adding Data

“In just the last 15 years, the number of Americans donating to charity has dropped by an alarming 10 percent. Congress needs to act before it’s too late.”

Example 2—Republican Policymaker

Messengers

Meeting includes local charity that policymaker or staff person knows.

First Message

“Expanding the charitable tax deduction is a matter of fairness. Everyone who donates to charity should be given the same opportunity.”

Second Message

“Helping churches and charities serve those in need could reduce the need for more government programs.”

Adding Data

“Research shows that expanding the charitable tax deduction could give churches and charities up to \$17 billion more per year. Congress needs to act so that they can put these resources to work immediately.”

Questions

If you have any additional questions about this research, please contact us at publicpolicy@independentsector.org or call 202-467-6108.

