



July 25, 2025

Honorable Vern Buchanan  
U.S. House of Representatives  
Washington, DC 20515

Honorable James Lankford  
U.S. Senate  
Washington, DC 20510

Honorable Jimmy Panetta  
U.S. House of Representatives  
Washington, DC 20515

Honorable Catherine Cortez Masto  
U.S. Senate  
Washington, DC 20510

Dear Representative Buchanan, Senator Lankford, Representative Panetta,  
and Senator Cortez Masto,

On behalf of Independent Sector and its members – nonprofits,  
foundations, and corporate giving programs of every type and size  
nationwide – I write to thank you for introducing the *Small Nonprofit  
Retirement Security Act* and to express strong support for this critical  
legislation.

Nonprofit organizations are essential service providers for those in need,  
key partners to government, and anchors in their local communities. In the  
course of doing this vital work, they create a massive economic impact and  
pay an estimated \$65 billion each year in federal payroll taxes. Yet, these  
major economic contributors are excluded from a wide range of employer  
incentives delivered as credits against the federal income tax.

Your legislation takes an important step to correct this imbalance by  
allowing small nonprofit employers to claim the same tax credits that are  
currently available to small businesses when starting a retirement plan,  
making employer contributions to that plan, and providing auto-enrollment  
features for employees.

Attracting and retaining employees is a longstanding challenge for  
nonprofit organizations, and it is made more challenging when only the  
retirement plan costs of for-profit employers are subsidized through the tax  
code. This is not just about fairness; if Congress believes that small  
employers should be incentivized to provide retirement benefits, then it

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**Dr. Akilah Watkins**  
Independent Sector

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The Honorable  
**John W. Gardner (1912-2002)**  
Founding Chair

**Brian O'Connell (1930-2011)**  
Founding President and President  
Emeritus

should not accept a system that excludes the 10% of the private workforce employed by nonprofit organizations.

According to [research conducted by Ernst & Young](#), allowing nonprofit employers equal access to these retirement tax credits would allow nearly 25,000 nonprofit workers to access a retirement plan per year, leading to almost \$60 million per year in employer contributions. Furthermore, 74% of voters in [a recent survey](#) supported extending employer tax credits to nonprofit organizations.

Nonprofit workers should not have to choose between serving a mission-oriented organization and securing their own retirement. Your legislation would strengthen the nonprofit workforce now and in the years to come. We are proud to have helped develop this legislation and look forward to working with you toward its enactment.

Sincerely,

A handwritten signature in black ink that reads "Akilah Watkins". The signature is fluid and cursive, with the first name "Akilah" and the last name "Watkins" clearly distinguishable.

Dr. Akilah Watkins  
President and CEO  
Independent Sector

[CC: Representative Blake Moore, Representative Brad Schneider]