

“Endowing the Future to Meet Today’s Needs”

**TESTIMONY OF JOY BORUFF
PRESIDENT OF THE ILLINOIS ALLIANCE OF COMMUNITY FOUNDATIONS
BEFORE THE SENATE REVENUE COMMITTEE
IN SUPPORT OF SENATE BILL 1935
MARCH 11, 2009**

GOOD AFTERNOON, CHAIRMAN VIVERITO AND MEMBERS OF THE COMMITTEE. THANK YOU FOR THE OPPORTUNITY TO BE HERE TODAY TO TESTIFY IN SUPPORT OF SENATE BILL 1935 THE ENDOW ILLINOIS TAX CREDIT ACT. MY NAME IS JOY BORUFF AND I AM THE EXECUTIVE DIRECTOR OF THE MOLINE FOUNDATION, A COMMUNITY FOUNDATION SERVING MOLINE AND ITS ENVIRONS. I ALSO SERVE AS THE PRESIDENT OF THE ALLIANCE OF ILLINOIS COMMUNITY FOUNDATIONS.

SENATE BILL 1935 COMES AT A CRITICAL TIME IN OUR COMMUNITIES, AND PROVIDES A CREATIVE WAY TO SUPPORT FUNDING FOR BASIC HUMAN NEEDS. THE BILL AS PRESENTED PROVIDES INDIVIDUAL AND SMALL BUSINESS DONORS WHO CONTRIBUTE TO COMMUNITY FOUNDATIONS WITH AN INCOME TAX CREDIT IN THE AMOUNT OF THEIR DONATION.

COMMUNITY FOUNDATIONS ARE “PUBLIC FOUNDATIONS” SUBJECT TO A PUBLIC SUPPORT TEST MEANING THAT THEY RECEIVE A CERTAIN PORTION OF THEIR ANNUAL SUPPORT FROM MULTIPLE INDIVIDUALS AND ORGANIZATIONS. COMMUNITY FOUNDATIONS BLANKET THE STATE WITH THE CAPACITY TO SERVE URBAN, SUBURBAN AND RURAL COMMUNITIES IN ALL 102 COUNTIES. MANY ARE REPRESENTED HERE TODAY.

COMMUNITY FOUNDATIONS PROVIDE OPPORTUNITIES TO POOL INDIVIDUAL GIFTS INTO PERMANENT LOCAL ENDOWMENT FUNDS FOR THE BENEFIT OF THE COMMUNITY, AND GIVE DONORS UNPARALLELED UNDERSTANDING OF LOCAL NEEDS. FUNDING FROM

COMMUNITY FOUNDATIONS AUGMENTS STATE HUMAN SERVICE AND COMMUNITY & ECONOMIC DEVELOPMENT PROGRAMMING. BASIC HUMAN NEEDS LIES AT THE CORNERSTONE OF COMMUNITY FOUNDATION GRANTMAKING. COMMUNITY FOUNDATIONS ARE EFFICIENT, AGILE AND NIMBLE OPERATING WITH LOW ADMINISTRATIVE COSTS AND OVERHEAD.

WHY "ENDOW ILLINOIS"? THERE IS AN URGENT NEED TO SUPPORT COMMUNITIES WITH FUNDING FOR BASIC HUMAN NEEDS. 27 STATES CURRENTLY PROVIDE TAX CREDITS OR OTHER TAX INCENTIVES FOR INDIVIDUAL DONORS CONTRIBUTING TO ENDOWMENT FUNDS. AS PREVIOUSLY DESCRIBED, SENATE BILL 1935 AUTHORIZES AN INCOME TAX CREDIT TO TAXPAYERS WHO PROVIDE AN ENDOWMENT GIFT TO A PERMANENT ENDOWMENT FUND HOUSED AT A COMMUNITY FOUNDATION. IMPORTANTLY, THE ACT SETS A MAXIMUM AGGREGATE AMOUNT OF QUALIFIED CREDITS.

ENDOW ILLINOIS CREATES A WIN-WIN FOR ILLINOIS TAXPAYERS AND PROVIDES FOR A TRUE COMMUNITY PARTNERSHIP BETWEEN THOSE WITH WEALTH AND THOSE THAT BENEFIT FROM PHILANTHROPIC EFFORTS. ENDOW ILLINOIS WILL NOT CREATE ADDITIONAL TAX BURDEN ON THE STATE. RATHER, AS COMMUNITY FOUNDATION ENDOWMENTS GROW, FUNDS PROVIDED TO COMMUNITY PROJECTS WILL OFFSET STATE FUNDING FOR THOSE PROJECTS.

THANK YOU FOR YOU ATTENTION AND CONSIDERATION. ON BEHALF OF THE ALLIANCE OF ILLINOIS COMMUNITY FOUNDATIONS, I WOULD URGE YOU TO SUPPORT SENATE BILL 1935. I WOULD BE PLEASED TO ANSWER ANY QUESTIONS YOU MAY HAVE.