



**PRESS RELEASE**  
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***New Federal Law Reforms Charities, Offers Tax Incentives  
for Charitable Giving***

**Alexandria, VA** – United Way of America today released a review of the charity-related provisions in the Pension Reform Act of 2006, signed into law by President Bush on August 17.

The package includes a major new tax incentive allowing individuals to make tax-free charitable contributions from Individual Retirement Accounts (IRAs). United Way estimates that this provision alone will generate hundreds of millions of dollars in new giving to the charitable sector. The law also extends tax incentives for food donations to charities that were enacted in the aftermath of Hurricane Katrina.

Furthermore, the new law stipulates a number of reforms for the charitable sector, including new rules requiring all cash donations to be fully documented and all donations of clothing and household goods to be in good condition or better.

Other highlights include: new limits on the deductibility of stuffed and mounted animals, which had been used to underwrite safaris and other “junkets”; new restrictions on charitable deductions for legal easements that limit the development of historic homes and structures; and new requirements for donated artwork.

The complete United Way review can be found online at [www.unitedway.org](http://www.unitedway.org) with the direct link:  
<http://national.unitedway.org/files/pdf/UWAAAnalysis2006CharityLaw.pdf>

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**About United Way**

*United Way is a national network of more than 1,300 locally governed organizations that work to create lasting positive changes in communities and people's lives. Building on more than a century of service as the nation's preeminent community-based fundraiser, United Way engages the community to identify the underlying causes of the most significant local issues, develops strategies and pulls together financial and human resources to address them, and measures the results. United Way of America is the national organization dedicated to leading the United Way movement. While local United Ways tackle issues based on local needs, common focus areas include helping children and youth succeed, improving access to health care, promoting self-sufficiency, and strengthening families. For more information about United Way, please visit: [www.unitedway.org](http://www.unitedway.org).*