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**AD CAMPAIGN ASKS MINNESOTANS TO  
SEE CHARITIES' WORK IN COMMUNITY ASSETS**

ST. PAUL, MINN. (March 6, 2017) – What makes you smile when you look around your community? That's the question posed in a new advertising campaign being launched today by Allied Charities of Minnesota.

The ads remind Minnesotans that charitable gaming is providing funding for investments as diverse as new playgrounds, emergency fire and lifesaving equipment and recreation trails. The ads are being broadcast on more than 70 radio stations statewide. In the coming weeks, the ad campaign will expand to include newspapers, social media and other venues.

"In 2016, community charities – the veterans groups, fraternal organizations, youth athletic associations, faith communities, fire and police relief associations and others – were able to invest \$60 million directly into their communities," said Allen Lund, executive director of Allied Charities of Minnesota, a trade association representing non-profit organizations that hold gaming licenses. "While Minnesotans are enjoying pulltabs and bingo with their friends, they also are building their communities."

These investments are becoming more important to many communities faced with flat or even declining tax revenue. However, their future is in jeopardy, said Lund.

"Taxes on charitable gaming were increased substantially in 2012 to pay for U.S. Bank Stadium, a policy that now is causing many charities to question their very existence," said Lund. "Many charities, large and small, have reached the point where they are paying more in taxes than they are able to contribute to their community missions."

Lund pointed to the 302 military veterans organizations that operate charitable gaming as an example of the growing crisis. In 2016, these organizations collectively contributed \$6.4 million to their core missions. Their tax bill was nearly \$11 million.

"Even when the \$7 million veterans groups spend on their buildings and other costs are included – investments that also strengthen their communities – they are getting ever closer to

that day when they will be working more for U.S. Bank Stadium than for veterans and their communities,” said Lund.

Legislation has been introduced in both the Minnesota House of Representatives and Senate that would eliminate state taxes on the charitable gaming contributions from qualified organizations operating charitable gaming. Under current law, charitable gaming organizations are the only entities in the state that provide goods and services and are not able to deduct donations from their taxable income.

The proposed Community Vitality Investment Act (HF 226 and SF 419) would reduce taxes on charitable organizations by about \$16 million by eliminating taxes on their charitable contributions.

“This legislation is guaranteed community investment. Charities only receive a tax benefit if they make qualified contributions. It’s a dollar-for-dollar economic stimulus and community building program.”

Lund said there are solutions to maintaining secure funding for the NFL stadium that still would rely on revenue from charitable gaming.

“We recognize the importance of the Vikings to Minnesota and we always have been at the table to pay our share. There are ways to address our funding issue and still meet the needs of both the stadium bonds and our communities, and we are eager to work with legislators to share our ideas. Getting to that win-win solution, though, begins by acknowledging that community charities are facing a crisis, one that has a fair and effective solution,” according to Lund.

“We hope all Minnesotans – and especially community leaders – hear or read our ads and recognize this for the crisis that it is becoming. Minnesota is at risk of losing a good part of the \$60 million now being invested in community assets,” said Lund. “Not only can we hold on to that amount, we could give communities another \$16 million. What better tax reform is there than that?”

More information on the Community Vitality Investment Act is available at <http://alliedcharitiesmn.org/Community-Vitality-Investment-Act>

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