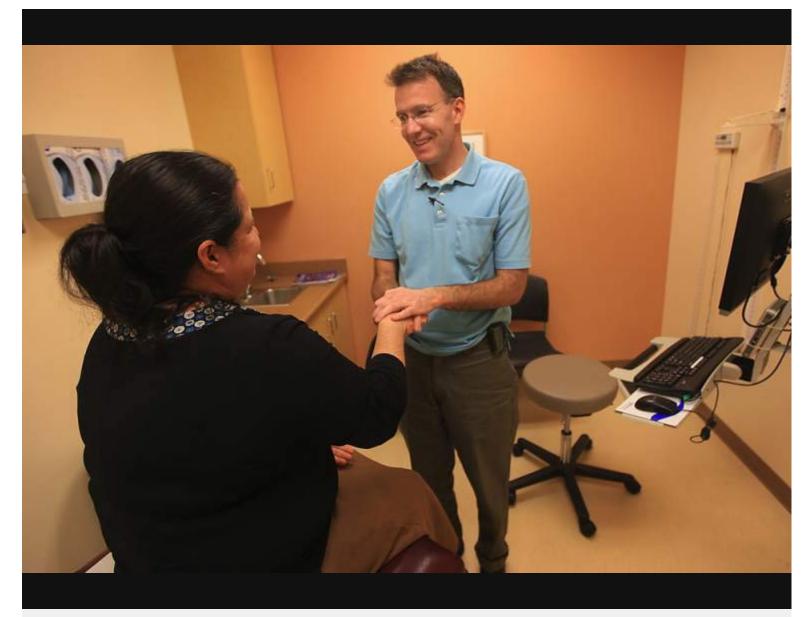
Some local nonprofits worried about U.S. tightening rules on donations



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on Friday, 12 28, 2012. At the Vista Family Health Center in Santa Rosa, Friday Dec. 28, 2012, Dr. Parker Duncan greet greets Yolanda Alcazar during a visit to the clinic on Round Barn Blvd. (Kent Porter / Press Democrat) 2012

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With only two days left for end-of-year charitable giving, some

managers of local nonprofit groups are quietly wondering whether this will be the last year their donors will get a full tax break from Uncle Sam for their generosity.

Americans donate about \$300 billion to qualifying charities every year, a sum that costs the federal government about \$50 billion in tax revenue, according to the New York Times. Now, the pressure is building in Washington to scale back deductions to help raise federal revenue.

That has local charities worried.

Mike Kallhoff, president and CEO of The United Way of Wine Country, said that even if such deductions are eliminated, many will continue to give, although others may not.

"Some people start off the conversation with, &'It's the end of the year and I know exactly how much I have to give to get my tax break," Kallhoff said.

He said it's unclear at this point what action Congress will take.

"Right now I have not heard anything other than everything is up in the air," he said. "My gut feeling is no, it won't happen. But it can happen, don't get me wrong."

At Vista Family Health Center in Santa Rosa, the fruits of donor gifts are visible everywhere, from the costly remodeling of the building to the daily services provided.

Donations have helped Vista's parent organization, Santa Rosa Community Health Centers, become a health-care powerhouse that will play a key role in serving many of the city's newly insured under President Barack Obama's health care law.

"We rely on donations for our operations and even more significantly for capital campaign contributions when we need to expand our operations and develop new programs," said Naomi Fuchs, CEO of the health centers.

Some of this year's donations will go toward the building of a dental clinic expected to open in 2013.

"We have a very generous community," she said. "I think people would continue to give, but it would be harder and maybe not as much."

Fuchs said eliminating or curtailing charitable deductions sends the wrong message to communities across

the country.

"The message needs to be that nonprofits and people in need are counting on their communities to give, especially during difficult times," she said.

But some charities rely less on big donors who are more likely to be partly motivated by tax write-offs.

Year-end donations comprise a significant source of funds for The Living Room, a Santa Rosa-based nonprofit that provides services to women and children who are homeless or at risk of being homeless.

Cheryl Parkinson, executive director of The Living Room, said the nonprofit has a "broad base" of support that consists of many smaller donations.

"For a lot of our donors, the tax write-off is not a big concern," Parkinson said.

This year, the Living Room's end-of-year fundraising campaign,

which usually raises \$15,000 to \$25,000, extends into next year. The Community Foundation of Sonoma County and The Living Room board of directors have offered to match all donations received before Jan. 31, up to \$15,000.

Local nonprofit leaders said that after the economy soured in 2008, services provided by local and state governments were scaled back and nonprofits began to assume a larger role in providing those services. At the same time, businesses and private donors started to give less.

"You can imagine, in terms of a business model, that's a really tough one," said Craig Anderson, executive director of LandPaths, a Santa Rosa-based nonprofit conservation group.

Anderson said he remains optimistic that charitable deductions will not be eliminated.

Like other nonprofits, LandPaths made no mention of the threat to deductions in its recent end-of-year plea for donations.

Instead, LandPaths is conducting an end-of-year campaign to match a \$26,000 donation from the William H. Hurt Foundation, the S.D. Bechtel Jr. Foundation and an individual donor.

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