Charity Parity Act (H.R. 8783 / S. 4511)

Modernizing Charitable Giving for America's Retirees

The bipartisan **Charity Parity Act** expands Qualified Charitable Distributions (QCDs) beyond Individual Retirement Accounts (IRAs) to include eligible employer-sponsored retirement plans, such as 401(k), 403(b), governmental 457(b), and similar plans.

Current law allows many older Americans to make tax-free charitable gifts directly from an IRA, but donors whose retirement savings are held in employer-sponsored plans often must first transfer those assets into an IRA before making the same charitable gift. The Charity Parity Act removes this unnecessary administrative barrier by treating retirement accounts more consistently for charitable giving purposes.

The bipartisan, bicameral bill is led by **Representatives Don Beyer (D-VA) and Mike Kelly (R-PA)** and **Senators Kevin Cramer (R-ND), Chris Coons (D-DE), Roger Marshall (R-KS), and Mark Warner (D-VA).**

Why Now?

> **Americans should be able to support the charities they care about regardless of which retirement account they use.**

Key Facts

- **$617 billion** was donated to U.S. charities in 2025, demonstrating the critical role of philanthropy in strengthening communities.
- **Bequest giving increased nearly 17%** in 2025, suggesting retirement and estate giving is becoming an increasingly important source of charitable support.
- **More than 10,000 Americans reach retirement age every day**, and many hold significant charitable assets in employer-sponsored retirement plans.
- As America enters one of the largest intergenerational wealth transfers in history, modernizing charitable giving rules can help more retirement assets reach local nonprofits.

Charity Parity Makes Charitable Giving Easier

Current law treats retirement accounts differently for charitable giving, creating unnecessary steps before many donors can support the causes they care about.

The Charity Parity Act would:

- Expand Qualified Charitable Distributions to eligible employer-sponsored retirement plans.
- Allow direct transfers from retirement plans to qualified charitable organizations.
- Reduce unnecessary administrative steps, paperwork, and transaction costs.
- Simplify charitable giving for donors and fundraising professionals.

- Build on the bipartisan charitable giving framework established through SECURE 2.0.

By creating greater consistency across retirement accounts, the legislation makes charitable giving easier while helping more charitable dollars reach local communities.

Congress Should Modernize Charitable Giving

The Charity Parity Act represents a bipartisan opportunity to strengthen charitable giving by modernizing Qualified Charitable Distribution rules.

AFP supports policies that:

- Encourage charitable giving
- Expand donor flexibility
- Reduce unnecessary administrative barriers
- Strengthen local nonprofits and the communities they serve

The Charity Parity Act is a practical, bipartisan solution that reflects how Americans save and give today.

We respectfully urge Members of Congress to cosponsor the bipartisan Charity Parity Act.

For additional information, please contact:

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