

## **Beyer, Kelly, Cramer, Coons Introduce Charity Parity Act**

***Bicameral, bipartisan legislation would eliminate tax penalties on charitable donations from employer sponsored retirement plans***

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**Tags:** [Equality](#) , [Economy](#)

Congressman Don Beyer (D-VA), Congressman Mike Kelly (R-PA), Senator Cramer (R-ND), and Senator Chris Coons (D-DE) today introduced the Charity Parity Act, which would allow taxpayers to make direct qualified charitable distributions (QCDs) from their employer sponsored retirement plans.

Currently, retirement savers can exclude up to \$110,000 in QCDs from their gross income annually. However, QCDs must be made directly from an individual's IRA to eligible charitable organizations. Distributions from employer-sponsored plans, such as 401(k)s and 403(b)s, are not eligible for QCD treatment. Individuals who wish to make charitable contributions from employer-sponsored retirement plans are required to first roll over the funds to an IRA, creating unnecessary costs and additional steps for retirement savers.

The Charity Parity Act would allow direct QCDs from employer-sponsored retirement plans. By doing so, it would ensure retirement savers are treated equitably regardless of the type of retirement plan holding their assets. Eliminating rollover-related fees, financial burdens, and the administrative complexity for savers who would otherwise need to transfer assets from employer plans to IRAs before making a charitable contribution would make it easier to give to charity and in higher amounts.

“Charities provide a critical range of services across the country and have been facing mounting pressures in recent years, both from rising demand and higher prices. While progress has been made in Congress to support the generosity of the American people, further work is needed to put the charitable sector on more stable footing,” said **Rep. Beyer**. “The Charity Parity Act would reinforce recent bipartisan successes and encourage additional giving by providing equal treatment for savers wishing to donate to charity regardless of the type of retirement plan holding their assets. I want to thank Rep. Kelly, and Sens. Cramer and Coons for their leadership on this important piece of legislation, and hope to see it enacted into law as soon as possible.”

“Our laws should encourage charitable giving and seek to make such generosity as easy to carry out as possible. Giving to others in need is a hallmark of the American character and part of what makes our country great,” said **Rep. Mike Kelly (R-PA)**. “This bipartisan,

bicameral legislation is a practical step toward ensuring Americans can contribute and donate to the causes of their choice without issue.”

“For millions of seniors, restrictive rules on retirement accounts limit their ability to use their hard-earned money to support charitable giving,” **said Senator Cramer**. “Three years ago, we passed the Legacy IRA Act, opening new possibilities for seniors to make charitable contributions. Our Charity Parity Act builds on this success by making other retirement funds eligible to make sure every senior can make donations, regardless of how they saved for retirement.”

“Delawareans have always risen to the occasion to support our neighbors and communities,” **said Senator Coons**. “Government should encourage that generosity, not tie it down in bureaucratic red tape. This bipartisan bill will make sure every American who wants to give charitably receives the same tax benefits, giving more people the opportunity to help those in need.”

Original cosponsors of the bill include Senators Mark Warner (D-VA) and Roger Marshall (R-KS), both of whom serve on the Senate Finance Committee. Text of the Charity Parity Act is available [here](#).

The legislation is endorsed by a broad coalition of charities and other nonprofits, including: American Heart Association; Association of Fundraising Principles; American Retirement Association; Mental Health America; Salvation Army; National Council of Nonprofits; Independent Sector; The Nonprofit Alliance; National Association of Charitable Gift Planners; American Cancer Society Cancer Action Network; United Way Worldwide; Infant Crisis Services; Mountain Area Health Education Center; The Church Alliance; Mountain Aging Partners, Inc.; Association of Art Museum Directors.

“The Charity Parity Act is a commonsense, bipartisan solution that empowers seniors to support the causes they care about while strengthening the charitable organizations that help people live longer, healthier lives. By building on the Legacy IRA Act and expanding Qualified Charitable Distributions to include 401(k) and 403(b) accounts, this legislation makes charitable giving more accessible and equitable for retirees. We are grateful to Representatives Don Beyer and Mike Kelly and Senators Chris Coons and Kevin Cramer for their leadership in helping nonprofit organizations including the American Heart Association advance health and hope for everyone, everywhere,” **said Mark Schoeberl, Executive Vice President of Advocacy for the American Heart Association**.

"Nonprofits are America's backbone, delivering critical services effectively, driving economic growth, and strengthening communities," stated **Diane Yentel, president and CEO of the National Council of Nonprofits**. "Despite this vital role, nonprofits today are

facing significant, unprecedented financial challenges that have forced many local organizations to cut back on the services they provide, reduce staff, or even close their doors. I applaud Representatives Beyer and Kelly and Senators Coons and Cramer for introducing bipartisan legislation to make it even easier for Americans to support nonprofits that provide essential services to their neighbors."

"We thank Representatives Beyer and Kelly and Senators Cramer and Coons for introducing this important bipartisan bill to expand charitable giving opportunities for retirement-age Americans," said **Michael Kenyon, President & CEO of the National Association of Charitable Gift Planners**. "QCDs from IRAs have long been a valuable tool for donors to support causes they believe in, and extending this option to employer-sponsored plans is a commonsense step that will unlock greater philanthropic support. As gift planners, we support policies that reduce friction in giving and empower donors to act on their generosity and leave their legacy. This proposal would do just that."

"American retirement savers should not have to jump through unnecessary hoops to support charitable causes simply because their savings are held in a 401(k), 403(b), or other employer-sponsored retirement plan instead of an IRA," said **Brian Graff, CEO of the American Retirement Association**. "The Charity Parity Act builds on the success of SECURE 2.0 by ensuring retirement savers are treated fairly regardless of where they hold their assets, while making it easier for Americans to give back to the organizations and communities they care about most. By reducing administrative burdens, this legislation can help encourage greater charitable giving while strengthening retirement security."

"The Nonprofit Alliance welcomes the introduction of the bipartisan, bicameral Charity Parity Act. This legislation will allow seniors to make qualified charitable distributions from 401(k) and 403(b) accounts and is an important step toward increasing participation in charitable giving by expanding options to do so. We sincerely thank Representatives Beyer and Kelly and Senators Coons and Cramer for their introduction of this timely legislation," said **Shannon McCracken, President and CEO of the Nonprofit Alliance**.

"Since its creation in 2006, the IRA Charitable Rollover has helped older Americans use their retirement accounts to make a difference and support the causes they care about. Representatives Don Beyer and Mike Kelly and Senators Chris Coons and Kevin Cramer each have a long history of working to advance charitable giving, and Independent Sector applauds them for their continued leadership. By reducing unnecessary paperwork and fees, this commonsense legislation will help more charitable dollars reach their intended target: American communities and our neighbors in need," said **Dr. Akilah Watkins, President and CEO of Independent Sector**.

“Fundraisers work every day to connect generosity with community needs, and the Charity Parity Act removes unnecessary barriers that stand in the way of that generosity. By allowing seniors to give directly from employer-sponsored retirement plans, this bipartisan legislation modernizes charitable giving and puts donors—not paperwork—at the center of the process. The Association of Fundraising Professionals strongly supports policies that make it easier for people to give and strengthen the nonprofit sector’s ability to serve their communities,” **said H. Art Taylor, President & CEO of the Association of Fundraising Principles.**

“With art museums typically depending on gifts for a third of their revenue, donations are what enable free and reduced admission, educational programs, and a host of community services.” **said Christine Anagnos, Executive Director of the Association of Art Museum Directors.** “AAMD offers its thanks to Reps. Beyer and Kelly and Sens. Cramer and Coons for their leadership on the Charity Parity Act.”