

Congress of the United States
Washington, DC 20515

April 11, 2005

PRESERVE ORIGINAL ARTWORKS FOR THE PUBLIC

Dear Colleague:

We urge you to join us in cosponsoring H.R. 1120, the Artists' Contribution to American Heritage Act. This important legislation will help museums, libraries, archives and the general public by encouraging artists, writers and composers to donate their original works to public institutions.

Under current law, taxpayers who donate a work of appreciated property to a qualified charitable institution may take a tax deduction equal to the fair-market value of the work. This serves as a powerful and effective incentive for collectors and others to donate artwork to museums, libraries, universities and archives that might otherwise be sold to private collectors and not available to the public. Unfortunately, creators of those same works may not take a similar deduction if they donate a work directly to a public institution. Instead, the artist may only deduct the cost of materials -- in the case of a painter, for example, the paint, canvas and framing -- which is always a nominal amount.

Our bill would not only correct the inequity in the tax code, but also ensure that important works of American art, which are part of our national heritage, remain in the public domain. Most museums, libraries and archives have few or no funds to purchase works of art and must rely on donations to keep their collections alive and vibrant. Without a meaningful tax deduction, artists cannot afford to donate their own works, which are then sold and removed from public view.


In the last Congress, the Joint Committee on Taxation estimated this reform would cost \$59 million over 10 years. While the impact on the federal treasury would be modest, the value of encouraging artist donations is enormous.

For example, when a living artist donates works to a collection, the works are tied to educational and outreach programs in which the artist often takes part. Artists are able to convey to a museum their theories on the work and how it fits the museum's collection.

H.R. 1120 creates a win-win situation for public institutions, artists and the general public. For further information or to become a cosponsor, please contact Karin Hope (Rep. Ramstad, X5-2871) or Emily Johnson (Rep. Cardin, X5-4016).

Sincerely,


JIM RAMSTAD
Member of Congress


BENJAMIN L. CARDIN
Member of Congress