

United States Senate

WASHINGTON, DC 20510

February 7, 2008

The Honorable Max Baucus
Chairman
Committee on Finance
219 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Charles Grassley
Ranking Member
Committee on Finance
219 Dirksen Senate Office Building
Washington, DC 20510

Dear Senators Baucus and Grassley:

As you consider whether to proceed with any additional tax legislation this year, we hope you will include S. 548, the Artist-Museum Partnership Act, in such a bill. This legislation would allow artists, composers, and writers to receive a tax deduction for the fair market value of their donated works. This would encourage the donation of artists' original works to public institutions, thus ensuring their preservation for future generations. A bipartisan group of 29 Senators is now cosponsoring this important legislation.

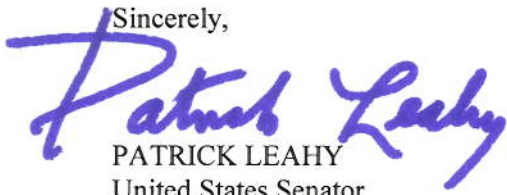
Under current law, collectors who donate works to qualified charitable institutions may take a tax deduction equal to the fair market value of the work. This serves as a powerful and effective incentive for collectors to donate works to museums, libraries, colleges, archives, and other public institutions rather than keep them hidden from the public eye. The benefits of bringing art to the public are enormous, as most parents and teachers can tell you. Moreover, artists and scholars gain from access to materials that reveal the creative underpinnings of existing compositions and inspire emerging artists. Unfortunately, creators of those same works may not take such a deduction if they donate a work directly. Instead, artists may only deduct the cost of supplies – e.g., paint and canvas – that, in most cases, is a nominal amount.

The Artist-Museum Partnership Act would correct this inequity by allowing artists, composers, and writers to take a tax deduction equal to the fair market value of a donated work. It would help museums, libraries, and archives reverse the sharp decline in donations of original work experienced in the past thirty years, due in large measure to the financial disincentive to make donations.

A number of national arts organizations – including the Association of Art Museum Directors; Americans for the Arts; American Association of Museums; American Federation of Musicians; League of American Orchestras; American Society of Composers, Authors, and Publishers; American Society of Media Photographers; Association of Writers and Writing Programs; Authors Guild; Literary Network; National Assembly of State Arts Agencies; and Anderson Ranch Arts Center – have endorsed our bipartisan bill.

As the attached report by the National Endowment for the Arts details, this bill will make a critical difference in artists' decisions to donate their work rather than selling it to a private party. The public benefits when artists are encouraged rather than discouraged to donate their work during their lifetime. Since the Artist-Museum Partnership Act creates a win-win situation for artists, libraries, archives, museums, and the public, we strongly urge you include it in any future tax legislation.

Sincerely,


PATRICK LEAHY
United States Senator


ROBERT BENNETT
United States Senator