



**Giving
USA™**

A public service initiative
of The Giving Institute



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Giving USA 2019

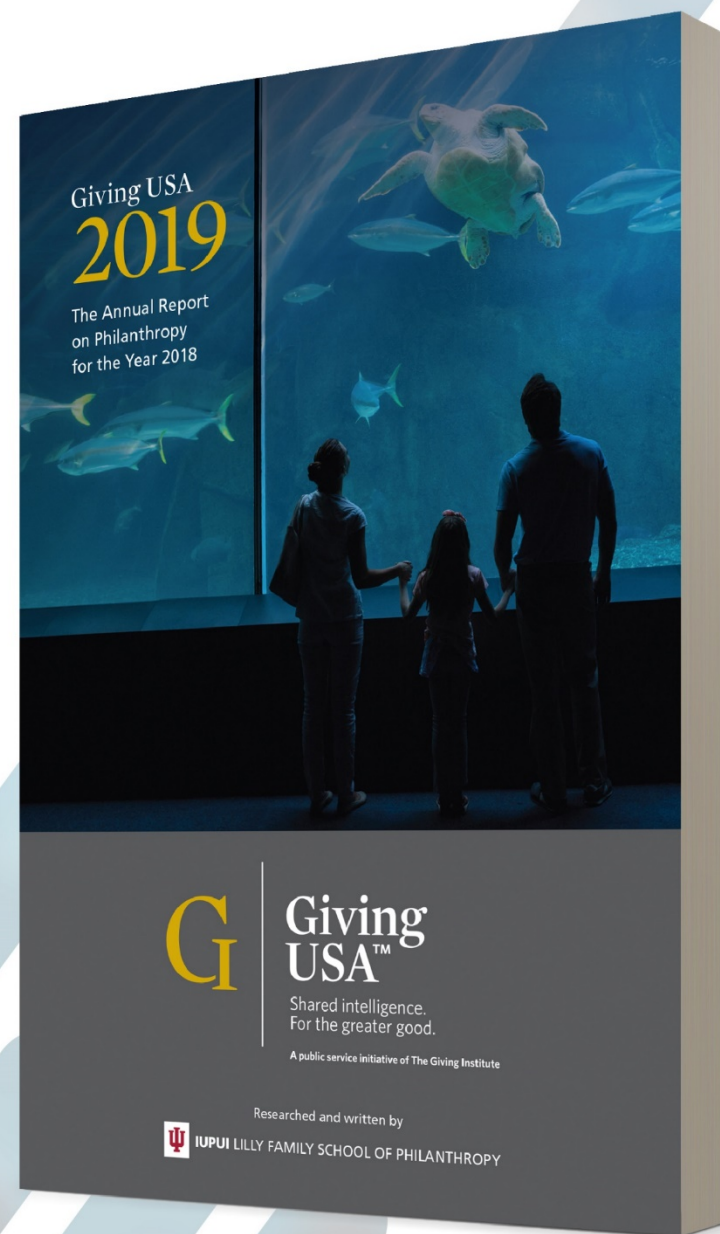
The Annual Report on Philanthropy
for the Year 2018

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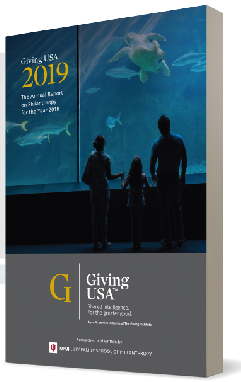


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Researched and written by  **IUPUI LILLY FAMILY SCHOOL OF PHILANTHROPY**

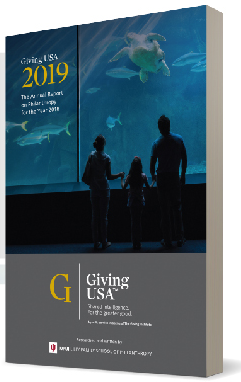


What is *Giving USA*?

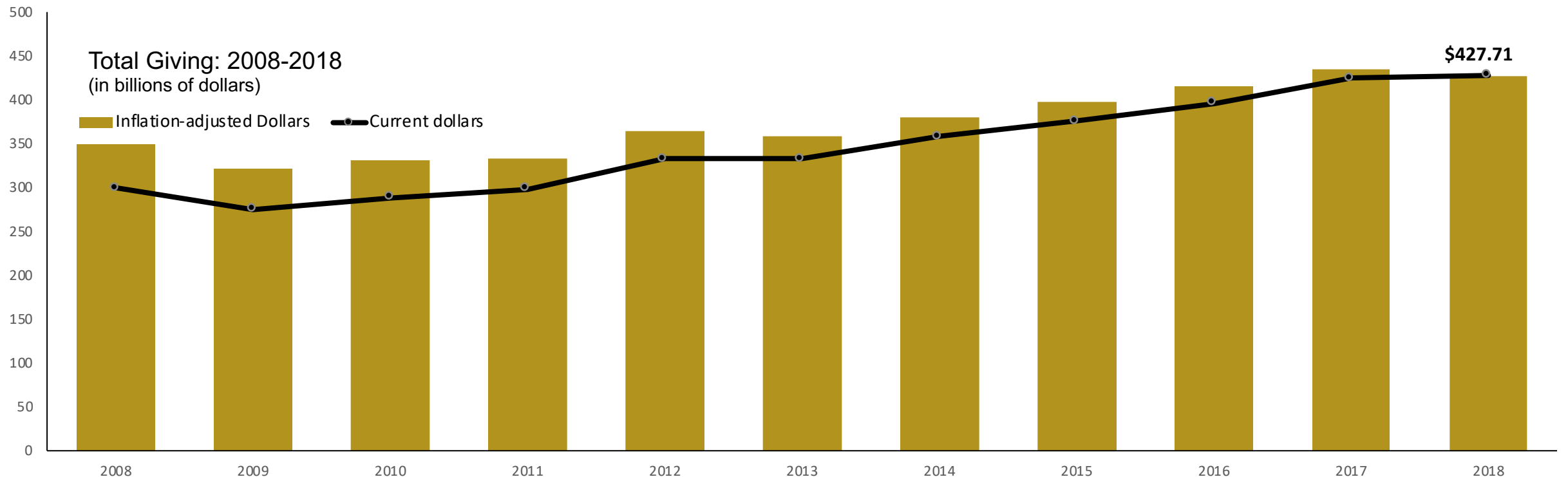


- The longest-running annual report on U.S. charitable giving
- Estimates for:
 - Sources of giving
 - Amounts received by type of organization
- Published by Giving USA Foundation™
- Begun in 1956 by the American Association of Fundraising Counsel, now The Giving Institute
- Made possible by contributions from The Giving Institute member firms, foundations, and other donors
- Researched and written by the Indiana University Lilly Family School of Philanthropy

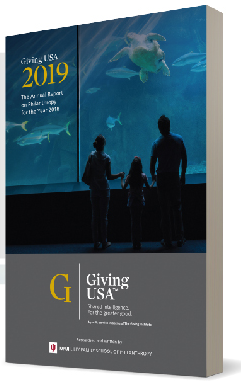
Giving reached \$427 billion amid a complex year



- 2018 follows 4 years of solid growth, including record-breaking 2017.
- Both **economic conditions** and the **policy environment** influenced giving.
- **One size does not fit all**—overall trends affected specific sectors and individual organizations differently.



Sources of giving had mixed results



In 2018, giving increased for two donor types and declined for two donor types*



Giving by individuals

↓ -1.1% (nominal)
↓ -3.4% (inflation adjusted)



Giving by foundations

↑ +7.3% (nominal)
↑ +4.7% (inflation-adjusted)



Giving by bequests

↕ 0.0% change (nominal)
↕ -2.3% (inflation-adjusted)

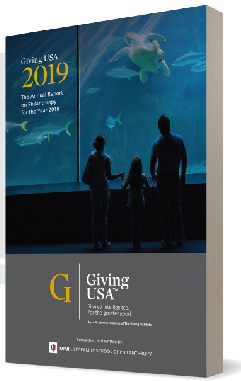


Giving by corporations

↑ +5.4% (nominal)
↑ +2.9% (inflation-adjusted)

*This statement reflects inflation-adjusted numbers.

Tax law may have different effects on different households

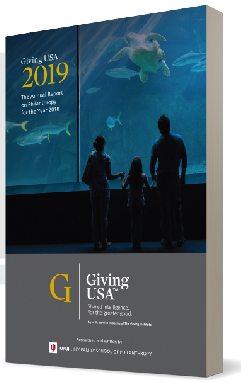


 Tax Cuts and Jobs Act went into effect in 2018

Factors affecting giving include:

- The increase in the standard deduction
↓ Reduces incentives to give
- The increase in the maximum charitable deduction (60% of adjusted gross income)
↑ Expanded incentives to give for high net worth individuals
- Cap on state and local tax (SALT) deductions
↓ Regional and local incentives depend state-by-state

Key economic factors associated with total charitable giving posted growth in 2018




↑ Some economic indicators may have boosted growth in giving

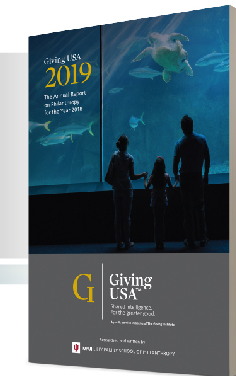
 **Disposable personal income** grew 5% over 2018

 **Gross domestic product** grew 5.2% over 2018

↓ Stock market volatility may have decreased giving by individuals

 **S&P volatility** at the end of 2018 may have influenced giving

Policy environment had complex impacts



New tax law ↓ ↑

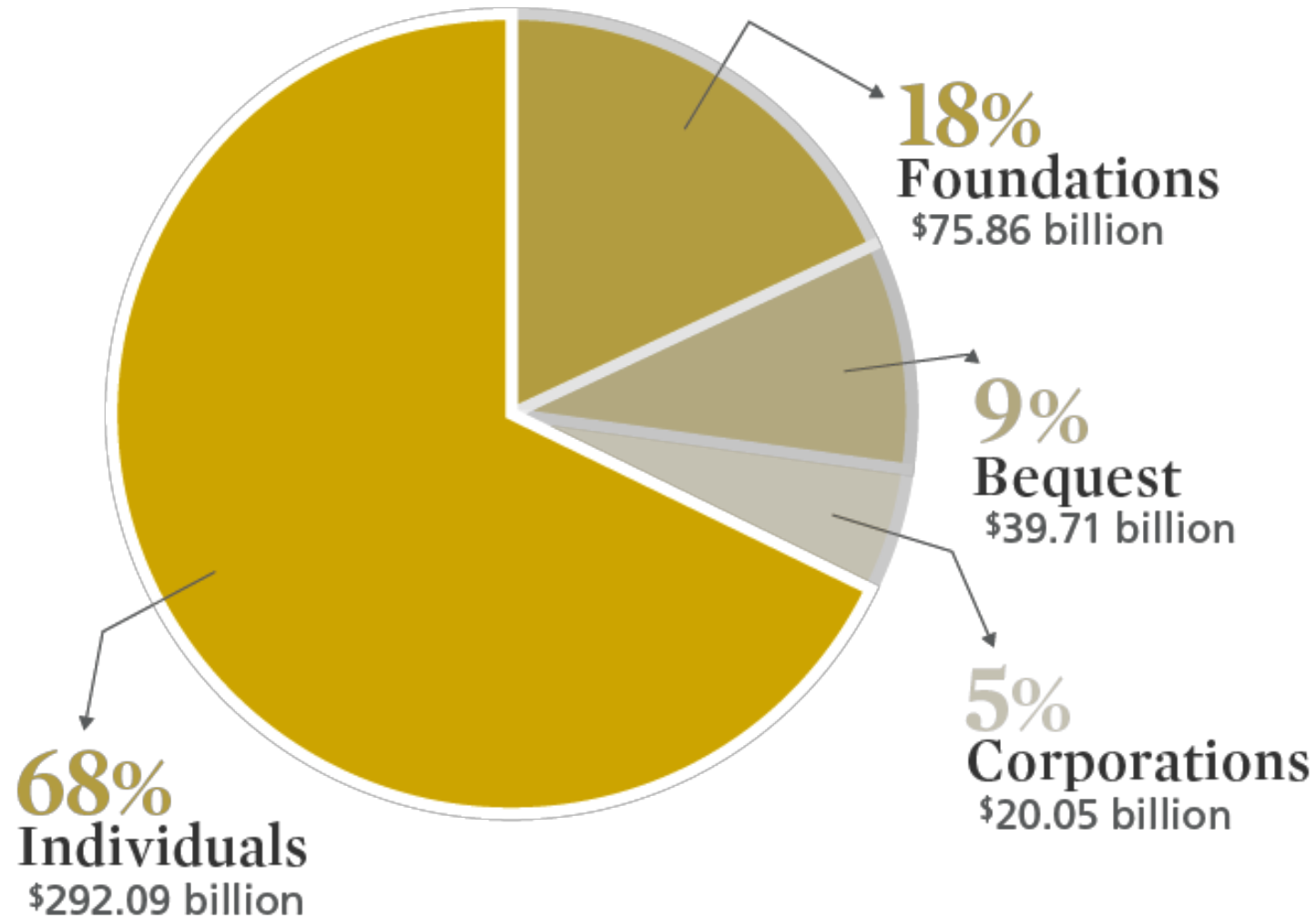
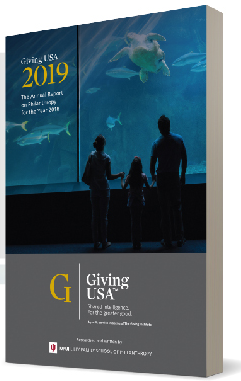


Policy environment ↓

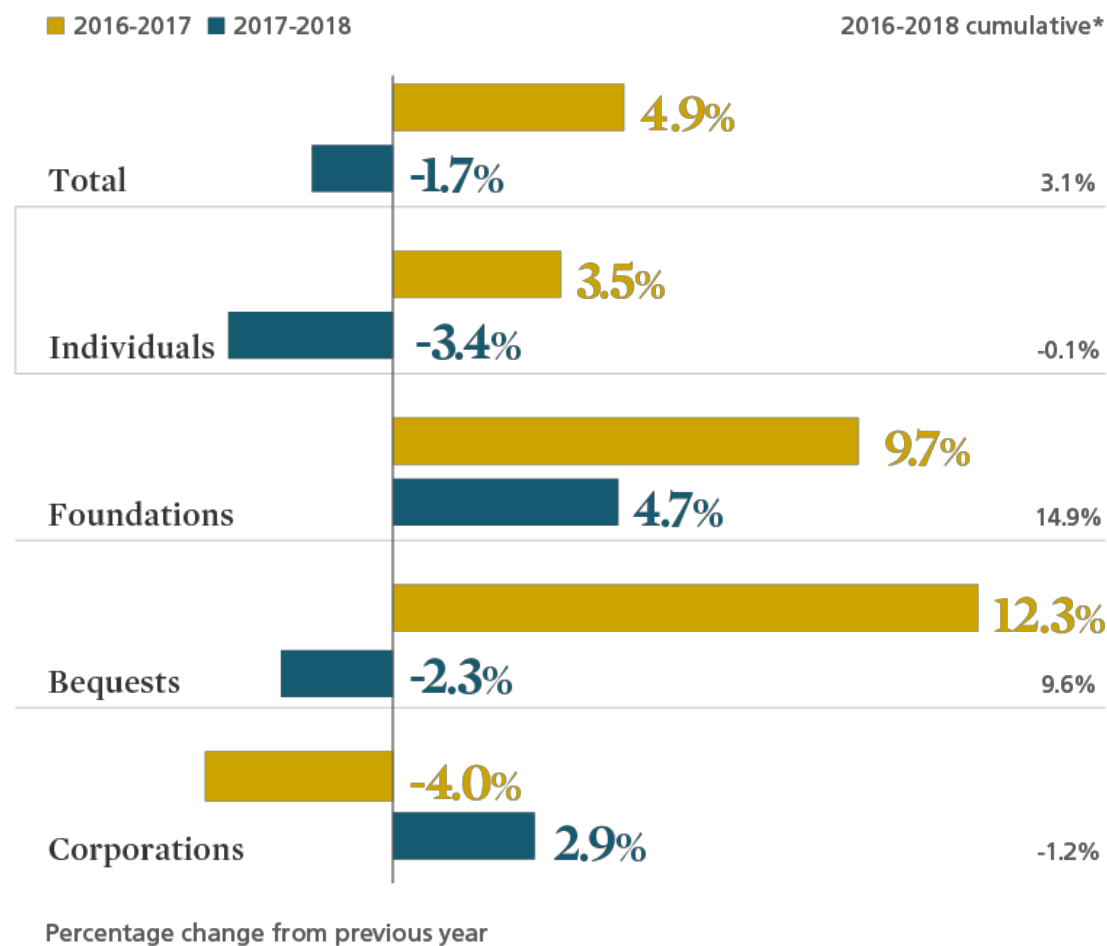
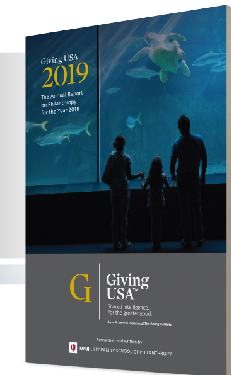
? Uncertainty surrounding policy impact ↓

Various sectors of the economy and of philanthropic giving will be affected differently.

2018 contributions: \$427.71 billion by source (in billions of dollars—all figures are rounded)

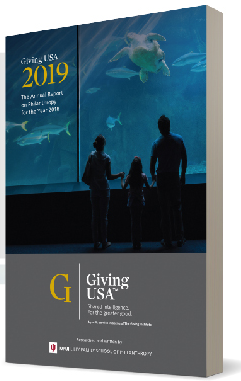


Changes in giving by source: 2016–2017 and 2017–2018, 2016–2018 cumulative (in inflation-adjusted dollars, 2018 = \$100)

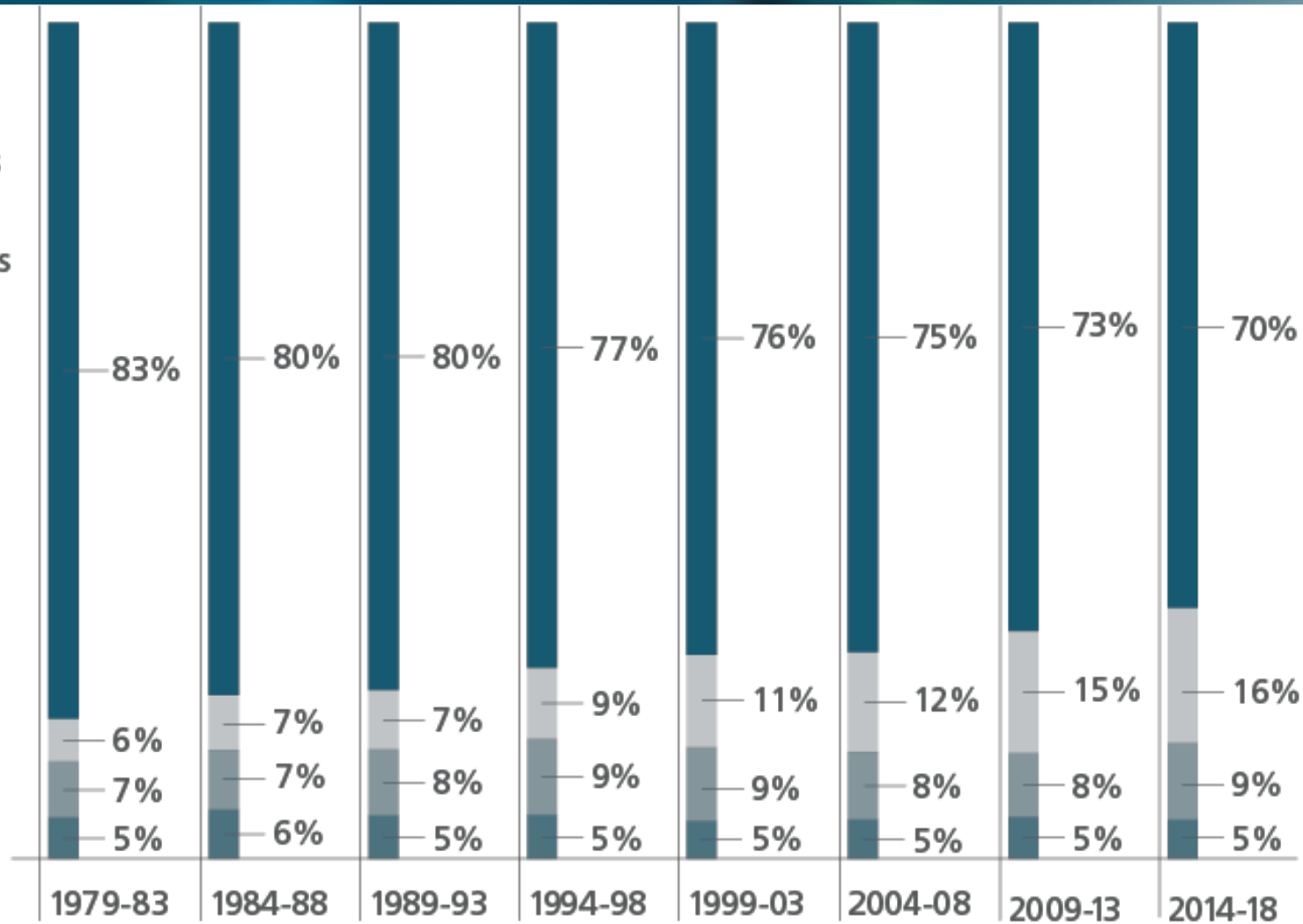


*The two-year change is calculated separately and is not the sum of the changes in the two years.

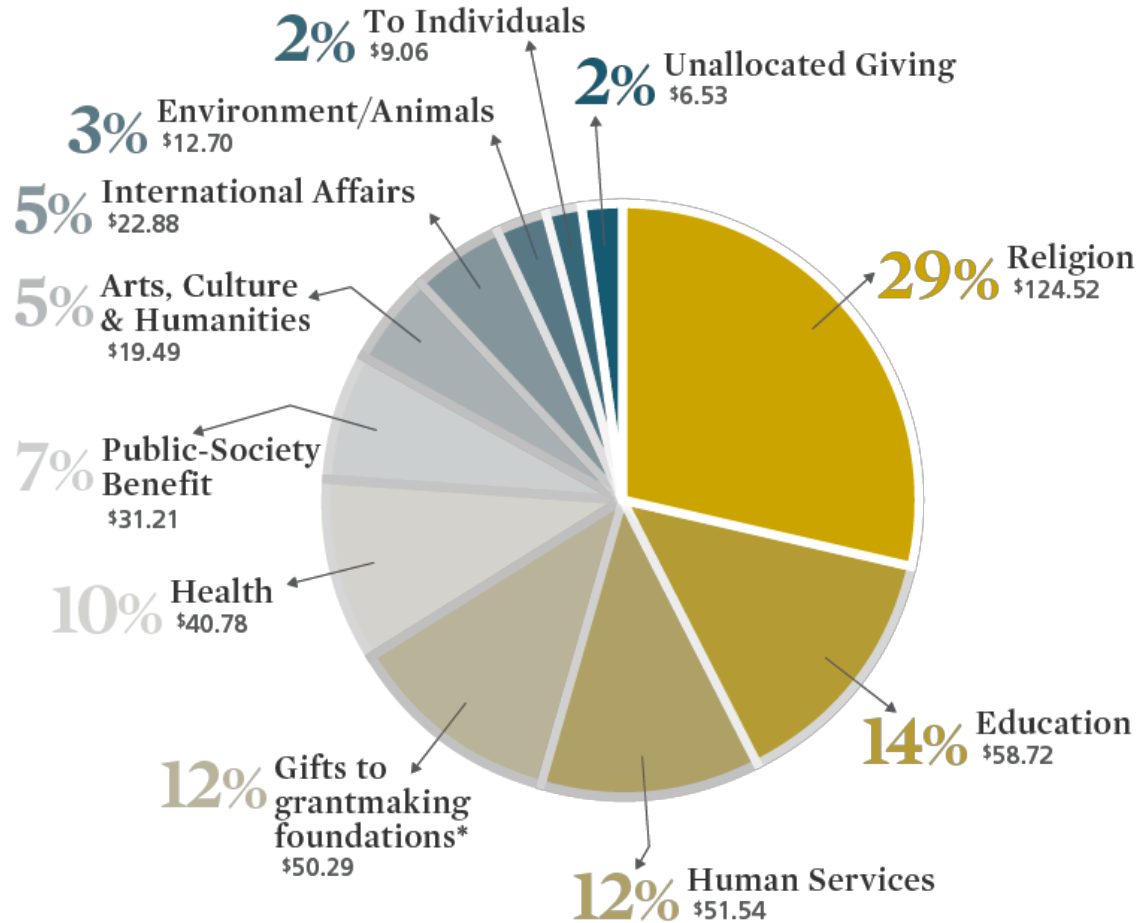
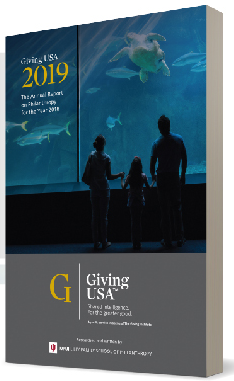
Giving by source: Percentage of the total in five-year spans, 1979-2018 (in inflation-adjusted dollars, 2018=\$100)



- Individuals
- Foundations
- Bequests
- Corporations



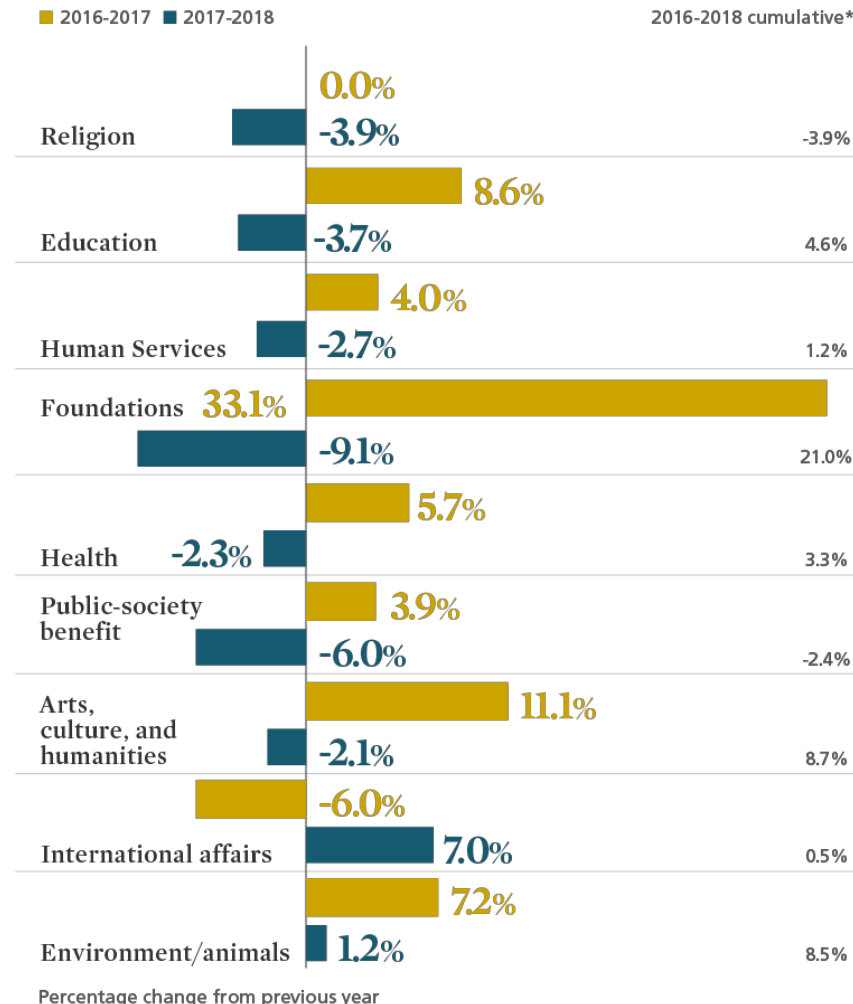
2018 contributions: \$427.71 billion by type of recipient organization (in billions of dollars—all figures are rounded)



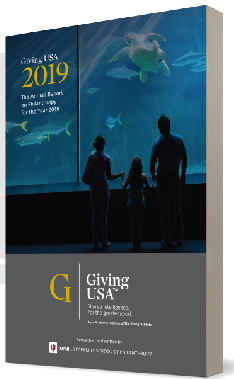
* Estimate developed jointly by Candid (formerly Foundation Center) and Giving USA

** Includes gifts to non-grantmaking foundations, deductions carried over, contributions to organizations not classified in a subsector, and other unallocated

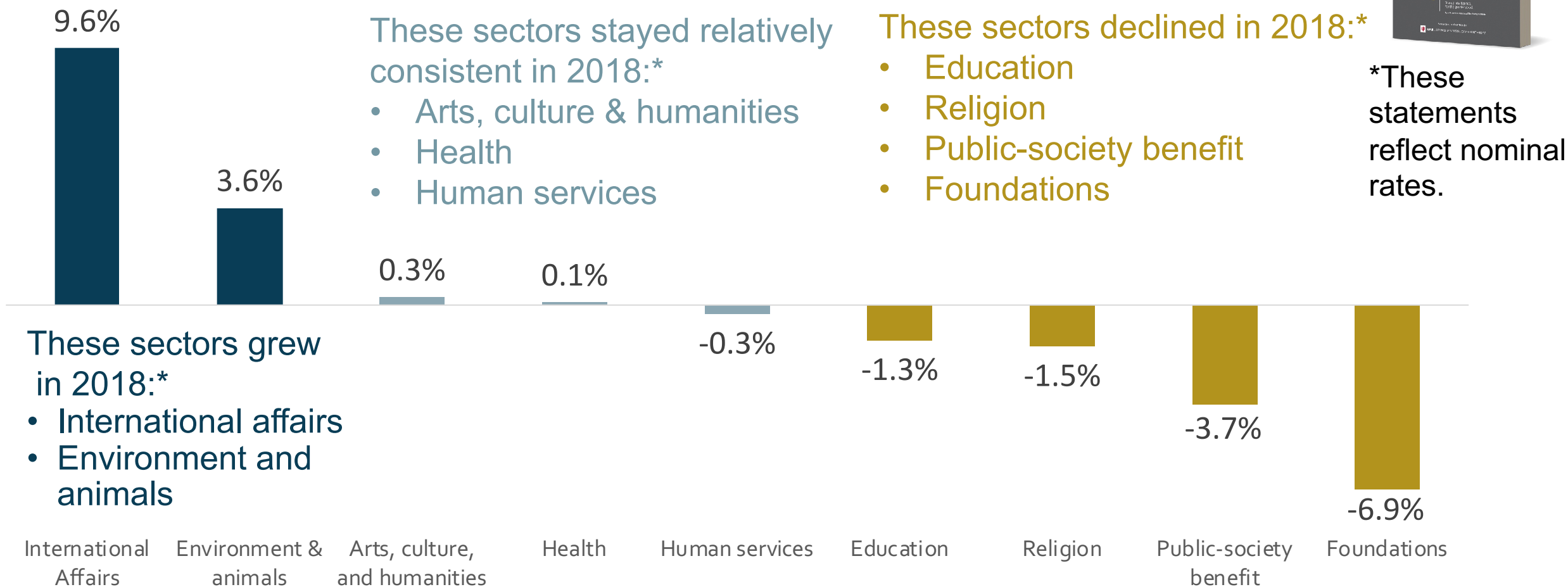
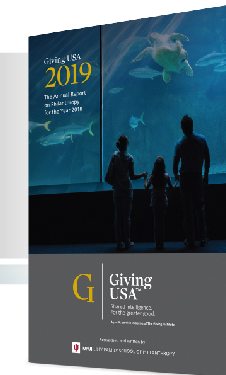
Changes in giving by type of recipient organization: 2016–2017 and 2017–2018, 2016–2018 cumulative (in inflation-adjusted dollars, 2018 = \$100)



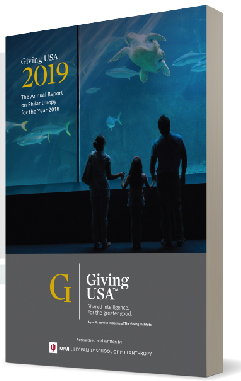
*The two-year change is calculated separately and is not the sum of the changes in the two years.



Recipient organizations saw uneven results



Smaller, newer subsectors grew faster



International affairs



+9.6% (nominal)
+7.0% (inflation-adjusted)
5% of overall giving

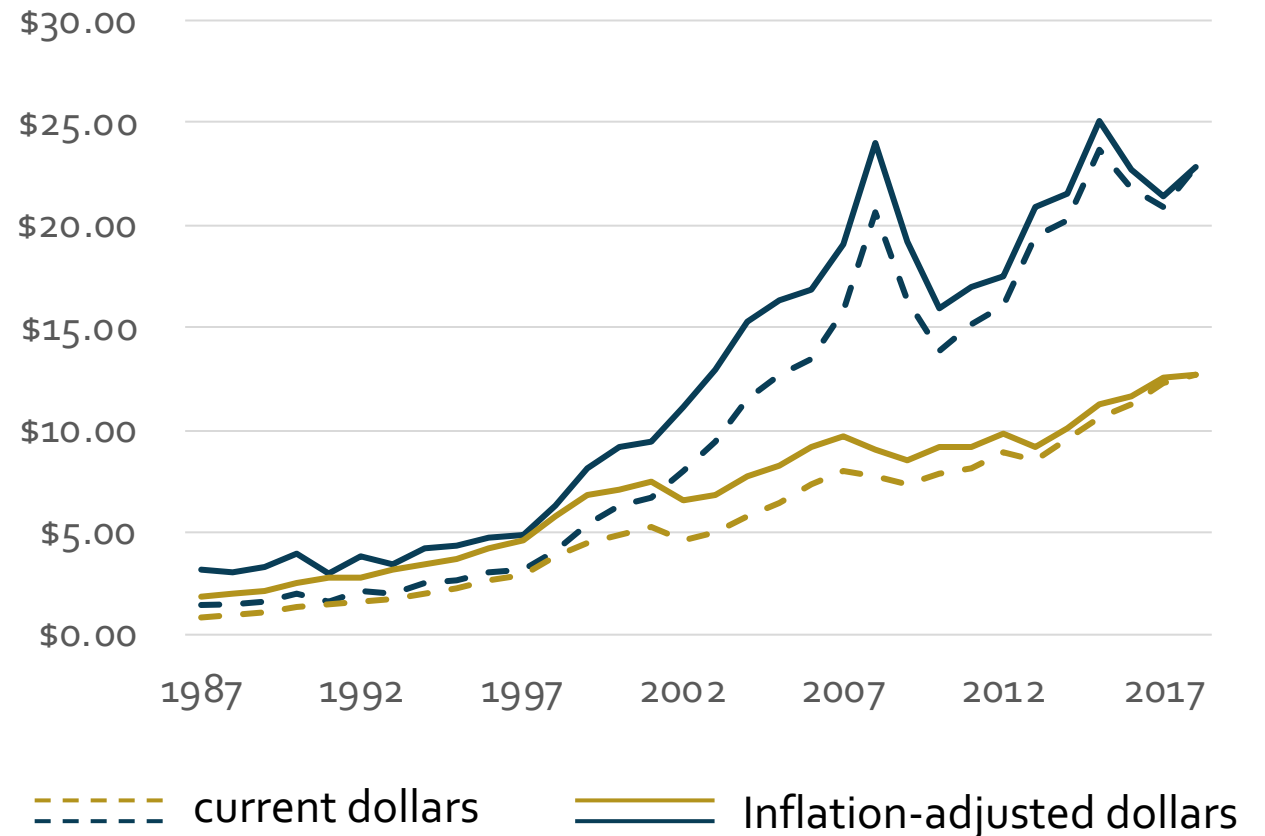


Environment and animals



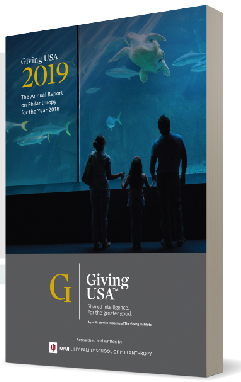
+3.6% (nominal)
+ 1.2% (inflation-adjusted)
3% of overall giving

Trends over time*

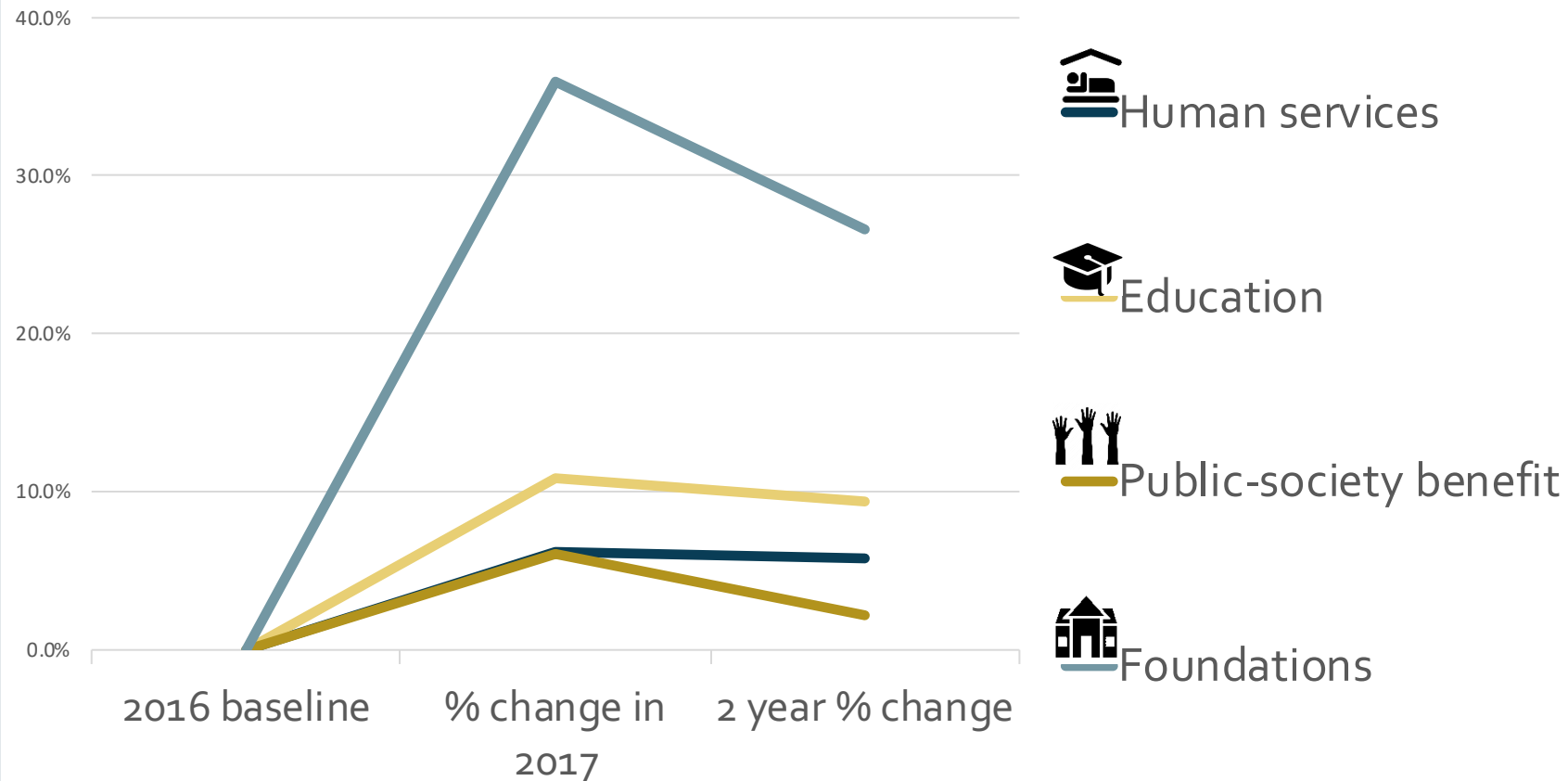


*Values are in billions of US dollars.

After a strong 2017, some categories faltered in 2018



Two-year percent change by recipient subsector



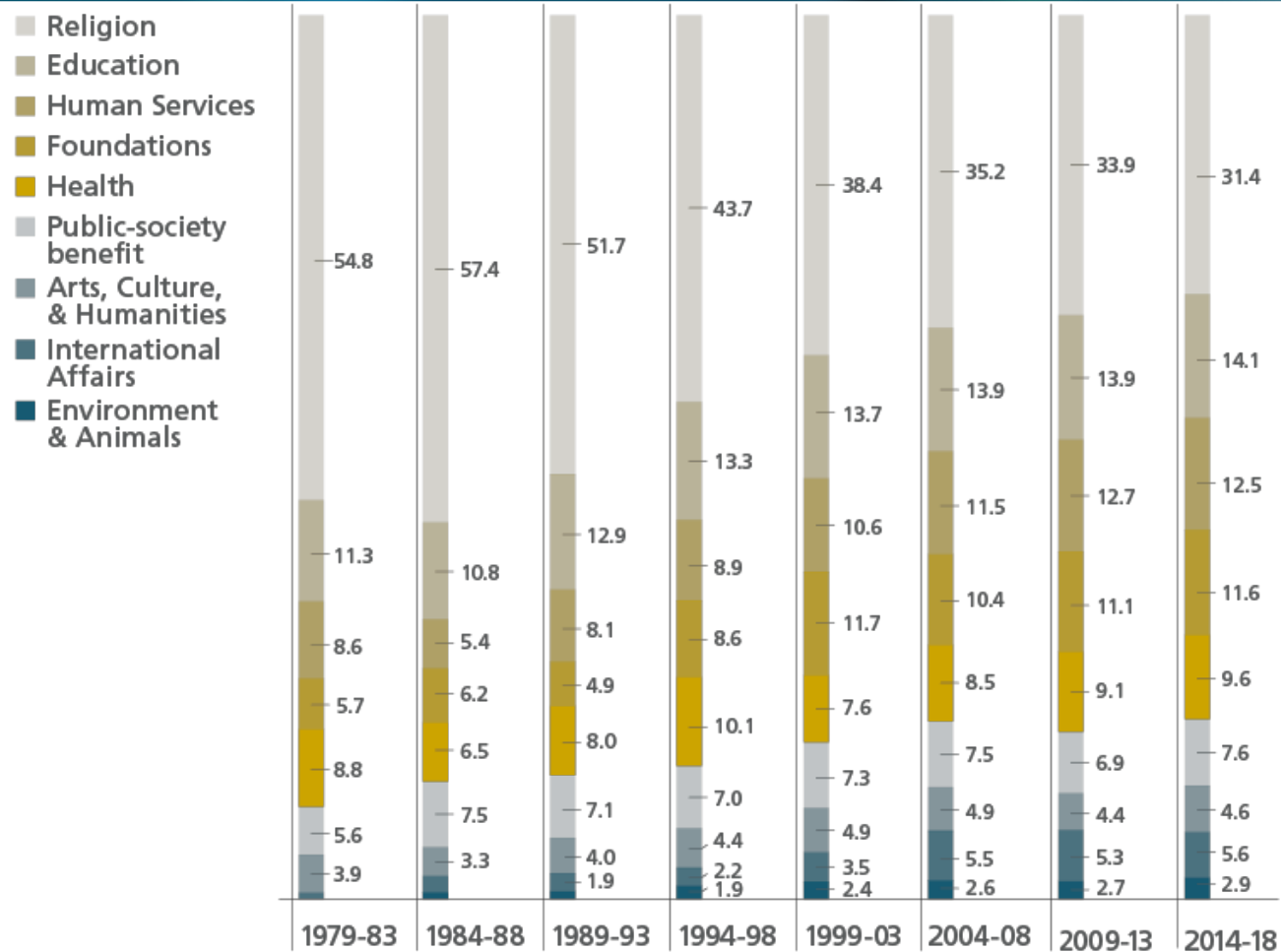
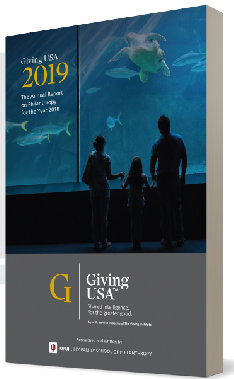
↓ Sectors which saw largest growth in 2017 also saw the largest decline in 2018.*

↑ Each sector had positive two-year growth.*

*These statements reflect nominal rates.

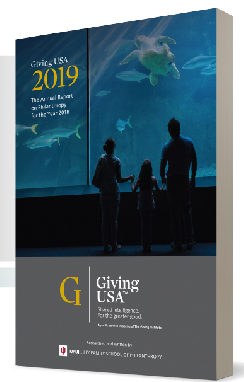
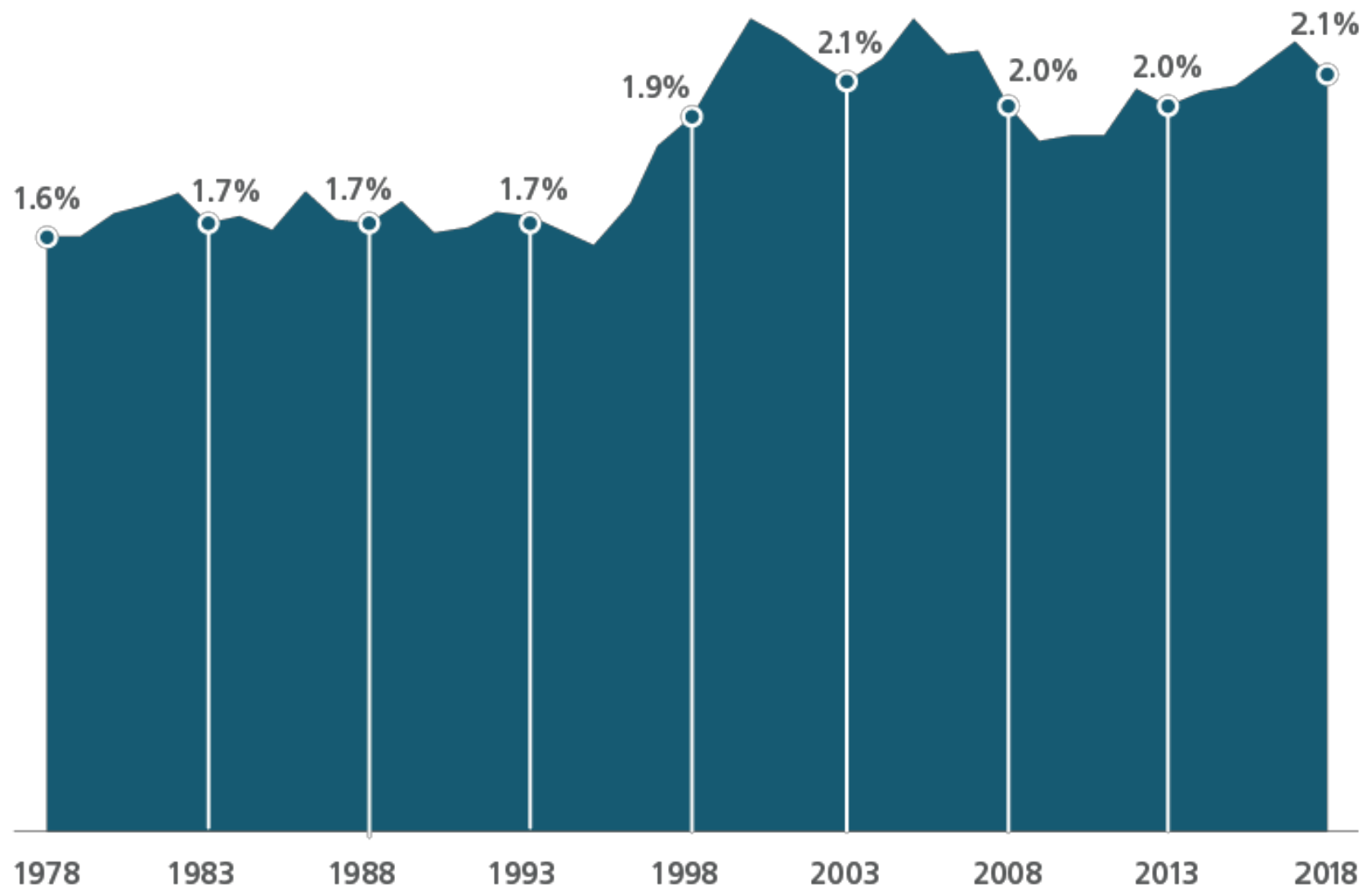
Giving by type of recipient: Percentage of the total in five-year spans, 1979-2018*

(adjusted for inflation, 2018 = \$100; does not include "unallocated")

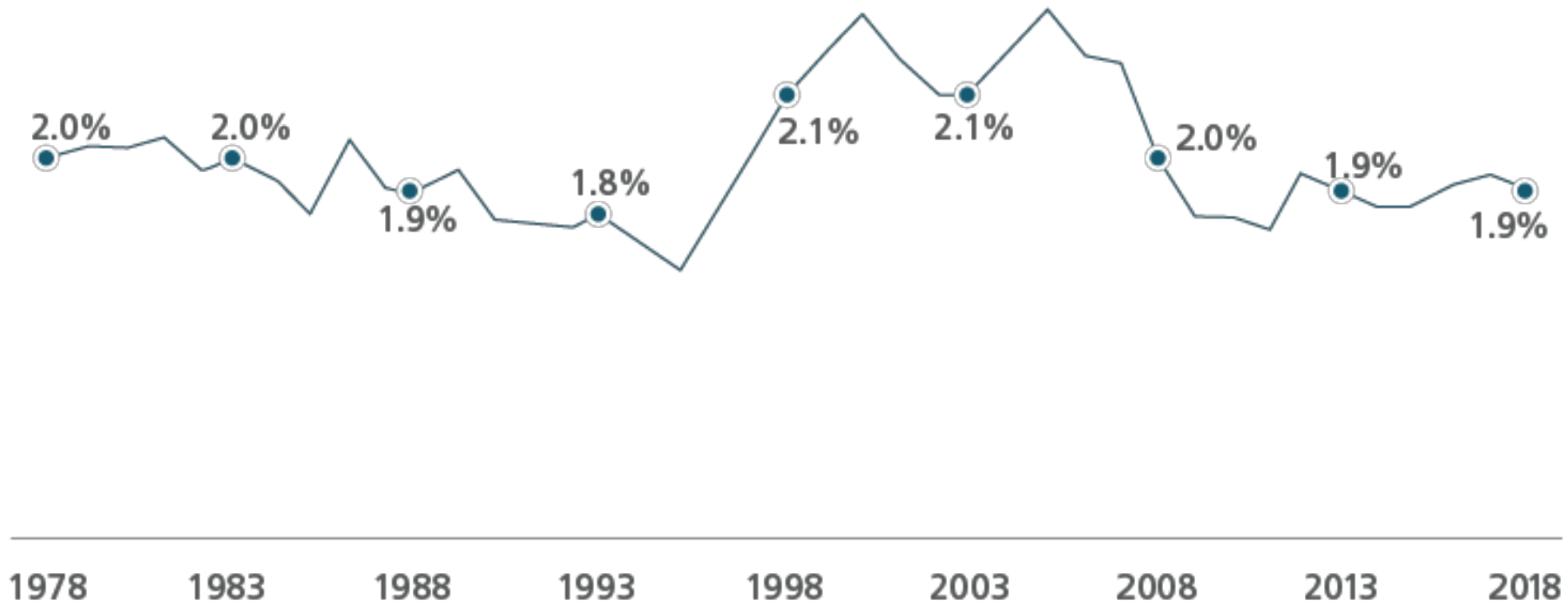
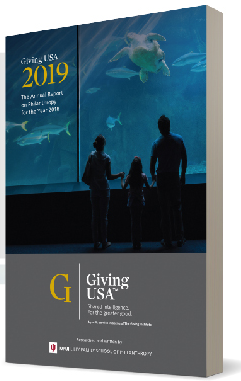


*Giving to foundations began to be reported in 1978, and giving to environment/animals and international affairs began to be tracked in 1987. Not all percentages are shown. Giving USA uses the CPI to adjust for inflation.

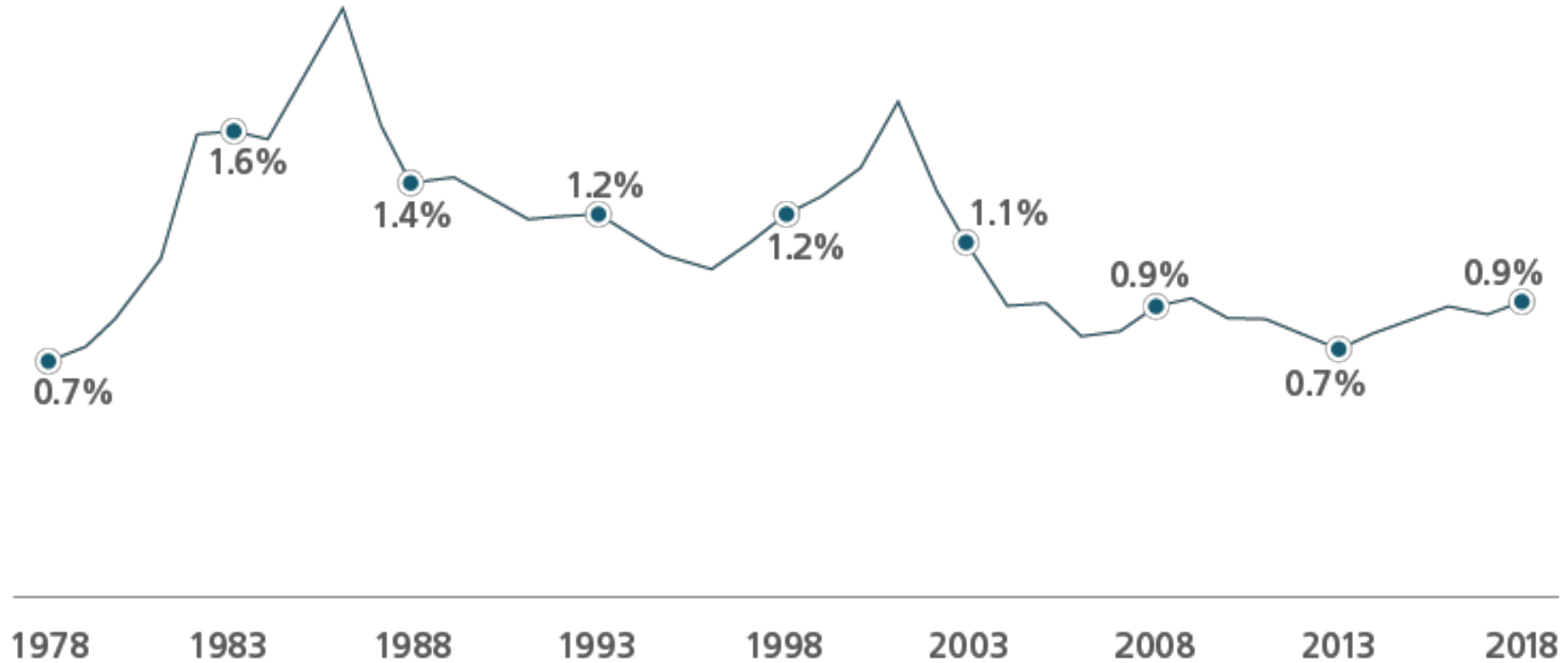
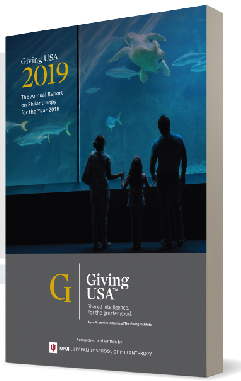
Total giving as a percentage of Gross Domestic Product, 1978-2018 (in inflation-adjusted dollars, 2018=\$100)



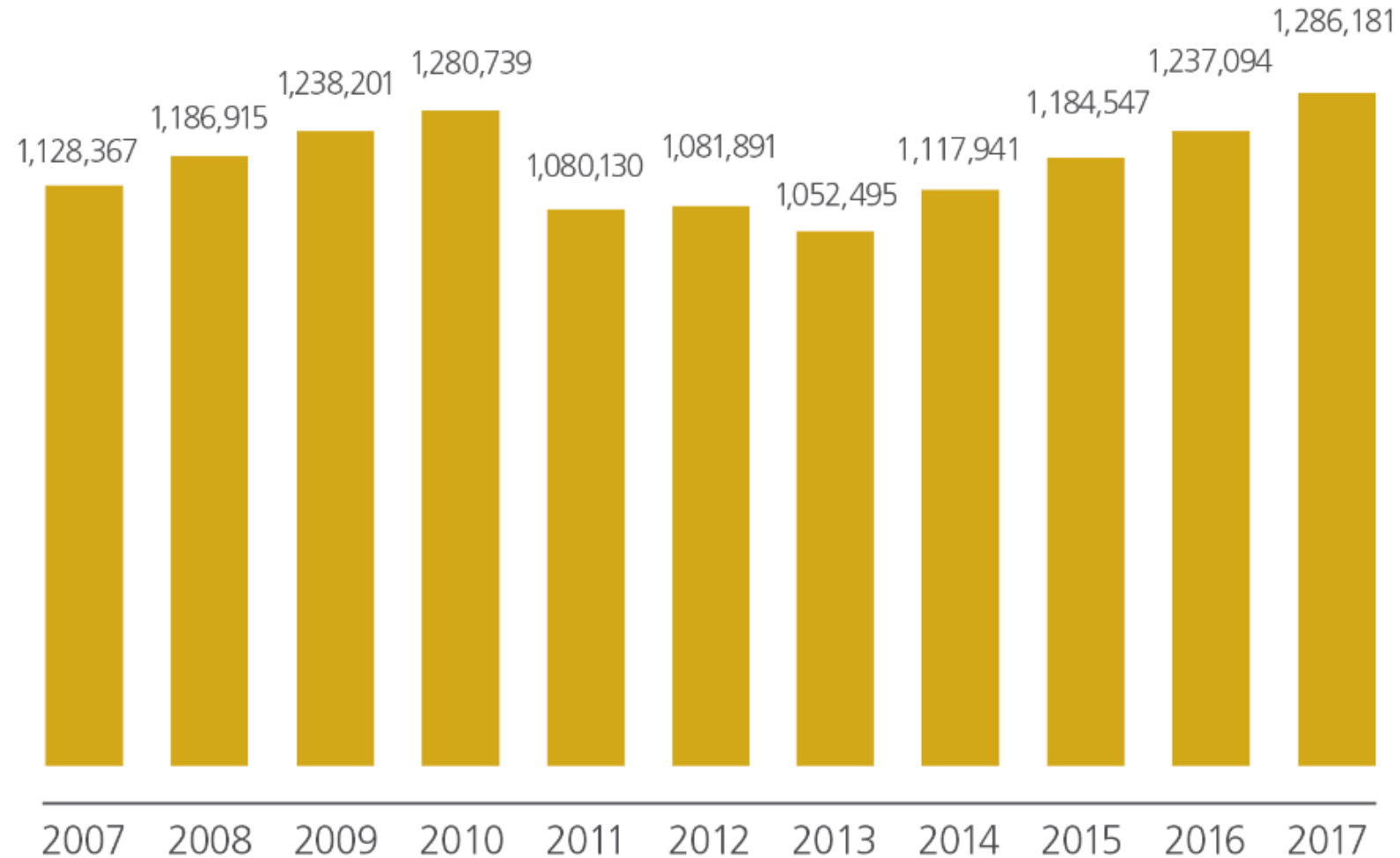
Individual giving as a percentage of disposable personal income, 1978-2018 (in current dollars)



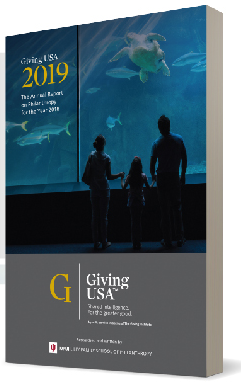
Corporate giving as a percentage of corporate pre-tax profits, 1978-2018 (in current dollars)







The number of 501(c)(3) organizations, 2007–2017

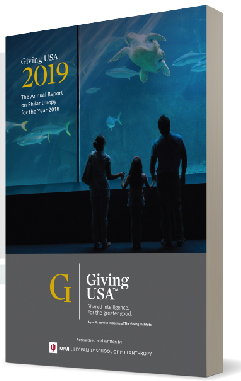


Fundraisers must find ways to embrace change



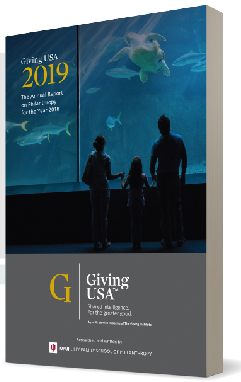
-  Understand new trends in giving.
-  Talk to your donors about how the policy climate affects them.
-  Embrace new financial tools.
-  Be responsive to the shifting landscape of philanthropy.

What did you take from these results?



Questions & Answers





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