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LILLY FAMILY SCHOOL OF PHILANTHROPY

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Giving USA 2021: In a year of unprecedented events and challenges, charitable giving reached a record \$471.44 billion in 2020

While a strong year-end stock market and giving in response to COVID-19 and racial justice efforts drove growth in contributions, a tumultuous year created an uneven picture

CHICAGO [June 15, 2021] — *Giving USA 2021: The Annual Report on Philanthropy for the Year 2020*, released today, reports that individuals, bequests, foundations and corporations gave an estimated \$471.44 billion to U.S. charities in 2020.

Total charitable giving grew 5.1% measured in current dollars over the revised total of \$448.66 billion contributed in 2019. Adjusted for inflation, total giving increased 3.8%. *(Please see below for a more detailed breakdown of the numbers for each philanthropic source and sector.)*

Giving USA, the longest-running and most comprehensive report on the sources and uses of charitable giving in America, is published by [Giving USA Foundation](#), a public service initiative of The Giving Institute. It is researched and written by the [Indiana University Lilly Family School of Philanthropy at IUPUI](#).

“Unprecedented developments in 2020 including the global pandemic, the ensuing economic crisis, and efforts to advance racial justice created intense, widespread need and significantly increased the demand upon nonprofit organizations. Remarkably, generous giving coupled with the stock market turnaround in the final months of the year boosted contributions. As a result, 2020 is the highest year of charitable giving on record,” said Laura MacDonald, CFRE, chair of Giving USA Foundation and Principal and Founder of Benefactor Group. “Amid these unique circumstances, however, the nation’s overall economic picture remained mixed. It is important to

recognize that the picture for individual households and organizations may have looked quite different, with many facing hardship even though total giving posted strong growth.”

“In some ways, 2020 is a story of uneven impact and uneven recovery. Many wealthier households were more insulated from the effects of COVID-19 and the ensuing economic shock, and they may have had greater capacity to give charitably than households and communities that were disproportionately affected and struggled financially,” said Amir Pasic, Ph.D., the Eugene R. Tempel Dean of the Lilly Family School of Philanthropy. “Similarly, growth in the S&P 500 in recent years and the market recovery in 2020 positioned foundations to respond to the year’s challenges, with the result that giving by foundations reached its largest-ever share of total giving, at 19 percent. Still, for many people and communities, the need remained great throughout the year and beyond.”

Last year was challenging according to many economic measures, including GDP, which declined by 2.3% from 2019. However, the passage of the CARES Act and the possibility of an approved COVID-19 vaccine helped markets rebound in the second half of the year, when most charitable giving occurs. By the end of 2020, the S&P 500, which is closely related to giving, grew 16.3%, and personal income, a factor that is significantly linked to individual giving, grew 6.1%. Giving by foundations skyrocketed, and giving by individuals and bequests also showed growth. Giving by corporations, which is more closely tied to GDP, declined.

Charitable giving grew from three of the four sources of giving and to seven of the nine major types of recipient charitable organizations in 2020. The experiences of individual charitable organizations may have varied.

“As we have seen in earlier years that included national crises or economic recessions, donors responded to urgent needs, and large-scale gifts as well as giving to COVID-19 relief and the racial justice movement helped drive the growth in individual and total charitable giving in 2020,” said Una Osili, Ph.D., associate dean for research and international programs at the Lilly Family School of Philanthropy. “Nonprofit leaders and fundraising professionals played a role with significant innovation in fundraising methods and donor outreach in order to raise greater financial support under difficult circumstances. In addition, we saw a wide range of more informal philanthropic responses by individuals in 2020, including mutual aid efforts and person-to-person giving.”

Highlights and Numbers for 2020 Charitable Giving by Source:

↑ **Giving by individuals** totaled an estimated \$324.10 billion, rising 2.2% in 2020 (an increase of 1.0%, adjusted for inflation). Giving by individuals achieved its highest total dollar amount to date, adjusted for inflation, but it comprised less than 70% of total giving for the third consecutive year.

↑ **Giving by foundations** increased 17.0%, to an estimated \$88.55 billion (a growth rate of 15.6%, adjusted for inflation), reaching its highest-ever dollar amount. Giving by foundations,

which has grown in nine of the last 10 years, represented 19% of total giving in 2020, its largest share on record. The estimate for giving by foundations was created by the Indiana University Lilly Family School of Philanthropy using data from Candid.

↑ **Giving by bequest** was an estimated \$41.19 billion in 2020, and grew 10.3% from 2019 (an increase of 9.0%, adjusted for inflation). Giving by bequest often fluctuates substantially from year to year.

↓ **Giving by corporations** is estimated to have declined by 6.1% in 2020 to \$16.88 billion (a decline of 7.3% adjusted for inflation). This type of giving is highly responsive to changes in corporate pre-tax profits and GDP, both of which declined in 2020.

“Giving in 2020 amid complex and challenging developments serves as a reminder of the unique way Americans respond to local and national opportunities and needs – in the moment,” said Ted Grossnickle, chair of The Giving Institute, and senior consultant and founder of Johnson, Grossnickle + Associates. “It’s interesting to note that giving to five of nine categories grew by 9% or more.”

“Human services organizations, which include charities that respond to hunger and basic needs, and public-society benefit organizations, which include United Ways and many organizations that focus on community development and civil rights, experienced strong growth,” said Josh Birkholz, vice-chair of Giving USA Foundation and CEO of BWF. “Those are the types of charities that might come to mind first when thinking about giving to meet the needs that arose in 2020. However, nearly every category of charitable organization received gifts for COVID-19 relief and racial justice, which indicates the broad scale of the challenges faced in 2020—as well as the complexity and responsiveness of the nonprofit sector overall.”

Highlights and Numbers for 2020 Charitable Giving to Recipients:

↑ **Giving to religion** grew slightly by 1.0% between 2019 and 2020, with an estimated \$131.08 billion in contributions. Adjusted for inflation, giving to religion was flat, reflecting a slight decline of 0.2% in 2020.

↑ **Giving to education** is estimated to have increased 9.0% to \$71.34 billion. Adjusted for inflation, giving to education organizations increased 7.7%. Education giving includes contributions to K-12 schools, higher education and libraries. A strong end-of-year stock market drove growth in giving to education. That growth was further boosted by COVID-19 relief, racial justice giving and MacKenzie Scott’s gifts to HBCUs, tribal colleges, Hispanic-serving institutions and community colleges.

↑ **Giving to human services** increased by an estimated 9.7% in 2020, totaling \$65.14 billion. Adjusted for inflation, giving to human services organizations increased by 8.4%.

↑ **Giving to foundations** is estimated to have increased by 2.0% to \$58.17 billion. Adjusted for inflation, giving to foundations was flat at 0.8% growth.

↓ **Giving to health** is estimated to have declined by 3.0% (a decline of 4.2%, adjusted for inflation) to \$42.12 billion. In addition to large, nonprofit hospitals, health organizations include those that focus on addressing specific diseases. Many in-person walks, runs and other fundraising events that disease-specific health organizations host as major fundraisers saw a decline in participation and charitable revenue due to the pandemic.

↑ **Giving to public-society benefit organizations** increased an estimated 15.7% to \$48.00 billion. Adjusted for inflation, giving to public-society benefit organizations grew 14.3%. This category includes a wide range of charitable organizations, including national donor-advised funds, United Ways and civil rights organizations.

↓ **Giving to arts, culture, and humanities** is estimated to have declined 7.5% to \$19.47 billion. Adjusted for inflation, giving to the arts, culture, and humanities subsector declined 8.6%.

↑ **Giving to international affairs** is estimated to be \$25.89 billion in 2020, growing by 9.1% over 2019. Adjusted for inflation, giving to international affairs organizations increased 7.8%.

↑ **Giving to environmental and animal organizations** is estimated to have increased 11.6% to \$16.14 billion. Adjusted for inflation, donations to the environment/animals subsector increased 10.3%.

“Though giving in 2020 followed some known patterns for recessionary years, such as increases in basic needs giving and decreases to the arts, there were additional factors at play in 2020. For instance, giving to religion is typically least impacted by economic shifts, but it’s possible that other factors, such as the pandemic shutdown that prevented in-person services from occurring, may have had an impact on some organizations,” said Patrick M. Rooney, Ph.D., executive associate dean for academic programs at the Lilly Family School of Philanthropy. “There also may have been a digital divide in 2020 between nonprofit organizations that were able to pivot their fundraising and services to online and those that were more severely limited by the effects of the pandemic.”

Giving to individuals is estimated to have grown 12.8% (11.5% in inflation-adjusted dollars) between 2019 and 2020, to \$16.22 billion. The bulk of these donations are in-kind gifts of medications to patients in need, made through the patient assistance programs of pharmaceutical companies’ operating foundations.

Unallocated giving was negative \$22.13 billion in 2020. This amount can be considered as the difference between giving by source and use in a particular year. This amount includes the difference between itemized deductions by individuals (and households) carried over from previous years. The tax year in which a gift is claimed by the donor (carried over) and the year when the recipient organization reports it as revenue (the year in which it is received) may be different.

NOTES TO EDITORS

Members of the media can request 40-year data tables that show sources of contributions by year in current and inflation-adjusted dollars, and allocation of gifts by type of recipient category, also in current and inflation-adjusted dollars. Data also are available showing total giving as a percentage of GDP, individual giving as a percentage of disposable income and corporate giving as a percentage of corporate pre-tax profits.

The requested citation for *Giving USA* is *Giving USA 2021: The Annual Report on Philanthropy for the Year 2020*, a publication of Giving USA Foundation, 2021, researched and written by the Indiana University Lilly Family School of Philanthropy. Available online at www.givingusa.org.

About Giving USA Foundation™

Advancing the research, education and public understanding of philanthropy is the mission of Giving USA Foundation, founded in 1985 by The Giving Institute. Headquartered in Chicago, the Foundation publishes data and trends about charitable giving through its seminal publication, *Giving USA*, and shorter *Special Reports*, released periodically, providing in-depth explorations on today's charitable giving topics. Published since 1956, *Giving USA* is the longest running, most comprehensive report on philanthropy in America.

About *Giving USA*

For more than 65 years, *Giving USA: The Annual Report on Philanthropy in America*, has provided comprehensive charitable giving data that are relied on by donors, fundraisers and nonprofit leaders. The research in this annual report estimates all giving to charitable organizations across the United States. *Giving USA* is a public outreach initiative of Giving USA Foundation and is researched and written by the Indiana University Lilly Family School of Philanthropy at IUPUI. Giving USA Foundation, established in 1985 by The Giving Institute, endeavors to advance philanthropy through research and education. Explore *Giving USA* products and resources, at www.givingusa.org.

About The Giving Institute

The Giving Institute, the parent organization of Giving USA Foundation, consists of member organizations that have embraced and embodied the core values of ethics, excellence and leadership in advancing philanthropy. Serving clients of every size and purpose, from local institutions to international organizations, The Giving Institute member organizations embrace the highest ethical standards and maintain a strict code of fair practices. For information on selecting fundraising counsel, visit www.givinginstitute.org.

How to Obtain *Giving USA 2021*

Giving USA 2021: The Annual Report on Philanthropy for the Year 2020 is available for download at www.givingusa.org.

Through [Giving USA 2021](#), purchasers receive an annual subscription including:

- The 2021 Comprehensive Presentation PowerPoint with researchers' notes
- Access to the archive of all Giving USA's previous reports
- Access to all of Giving USA's previous Special Reports
- Free digital copies of upcoming Giving USA Special Reports (including an upcoming new study on Donor-Advised Funds)
- Complimentary copy of the subscription year Annual Update on State Laws
- Exclusive The Giving Institute and Giving USA webinars for subscribers

About the Indiana University Lilly Family School of Philanthropy

The Indiana University Lilly Family School of Philanthropy at IUPUI is dedicated to improving philanthropy to improve the world by training and empowering students and professionals to be innovators and leaders who create positive and lasting change. The school offers a comprehensive approach to philanthropy through its [undergraduate](#), [graduate](#), certificate and professional development programs, its research and international programs and through The Fund Raising School, Lake Institute on Faith & Giving, the Mays Family Institute on Diverse Philanthropy and the Women's Philanthropy Institute. For more information, visit philanthropy.iupui.edu.

Giving USA Methodology

Giving USA estimates primarily rely on econometric methods developed by leading researchers in philanthropy and the nonprofit sector and are reviewed and approved by members of the *Giving USA* External Review Panel. Members of the External Review Panel include research directors from national nonprofit organizations, as well as scholars from such disciplines as economics and public affairs, all of whom are involved in studying philanthropy and the nonprofit sector.

The Indiana University Lilly Family School of Philanthropy prepares all of the estimates in *Giving USA* for Giving USA Foundation. *Giving USA* develops estimates for giving by each type of donor (sources) and for recipient organizations categorized by subsectors (uses). Most of *Giving USA*'s annual estimates are based on econometric analyses and tabulations of tax data, economic indicators and demographics. Data for giving by foundations come from Candid (formerly the Foundation Center).

Following the same approach used by leading public and private institutions that develop economic statistics, *Giving USA* researchers update data found within *Giving USA* each year. This is because current *Giving USA* estimates are developed before final tax data, some economic indicators and some demographic data are available. The estimates are revised and

updated as final versions of these data become available. Final estimates are usually developed two or three years after their initial release.

For more specific details on *Giving USA's* methodology, please refer to the “Brief summary of methods” section within *Giving USA 2021* or contact the Indiana University Lilly Family School of Philanthropy at adrldavi@iupui.edu or 317-278-8972.