

Center on Nonprofits and Philanthropy
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PROFILES OF INDIVIDUAL CHARITABLE CONTRIBUTIONS BY STATE, 1998

INTRODUCTION

Each winter, the Internal Revenue Service publishes selected data from individual tax returns filed during the previous calendar year. Various attempts have been made to estimate charitable giving based on those data. For example, the Ellis L. Phillips Foundation has created a "Generosity Index" which compares levels of giving within the 50 states (contact Marty Cohn at 617-926-3136 for more information). The National Center for Charitable Statistics at the Urban Institute is using the data to develop an index of "Relative Giving Effort" which compares the percent of income given to charity by residents of a state with the average income of those residents. The attached tables give an initial look at the data used in these efforts.

SOURCES OF DATA

The source of the following data on charitable giving is the *Statistics of Income Bulletin*, published by the Internal Revenue Service. Caution must be used when interpreting tax return data. Since only returns with itemized contributions are included, IRS data do not account for all contributions. In 1998, only 31 percent of US taxpayers chose to itemize deductions on their returns. This means that 69 percent of US taxpayers take the standard deduction and do not, therefore, declare their charitable contributions. No one knows how much non-itemizers donate to charity, although some researchers have come up with estimates. For example, the AAFRC Trust for Philanthropy estimates that total individual giving in the US was \$134.8 billion in 1998. If this estimate is correct, then itemized contributions, which totaled \$107.4 billion in 1998, represent about 80 percent of all individual giving. The 1998 data on itemized deductions used in this analysis, therefore, describe approximately 31 percent of the population but may account for 80 percent of the charitable contributions. Thus, although limited, these data are useful in analyzing giving patterns.

FINDINGS

The average charitable contribution per return filed in 1998 was about 2.0 percent of income, as it was in 1997. Contributions as a percent of income varied from 4.6 percent in Utah to 1.2 percent in West Virginia. The average charitable deduction per return was \$857, up from the 1997 average of \$789. State averages ranged from \$1,805 in Utah to \$380 in West Virginia.

COMPARING STATES

It is often difficult to compare levels of charitable giving by individuals in different states using tax return data because there are wide disparities in the percentages of filers that itemize. For example, comparisons between states like Maryland, where 44 percent of all tax returns are itemized, and South Dakota, where 14 percent of all tax returns are itemized, would provide limited information.

Moreover, states vary widely in average income per resident. In 1998, Connecticut's adjusted gross income per return filed was almost \$61,000, as compared to Montana with less than \$31,000. The national average was about \$43,000. Therefore, when average giving is

examined, one should look at giving as a percentage of income in addition to the total amount given.

WHAT DO THE RANKINGS MEAN?

As mentioned above, it is important to consider average income when examining rates of giving. The “adjusted gross income per income tax return filed” rank shows the average income of tax return filers in each state. This rank provides a baseline against which level of giving can be compared.

The “average charitable contribution per income tax return” rank is based on the total amount of charitable deductions itemized in a state divided by the total number of filers. Because the contributions of the itemizers (between 14 and 44 percent of the state’s filers) are divided by the total number of returns in a state, this rank tends to be low if the percentage of returns with itemized charitable deductions is low. Average contribution per return is, at best, an approximation of giving in a state because it does not take into account whether or how much non-itemizers contribute.

The “average charitable contribution per return as a percentage of adjusted gross income per return” rank adjusts the “average charitable contribution per income tax return” rank by taking income levels into account. This rank shows the average amount given relative to the average income per filer in a state. Again, this ranking does not account for charitable donations made by non-itemizers. The index of “Relative Giving Effort,” soon to be released by NCCS, will address the problem of non-itemizers by focusing only on the giving and incomes of itemizers in each state.

OTHER SOURCES OF DATA ON GIVING

IRS Statistics of Income Bulletin, various editions. Published four times a year. Presents selected data compiled from individual tax returns and broken down by state. The Spring 2000 issue was the primary source for this report. Available from the Superintendent of Documents, PO Box 371954, Pittsburgh, PA 15250-7954.

Chronicle of Philanthropy, February 1994 issue. Contains an analysis of charitable giving in the nation’s 50 largest municipalities, base on per capita giving to major charities and on grant making by foundations and corporations in those cities.

Foundation Giving. Published annually. Presents financial data on types of foundations (individual, corporate, community, and operating) and their areas of giving (arts, education, health, etc.). Includes some data on specific foundations. Available from the Foundation Center, 1-800-424-9836, 79 5th Avenue, New York, NY 10003-3076.

Giving USA. Updated annually. Provides national data on sources of giving (individuals, foundations, corporations, bequests) and on categories of recipients (arts, education, health, etc.). Available from AAFRC Trust for Philanthropy, 212-354-5799, 25 West 43rd Street, New York, NY 10036.

Giving and Volunteering in the United States. Published every two years. Based on biennial surveys, presents national trends and data on financial and other indicators, motivations, and attitudes that affect giving and volunteering. Available from INDEPENDENT SECTOR, 202-467-6100, 1200 18th Street, NW, Suite 200, Washington, DC 20036.

Charitable Giving by State, Based on Contributions Itemized on Individual Income Tax Returns, 1998

	Adjusted gross income per income tax return filed		Average charitable contribution per income tax return		Average charitable contribution per return as a percentage of adjusted gross income per return	
	Dollars (actual)	State rank	Dollars (actual)	State rank	Percentage	State rank
United States	42,917		857		2.0	
New England	50,717		847		1.7	
Connecticut	60,910	1	1,070	5	1.8	37
Maine	35,273	41	514	49	1.5	47
Massachusetts	51,812	3	891	15	1.7	40
New Hampshire	46,226	10	635	42	1.4	50
Rhode Island	41,481	19	648	41	1.6	45
Vermont	37,520	36	578	43	1.5	46
Middle Atlantic	47,799		992		2.1	
New Jersey	54,210	2	993	7	1.8	32
New York	49,149	5	1,178	4	2.4	8
Pennsylvania	41,376	20	720	34	1.7	38
East North Central	42,442		775		1.8	
Illinois	47,186	8	856	19	1.8	33
Indiana	39,649	27	731	33	1.8	29
Michigan	43,641	16	850	21	1.9	24
Ohio	38,621	31	658	39	1.7	41
Wisconsin	41,049	23	763	31	1.9	28
West North Central	39,772		781		2.0	
Iowa	36,926	37	658	38	1.8	36
Kansas	40,309	25	808	28	2.0	21
Minnesota	44,877	14	951	10	2.1	15
Missouri	38,664	30	732	32	1.9	27
Nebraska	38,108	33	835	23	2.2	13
North Dakota	32,180	48	452	50	1.4	49
South Dakota	33,359	45	540	47	1.6	43
South Atlantic	42,045		924		2.2	
Delaware	44,621	15	944	12	2.1	16
District of Columbia	49,460	4	1,572	2	3.2	2
Florida	42,252	17	821	25	1.9	25
Georgia	41,707	18	1,035	6	2.5	4
Maryland	48,217	6	1,182	3	2.5	5
North Carolina	38,953	29	915	13	2.3	11
South Carolina	35,487	38	868	18	2.4	6
Virginia	45,623	12	944	11	2.1	19
West Virginia	31,866	49	380	51	1.2	51
East South Central	35,461		757		2.1	
Alabama	35,364	40	879	16	2.5	3
Kentucky	35,442	39	653	40	1.8	30
Mississippi	31,056	50	677	36	2.2	14
Tennessee	37,586	35	774	29	2.1	20
West South Central	38,710		705		1.8	
Arkansas	32,655	47	765	30	2.3	12
Louisiana	34,829	43	557	45	1.6	44
Oklahoma	34,073	44	812	27	2.4	10
Texas	41,063	22	711	35	1.7	39
Mountain	40,834		924		2.3	
Arizona	41,278	21	813	26	2.0	23
Colorado	45,560	13	898	14	2.0	22
Idaho	35,141	42	842	22	2.4	9
Montana	30,970	51	570	44	1.8	31
Nevada	46,215	11	875	17	1.9	26
New Mexico	32,727	46	537	48	1.6	42
Utah	38,997	28	1,805	1	4.6	1
Wyoming	40,930	24	992	8	2.4	7
Pacific	45,824		930		2.0	
Alaska	38,257	32	556	46	1.5	48
California	46,645	9	975	9	2.1	17
Hawaii	37,711	34	676	37	1.8	35
Oregon	39,915	26	827	24	2.1	18
Washington	47,443	7	851	20	1.8	34

Source: *IRS Statistics of Income Bulletin*, Spring 2000. See appendix for additional data.

Prepared by the National Center for Charitable Statistics at the Urban Institute

Appendix: Data on 1998 Itemized Charitable Contributions from the IRS Statistics of Income Bulletin

	Total number of income tax returns	Adjusted gross income per income tax return filed		Number of returns with itemized charitable contributions		Total charitable contributions itemized on income tax returns Dollars (in thousands)	Average charitable contribution per return with itemized charitable contributions		Average charitable contribution per income tax return		Average charitable contribution per return as a percentage of adjusted gross income per return	
		Dollars (actual)	State rank	Number	% of returns		Dollars (actual)	State rank	Dollars (actual)	State rank	%	State rank
United States	125,393,584	42,917		33,894,693	27.0	107,435,023	3,170		857		2.0	
New England	6,579,756	50,717		2,131,802	32.4	5,575,498	2,615		847		1.7	
Connecticut	1,625,515	60,910	1	587,478	36.1	1,739,266	2,961	28	1,070	5	1.8	37
Maine	584,019	35,273	41	143,444	24.6	299,996	2,091	50	514	49	1.5	47
Massachusetts	3,011,463	51,812	3	1,014,400	33.7	2,683,337	2,645	43	891	15	1.7	40
New Hampshire	598,913	46,226	10	168,917	28.2	380,500	2,253	49	635	42	1.4	50
Rhode Island	472,064	41,481	19	148,612	31.5	306,048	2,059	51	648	41	1.6	45
Vermont	287,782	37,520	36	68,951	24.0	166,351	2,413	46	578	43	1.5	46
Middle Atlantic	17,846,495	47,799		5,728,802	32.1	17,708,483	3,091		992		2.1	
New Jersey	3,924,125	54,210	2	1,459,666	37.2	3,895,093	2,668	41	993	7	1.8	32
New York	8,268,276	49,149	5	2,795,768	33.8	9,742,516	3,485	14	1,178	4	2.4	8
Pennsylvania	5,654,094	41,376	20	1,473,368	26.1	4,070,874	2,763	35	720	33	1.7	38
East North Central	20,885,558	42,442		5,696,770	27.3	16,119,418	2,830		772		1.8	
Illinois	5,636,139	47,186	8	1,583,088	28.1	4,823,245	3,047	26	856	19	1.8	33
Indiana	2,765,157	39,649	27	629,768	22.8	1,956,261	3,106	24	707	35	1.8	29
Michigan	4,497,948	43,641	16	1,327,350	29.5	3,821,450	2,879	33	850	21	1.9	24
Ohio	5,472,752	38,621	31	1,392,861	25.5	3,600,234	2,585	44	658	39	1.7	41
Wisconsin	2,513,562	41,049	23	763,703	30.4	1,918,228	2,512	45	763	31	1.9	28
West North Central	8,766,255	39,772		2,260,113	25.8	6,846,468	3,029		781		2.0	
Iowa	1,335,353	36,926	37	319,817	23.9	879,049	2,749	37	658	38	1.8	36
Kansas	1,200,088	40,309	25	288,996	24.1	969,813	3,356	17	808	28	2.0	21
Minnesota	2,298,213	44,877	14	797,418	34.7	2,186,259	2,742	39	951	10	2.1	15
Missouri	2,492,001	38,664	30	581,612	23.3	1,824,534	3,137	20	732	32	1.9	27
Nebraska	795,895	38,108	33	185,808	23.3	664,878	3,578	12	835	23	2.2	13
North Dakota	300,297	32,180	48	44,108	14.7	135,816	3,079	25	452	50	1.4	49
South Dakota	344,408	33,359	45	42,354	12.3	186,119	4,394	6	540	47	1.6	43
South Atlantic	22,845,104	42,045		6,251,915	27.4	21,114,837	3,377		924		2.2	
Delaware	364,216	44,621	15	117,630	32.3	343,893	2,924	31	944	12	2.1	16
District of Columbia	272,169	49,460	4	88,130	32.4	427,959	4,856	3	1,572	2	3.2	2
Florida	7,076,098	42,252	17	1,528,895	21.6	5,807,355	3,798	9	821	25	1.9	25
Georgia	3,471,292	41,707	18	1,013,421	29.2	3,594,137	3,547	13	1,035	6	2.5	4
Maryland	2,459,510	48,217	6	983,040	40.0	2,907,350	2,958	29	1,182	3	2.5	5
North Carolina	3,516,043	38,953	29	965,379	27.5	3,215,495	3,331	18	915	13	2.3	11
South Carolina	1,748,410	35,487	38	437,676	25.0	1,518,189	3,469	15	868	18	2.4	6
Virginia	3,197,582	45,623	12	1,024,813	32.0	3,019,669	2,947	30	944	11	2.1	19
West Virginia	739,784	31,866	49	92,931	12.6	280,790	3,021	27	380	51	1.2	51
East South Central	7,219,742	35,461		1,459,548	20.2	5,467,497	3,746		757		2.1	
Alabama	1,879,778	35,364	40	442,675	23.5	1,652,501	3,733	10	879	16	2.5	3
Kentucky	1,694,158	35,442	39	403,244	23.8	1,105,732	2,742	38	653	40	1.8	30
Mississippi	1,153,947	31,056	50	191,869	16.6	780,870	4,070	8	677	36	2.2	14
Tennessee	2,491,859	37,586	35	421,760	16.9	1,928,394	4,572	4	774	29	2.1	20
West South Central	13,072,770	38,710		2,213,391	16.9	9,218,292	4,165		705		1.8	
Arkansas	1,095,998	32,655	47	201,697	18.4	838,429	4,157	7	765	30	2.3	12
Louisiana	1,847,098	34,829	43	282,992	15.3	1,029,263	3,637	11	557	45	1.6	44
Oklahoma	1,435,811	34,073	44	337,757	23.5	1,165,730	3,451	16	812	27	2.4	10
Texas	8,693,863	41,063	22	1,390,945	16.0	6,184,870	4,447	5	711	34	1.7	39
Mountain	7,721,561	40,834		2,188,748	28.3	7,133,860	3,259		924		2.3	
Arizona	2,037,046	41,278	21	601,762	29.5	1,655,867	2,752	36	813	26	2.0	23
Colorado	1,973,524	45,560	13	621,764	31.5	1,772,613	2,851	34	898	14	2.0	22
Idaho	533,886	35,141	42	144,136	27.0	449,637	3,120	22	842	22	2.4	9
Montana	409,958	30,970	51	98,374	24.0	233,571	2,374	47	570	44	1.8	31
Nevada	873,591	46,215	11	233,078	26.7	764,793	3,281	19	875	17	1.9	26
New Mexico	767,985	32,727	46	152,092	19.8	412,220	2,710	40	537	48	1.6	42
Utah	896,348	38,997	28	304,425	34.0	1,617,701	5,314	2	1,805	1	4.6	1
Wyoming	229,223	40,930	24	33,117	14.4	227,458	6,868	1	992	8	2.4	7
Pacific	19,271,371	45,824		5,876,639	30.5	17,931,627	3,051		930		2.0	
Alaska	328,972	38,257	32	62,737	19.1	182,850	2,915	32	556	46	1.5	48
California	14,196,991	46,645	9	4,448,215	31.3	13,842,583	3,112	23	975	9	2.1	17
Hawaii	553,525	37,711	34	163,821	29.6	374,399	2,285	48	676	37	1.8	35
Oregon	1,522,027	39,915	26	475,423	31.2	1,259,421	2,649	42	827	24	2.1	18
Washington	2,669,856	47,443	7	726,443	27.2	2,272,374	3,128	21	851	20	1.8	34

Source: IRS Statistics of Income Bulletin, Spring 2000.

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