Dear Donor,

Americans have a long history of generosity. This edition of The Philanthropist offers some light summer reading, featuring trends and statistics that provide an overview of the state of philanthropy in the United States.

Look inside to see who is contributing and receiving charitable dollars nationwide, and how current tax laws may be affecting giving habits. In addition to donating money, millions of Americans are volunteering their valuable time. Turn to page 4 for the latest data on the U.S. Charitable Gift Trust® (Gift Trust) by the numbers.

Thank you for your continued support of the Gift Trust. I wish you and your family a fun-filled, happy and healthy summer.

Sincerely,

Lawrence L. Fahey
President
U.S. Charitable Gift Trust®
Industry Snapshot

Charitable Giving Continues Strong Despite Obstacles

Facing multiple economic, social and health-related challenges during the past two years—exacerbated by the COVID-19 pandemic—Americans stepped up to the plate and maintained their generous giving habits in 2020, the last year such annual figures were available.

This quarter’s Philanthropist features some core statistics and trends within the U.S. charitable giving community. Keep in mind that statistics represent a snapshot in time, and this data reflects the general state of American philanthropy in 2020, the latest year reported.

Despite the obstacles, U.S. donors gave $471.44 billion to qualified charitable organizations in 2020—a 5.1% increase over 2019—the highest year of charitable giving on record, while 73% of American adults said they donated money to a charitable group during that period.

Sources of Charitable Giving
(by percent)

- **Individuals** contributed $324.10 billion to charitable organizations in the U.S. in 2020, a 2.2% annual increase, making this category the largest source of charitable giving.
- **Foundations** contributed $88.55 billion in 2020, a 17.0% annual increase, representing the highest-ever dollar amount and largest percentage share on record for this category.
- **Bequests** contributed $41.91 billion in 2020, a 10.3% annual increase. The amounts associated with giving by bequests may vary significantly from year to year.
- **Corporations** contributed $16.88 billion in 2020, a 6.1% annual decrease. This category is sensitive to changes in corporate pretax profits and gross domestic product, both of which declined during the period.

Recipients of Charitable Dollars
(by percent)

- **Religion** received $131.08 billion in contributions in 2020, a 1.0% annual increase, making this category the largest recipient of charitable dollars in the U.S.
- **Education**—including K-12, community colleges and libraries—received $71.34 billion in contributions in 2020, a 9.0% annual increase. A strong year-end stock market drove growth in this category, which was also supported by the distribution of pandemic relief and racial justice funds.
- **Human Services** received $65.14 billion in contributions in 2020, a 9.7% annual increase.
- **Grantmaking Foundations** received $58.17 billion in contributions in 2020, a 2.0% annual increase.
- **Public Society Benefit Groups** received $48.00 billion in contributions in 2020, a 15.7% annual increase.
- **Health Resources** received $42.12 billion in contributions in 2020, a 3.0% annual increase. Besides nonprofit hospitals, this category includes groups that focus on specific diseases. During the period, many in-person fundraising events declined due to the pandemic.
- **International Affairs** received $25.89 billion in contributions in 2020, a 9.1% annual increase.
- **Arts, Culture, Humanities** received $19.47 billion in contributions in 2020, a 7.5% annual decline.
- **Environmental/Animal Organizations** received $16.14 billion in contributions in 2020, an 11.6% annual increase.

Sources:
Community Involvement

Opportunities Abound for Volunteers

Traditionally, Americans have shown a sense of social awareness and entrepreneurial spirit that is unique around the world. In addition to giving money, millions of Americans donate their valuable time each year to causes in which they believe.

According to the most recent data available, 77.9 million taxpayers—roughly 30% of the adult population—volunteered 5.8 billion hours of their time annually in the U.S. in 2019, for an estimated equivalent value of $147 billion in services. With more than 1.54 million nonprofits registered with the IRS, there are many diverse causes from which to choose.

Whether your passions extend to the arts, sports, education, politics, health, religion, crafts, cooking, civil rights, law or music, opportunities abound. This is especially true for volunteers with skills in such areas as food and clothing collection, goods distribution, youth mentoring and, of course, fundraising.

- Those who volunteer have a 27% better chance of gaining employment since 60% of hiring managers see volunteerism as a valuable asset when making recruitment decisions. 

IDEA. For younger people with limited work experience, volunteer references may be a great addition to a resume. Explore community websites and ask neighbors about local volunteer opportunities that reflect your interests and passions.

Charitable Giving by Itemizers Versus Nonitemizers

Under current law, only taxpayers who itemize can take advantage of income tax deductions for charitable giving. In 2020, an estimated 10% of households that itemized their tax returns contributed 62% to total charitable giving in the U.S., while the 90% of households that did not itemize contributed 38%.

<table>
<thead>
<tr>
<th></th>
<th>Itemizers</th>
<th>Nonitemizers</th>
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<tbody>
<tr>
<td>Number of households (in thousands)</td>
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<tr>
<td>Percent of households</td>
<td>10%</td>
<td>90%</td>
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<tr>
<td>Percent of total giving</td>
<td>62%</td>
<td>38%</td>
</tr>
<tr>
<td>Total giving (in $ billions)</td>
<td>$200</td>
<td>$124</td>
</tr>
</tbody>
</table>


Sources:
2 The Urban Institute, National Center for Charitable Statistics 2019.
3 VolunteerHub 2022, “40 Volunteer Statistics That Will Blow Your Mind.”
The U.S. Charitable Gift Trust by the Numbers

Since inception, the U.S. Charitable Gift Trust (Gift Trust) has received $2.17 billion from donors while gifting $1.31 billion to qualified charitable organizations nationwide through March 31, 2022. As of that date, the Gift Trust had total assets under management of $1.22 billion across donor-advised funds and pooled income funds, including the U.S. Legacy Income Trusts.

Top 3 Grant Recipients

1. Religion
2. Education
3. Human Services

Source: The U.S. Charitable Gift Trust® as of March 31, 2022.

Set a philanthropic example. One study suggested that children were more inclined to donate to charities during their adult years if their parents had given to a charity during their earlier formative period.

Source: Indiana University Lilly School of Philanthropy Women’s Philanthropy Institute, “Transmitting Generosity to Daughters and Sons.”

To learn more about the U.S. Charitable Gift Trust, please visit us at uscharitablegifttrust.org or call us at (800) 836-2414.

Important Information and Disclosures

The U.S. Charitable Gift Trust® (Gift Trust) is a tax-exempt public charity offering donor-advised funds. All activities of the Gift Trust and the U.S. Legacy Income Trusts (Legacy Income Trusts) and the participation of Donors and income beneficiaries in the Legacy Income Trusts are subject to the requirements of state and federal law, the terms and conditions of the applicable Declaration of Trust, the current information statement and/or gifting booklet and the completed forms submitted by each Donor. The Board of Directors of the Gift Trust (Board of Directors) reserves the right to modify the program of the Gift Trust and the Legacy Income Trusts at any time, subject to the provisions of the applicable Declaration of Trust and state and federal law. Any contribution to the Gift Trust or a Legacy Income Trust, once accepted by Eaton Vance Trust Company (Trustee), represents an irrevocable commitment. Contributions cannot be rescinded or changed, and are subject to the exclusive legal control of the Gift Trust, the Trustee and the Board of Directors. Donors to the Legacy Income Trusts should be motivated by charitable intent. As charitable giving vehicles, the Legacy Income Trusts should not be treated as, and are not designed to compete with, investments made for private gain. An intention to benefit the Gift Trust and one or more qualified charitable organizations eligible for support by the Gift Trust should be a significant part of the decision to contribute. The tax consequences of contributing to a Legacy Income Trust will vary based on individual circumstances. Prospective Donors should consult their own tax advisors. Distributions to Legacy Income Trust income beneficiaries are not guaranteed by any party, and are subject to investment risk. In considering potential changes in the distribution rates of the Legacy Income Trusts, the Trustee will assess their long-term earnings potential and seek to balance the interests of current and future income beneficiaries and the charitable remainder interests. Neither the Gift Trust nor the Legacy Income Trusts has been registered under federal securities laws, pursuant to available exemptions. Neither of the Gift Trust nor the Legacy Income Trusts is guaranteed or insured by the United States or any of its agencies or instrumentalities.

Eaton Vance Distributors, Inc. (Placement Agent) is a paid solicitor of the Gift Trust and the Legacy Income Trusts, receiving compensation as described in the applicable information statement or gifting booklet.

Prior to March 1, 2021, Eaton Vance, the Trustee and the Placement Agent were wholly-owned subsidiaries of Eaton Vance Corp. (EVC). On March 1, 2021, Morgan Stanley acquired EVC and, as a result, Eaton Vance, the Trustee and the Placement Agent became indirect, wholly-owned subsidiaries of Morgan Stanley. Morgan Stanley is a global financial services firm providing a wide range of investment banking, securities, wealth management and investment management services.