The Chronicle of Philanthropy that demarcates differences in generosity along demographic lines.

Federal income tax returns recorded $37.6 million in charitable deductions by Worcester residents in 2008, the most recent year studied by The Chronicle. That amount equals 3.4 percent of income given a median salary of $42,913 — a median contribution of $1,448 per household.

In the central part of the state, only the residents of Berlin were more philanthropic, giving nearly 3.6 percent of their income toward charity.

Tim Garvin, the head of United Way of Central Massachusetts, said the region was a generous and giving place because of its “sense of connectivity.”

“Worcester is so well connected,” Garvin said. “People give to people they know.”

By the same token, that generosity is driven by need. “People can see real need exists,” he continued.

In nearby towns...
As a percentage of disposable income, charitable giving ranges in towns adjoining Worcester: 3 percent in West Boylston; 2.9 percent in Boylston and Holden; and between 2.5 percent and 2.2 percent in Shrewsbury, Paxton, Auburn, Millbury, and Leicester.

The small town of Berlin gives the most, however, with a median philanthropic contribution of $2,409 from every household, totaling $1.6 million in 2008.

“This town is the best,” said Mark Burton, one of approximately 2,866 residents and a past member of the Berlin Lions Club.

Reflecting the same qualities Garvin expressed as important for Worcester, Burton described a close-knit community that pulled around people in need after house fires or personal loss. He said he had been aware of Berlin’s altruistic streak for years. “The people around here are just top-notch. ... I could ramble on for hours — it’s true.”

Across the state, rates of giving vary irrespective of income. While affluent suburbs of Boston donate the greatest amounts, New Salem, Springfield, and Southfield are just some towns in Massachusetts making large contributions despite below-average median salaries.

Biggest factor? Belief that gift makes a difference
Ann Lisi, president and chief executive officer of the Greater Worcester Community Foundation, said the biggest factor in determining whether someone gives is hope.
“Here in our community we have the confidence that our giving will make a difference,” Lisi said, “that our nonprofits will be faithful to our intentions, and that bottom line conditions can improve for people.”

The head of the community foundation said donors sought to have a greater impact on where they live. Last year, the foundation supported more than 200 local area nonprofits, going toward myriad causes from the Worcester Tree Initiative to VNA Care Network and Hospice.

Garvin agreed with that assessment. “Need isn’t just people who are poor. Need is people who are vulnerable,” he said, adding the importance of highlighting where donations of time, effort, and money go in the community.

So who’s the prototypical donor? Universally, across about 11,500 supporters of the local United Way, “it is someone that cares,” Garvin said.

Bonnie Marden with the United Methodist Foundation of New England says donors look for projects that can demonstrate success.

“People invest their gifts in people that they trust ... and in causes that focus on making a real difference in the world,” she said. “Trust, faith, competency, and results are the factors that inspire others to lend their support.”

A down economy has its impact
The Chronicle examined how America gives back based on exact dollar amounts released by the Internal Revenue Service. The Chronicle’s study looks at charitable deductions claimed on tax forms and breaks the numbers down by ZIP code and income level in every city and town nationwide.

Multiple national surveys have found the down economy has taken a toll on philanthropy: A report by the Giving USA Foundation tallied an almost 6 percent year-over-year decline from 2007 to 2008.

In a separate analysis, The Urban Institute’s Center on Nonprofits and Philanthropy estimates that the average charitable contribution per household as a percentage of adjusted gross income fell nearly half a percentage point between 2005 and 2010.

The recent crisis was initially “devastating” according to Garvin. “People who were donors became recipients.”

Lisi with the community foundation agreed the poor economy had had negative repercussions on giving. “As a funder we have seen many nonprofits continue to serve their clients often at the expense of their own infrastructure,” she said.

The United Methodist Foundation’s Marden said people were more judicious when times are tough. However, “often, people reduce their discretionary spending and actually become more generous as they realize their resources can make a real difference to others in need,” she continued. When people become more careful with how they spend (and donate) charities can benefit, she said.

While recent economic progress hasn’t yet trickled down to the working- and middle-class, Garvin said his organization had seen larger donors increase their contributions.

In a New Year’s Eve release, The Chronicle’s Maria Di Mento tallied big gifts through 2013 from America’s wealthiest philanthropists, signaling a rebound.

In the eastern part of the Bay State, a report last year by Boston College’s Center on Wealth and Philanthropy said while the recession will be felt for decades philanthropy will still be on the rise. In a
release, that center’s John Havens said economic growth has a major impact on potential charitable giving.

**Giving more: Middle-class, economically diverse, religious**
Among its nationwide findings, The Chronicle’s authors found middle-class Americans, people who live in more economically diverse communities, and those who are religious tend to give a greater share of their income.

Two of the top nine most generous states — Utah and Idaho — have high numbers of Mormon residents, while the remainder of the top states all fall inside the so-called “Bible Belt”.

Statewide, Massachusetts gave 2.8 percent of discretionary income toward philanthropy, a contribution of $1,652 per median household making $58,099.

Marden said studies show that generosity is “hard-wired” into people and that the act of giving triggers positive emotions that reinforce generosity.

According to Garvin, any amount of giving is important, whether it’s a large amount from an affluent donor or a high school student chipping in a dollar a week.

“My hope is that the message is that everyone can make a difference,” he said.

**Differences in recipients**
New England rounds out the bottom of The Chronicle’s rankings of contributions as a percentage of income: Connecticut, Rhode Island, Massachusetts, Vermont, Maine, and New Hampshire come in 46th through 51st, in that order.

But that’s largely a function of charitable giving to religious groups, The Chronicle notes. Donors in Southern states give approximately 5.2 percent of their income to charity compared to 4 percent in the Northeast.

Removing religious organizations from the equation, the South gave 0.9 percent compared to the Northeast’s 1.4 percent.

The percentage of giving is based on the proportion of disposable income left after subtracting essential expenses including taxes, housing, and food.

To protect privacy, the IRS does not provide data about specific charities supported, and The Chronicle’s study only includes taxpayers with reported incomes of $50,000 or more. Because the figures only include donations from those who submitted itemized deductions, the study accounts for about $135 billion of the $229 billion estimated to be contributed by individuals in 2008.

Charitable Deduction: Massachusetts Resources

The Boston Globe

CHARITABLE GIVING: WHERE DOES THE MONEY GO?

December 8, 2013

Philanthropy at the most generous time of the year.

October, November, and December are by far the most popular times for philanthropic giving, according to data from Blackbaud, a software and services company that works with nonprofits. In December alone last year, Americans made close to 16 percent of their total gifts for the year. Have you made your charitable contributions for 2013?

By Anna Burgess

IT’S THE MOST GENEROUS TIME OF THE YEAR

14 of 51
MASSACHUSETTS’S RANK (AMONG US STATES AND PUERTO RICO) FOR TOTAL CHARITABLE CONTRIBUTIONS IN 2008

$3.1 BILLION
TOTAL AMOUNT DONATED IN 2008 BY ALL MASSACHUSETTS RESIDENTS COMBINED

48 of 51
MASSACHUSETTS’S RANK FOR PERCENTAGE OF INCOME GIVEN: RESIDENTS OF UTAH GAVE IN AT NO. 1, GIVING 10.6 PERCENT OF THEIR DISCRETIONARY INCOME; MASSACHUSETTS RESIDENTS GAVE 2.8 PERCENT

$3.1 BILLION
TOTAL DONATED THAT YEAR BY WARREN BUFFETT

2012 US CHARITABLE CONTRIBUTIONS BY TYPE OR RECIPIENT ORGANIZATION (ROUNDED)

<table>
<thead>
<tr>
<th>Type</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Religion</td>
<td>32%</td>
</tr>
<tr>
<td>Education</td>
<td>13%</td>
</tr>
<tr>
<td>Human Services</td>
<td>13%</td>
</tr>
<tr>
<td>Foundations</td>
<td>10%</td>
</tr>
<tr>
<td>Health</td>
<td>9%</td>
</tr>
<tr>
<td>Public Society</td>
<td>7%</td>
</tr>
<tr>
<td>Benefit</td>
<td>6%</td>
</tr>
<tr>
<td>International</td>
<td>5%</td>
</tr>
<tr>
<td>Arts, Culture,</td>
<td>3%</td>
</tr>
<tr>
<td>Humanities</td>
<td>2%</td>
</tr>
<tr>
<td>Environment</td>
<td>1%</td>
</tr>
<tr>
<td>Animals</td>
<td>1%</td>
</tr>
<tr>
<td>Gifts to Individuals</td>
<td>1%</td>
</tr>
</tbody>
</table>

WHO GETS THE DOUGH?

MASSACHUSETTS’S LARGEST RECIPIENTS OF CHARITABLE DONATIONS (BY GROSS ANNUAL RECEIPTS)

<table>
<thead>
<tr>
<th>Organization</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Harvard</td>
<td>$7.7 billion</td>
</tr>
<tr>
<td>MIT</td>
<td>$4.7 billion</td>
</tr>
<tr>
<td>Partners Healthcare</td>
<td>$9.6 billion</td>
</tr>
<tr>
<td>Fidelity Investments</td>
<td>$3 billion</td>
</tr>
<tr>
<td>UMass Memorial Health Care</td>
<td>$2.9 billion</td>
</tr>
</tbody>
</table>

$4,179,551,000
TOTAL AMOUNT MASSACHUSETTS RESIDENTS WROTE OFF ON FEDERAL TAX RETURNS (INCLUDES CASH DONATIONS AND GOODS, PLUS EXPENSES) IN 2011, FIVE YEARS EARLIER, IN PRE-RECESSION 2006, THE NUMBER WAS $4,712,420,000.

IF YOU’RE PLANNING ON DEDUCTING CHARITABLE CONTRIBUTIONS from your income for tax purposes, “you need a receipt for everything,” says Peggy Riley, an IRS spokeswoman. The charity must have tax-exempt status: “Many people donate to large organizations such as Red Cross. But if it’s a smaller local charity, you can check its status out on IRS.gov.” Volunteering for qualified organizations can come with more tax deductions. For example, travel expenses, like gas, can be deducted, as can some uniforms.


http://www.bostonglobe.com/magazine/2013/12/08/charitable-giving-where-does-money/CBAGSRmVlUnCYFce9Yhu50/igraphic.html