



# Pioneer Bank & Trust

## Trust & Investments

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## Who is giving to charity?

*The Chronicle of Philanthropy* conducted study of changes in charitable giving efforts resulting from the Great Recession. The results were somewhat unexpected.

- From 2006 through 2012, the charitable gifts of those who earn more than \$200,000 annually soared, even after taking inflation into account. In 2012 they donated an aggregate \$77.5 billion. However, during that period this group saw their income rise even faster. Thus, as a percentage of adjusted gross income, this group's giving declined by 4.6%.

- Those making less than \$100,000, in contrast, increased their generosity by 4.5% during this period (as a percentage of their adjusted gross income), with aggregate gifts of \$57.3 billion.

- Giving rates ranged from a high of 6.56% of AGI for Utah to a low of 1.74% for New Hampshire.

- The most generous "blue" state, meaning a state that voted for Barak Obama in the 2012 election, was Florida, with a giving rate of 3.22%. Florida came in 18<sup>th</sup> in the ranking; the top 17 states all voted for Mitt Romney.

- Despite its oil boom, North Dakota saw a 16% drop in the rate of giving, falling to 2.37% of AGI. That was the largest drop in effort of any state.

- Nine of the 10 large cities with the highest giving rates are in the Sun Belt, with Salt Lake City leading the way.

- Itemizers claimed total charitable deductions of \$180 billion in 2012, roughly 3% of total income. The median income of those who itemized was \$83,823, and the median charitable contribution was \$3,176.

*Caveat:* These findings are based entirely upon those who itemized their tax deductions, as they are based upon tax filing data. A great many charitable gifts never get reported to the IRS, as even affluent families may decide to use the standard deduction instead of itemizing. What's more, this study could not have picked up any charitable IRA rollovers, as such transfers don't get reported on Form 1040.

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