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New record amount given to charity in 2020

In a year of unprecedented events—the pandemic, lockdowns, recession, job loss, growing social and racial tensions—Americans still stepped up in 2020 and donated a record \$471 billion dollars to charity, according to a report in Giving USA.

The number of charitable donations increased by 3.8% over 2019 totals after inflation adjustments. That figure is up from the 2.8% increase from 2018 to 2019.

There are a few possible reasons that this occurred: stimulus payments, bonus unemployment compensation, and a heightened awareness for social and community needs. Another large factor could be that even though there was a recession, stock prices and other assets increased to record highs.

Americans also helped out in many ways other than donating money to specific charities. They donated their time, bought meals for others to help restaurants stay afloat, and gave money through crowdsourcing platforms; these are not reflected in the report.

Some interesting statistics:

Up:

- Donations from individuals totaled roughly \$324 billion, with the largest portion, \$131 billion, given to religious groups; \$71 billion was given to education-related organizations, and \$65 billion to human services such as substance-abuse counseling, child welfare, social workers, and assistance for the elderly.
- Foundations gave away an estimated \$88.5 billion and also received \$58.17 billion in donations.
- Bequests - gifts made as part of a will or trust—accounted for \$41.19 billion.

Down:

- Corporate giving actually declined last year to an estimated \$16 billion.
- Giving to the arts and cultural groups is estimated to have declined 7.5% to \$19.47 billion, as well as a 4.2% inflation-adjusted drop to \$42 billion for organizations such as not-for-profit hospitals and disease research operations.
- Many major in-person, health-related fundraising activities saw a strong drop due to the pandemic.

Americans usually rise to the occasion during times of crisis, and 2020 was no exception. It is gratifying to see an uptick in giving, and hopefully the trend will continue.

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