Religion & Geography Shape the Giving Landscape

Recently The Chronicle of Philanthropy released a new study: "How America Gives."[1] The study, based on a survey of 2008 itemized tax returns, provides a unique window into charitable giving in two ways. First, it reflects the actual charitable deductions claimed by taxpayers. Second, the percent of household income given to charity is based on discretionary income which is defined as adjusted gross income minus all taxes paid, median housing costs and living expenses by ZIP code data from the U.S. Census Bureau. The result: on average American households gave 4.7 percent ($2,564) of their discretionary income to charitable causes in 2008.

The study has several built-in limitations while posing an intriguing question for religious practitioners:

1. The majority of Americans do not file itemized tax returns.
2. When charitable giving is based on discretionary income as opposed to disposable personal income (total personal income) the percent of household giving jumps dramatically from 1.9 percent to 4.7 percent.
3. Charitable giving when calculated on discretionary income unwittingly diminishes the role of philanthropy as a social value and practice by reducing it to the giving of left-over dollars. By contrast, in the great religious traditions charity is a virtue and a priority, indeed a social duty and religious obligation. For example, Muslims practice Zakat as a sacred command and a witness to faith. In the Judeo/Christian tradition charitable giving is described as first fruit giving, or giving off the top. (See Deuteronomy 26)
The study is important for religious communities as it underscores the strong relationship between religion, geography and generosity.

- **Those parts of the country that are more religious are also more generous.** In states like Utah, Alabama and Mississippi the typical household gives 7 percent to charitable causes while in New England households give 3 percent.

- **Religious communities and organizations are the primary beneficiaries of donor's generosity.** Whether calculated by region, race or ethnicity, the average tax filer gives 5 percent of their discretionary income to religious causes and an additional 1.4 percent to other causes.

- **Exclude religious giving from the charitable count and the geography of giving changes dramatically.** New York jumps from No. 18 to No. 2 in the rankings and Pennsylvania climbs from No. 40 to No. 4. New Hampshire which gives "next to nothing to religious organizations" moves from No. 50 to No. 39 as their "secular giving is identical to the rest of the country." [2]

An insightful if unintended outcome of this study is its reaffirmation of an ancient truism: **religion is the incubator for generous charitable giving!**

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