Giving declined by 3.4% to $499.33B in 2022.

After two remarkable years of philanthropic giving that surpassed the half-trillion-dollar mark during the pandemic, the charitable sector experienced a 3.4% decline in estimated contributions in 2022 due to stock market drops and economic instability.

2022 TOTAL CHARITABLE GIVING BY SOURCE

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individuals</td>
<td>$319.04B</td>
<td>Decreased by 6.4%</td>
</tr>
<tr>
<td>Foundations</td>
<td>$105.21B</td>
<td>Increased by 2.5%</td>
</tr>
<tr>
<td>Bequests</td>
<td>$45.60B</td>
<td>Increased by 2.3%</td>
</tr>
<tr>
<td>Corporations</td>
<td>$21.08B</td>
<td>Increased by 3.4%</td>
</tr>
</tbody>
</table>

Three key challenges permeated nearly every aspect of American philanthropy in 2022:
- Record-high inflation and interest rates that outpaced most charitable giving
- A decline in disposable income
- A volatile stock market

But there are also bright spots:
- Improving employment conditions
- Modest GDP growth
- Historical evidence consistently shows an increase in philanthropy after every economic downturn

What does this mean for nonprofits?

Given the current climate, nonprofits must prioritize resilience, innovation, and expanding their donor pool to achieve success.

Source: Giving USA Foundation/Giving USA 2023 | All figures are reported in current dollars
Religion: $243.57B
INCREASED BY 5.2%
Religion still represents the largest subsector in terms of charitable giving, even as religious organizations continue to navigate a hybrid attendance model introduced during the pandemic.

Human Services: $71.98B
DECREASED BY 0.6%
Giving to this subsector remained relatively flat in 2022, coming off the heels of generous responses to the COVID-19 pandemic and economic uncertainty that began in 2020.

Education: $70.07B
DECREASED BY 3.6%
Continuing to come down from a record-breaking year of giving to education during the pandemic in 2020, giving to this subsector decreased for the second year in a row in 2022.

Foundations: $56.84B
INCREASED BY 10.1%
Gifts to independent, community, and operating foundations increased by 10.1% to reach the second highest value on record in 2022 when adjusted for inflation.

Health: $51.08B
INCREASED BY 5.1%
Continuing its 2021 rebound in charitable giving, this subsector saw an increase for the second year in a row.

Public-Society Benefit: $46.86B
DECREASED BY 8.4%
After a major 23.5% increase in giving to public-society benefit in 2021, a declining stock market reversed the trend line for this subsector in 2022, marked by an 8.4% decrease.

International Affairs: $33.71B
INCREASED BY 10.9%
Sparked largely by the conflict in Ukraine and other world events, giving to international affairs surpassed a stagnant 2021 and grew at a rate that outpaced inflation in 2022.

Arts, Culture & Humanities: $24.67B
INCREASED BY 2.9%
Keeping up modest momentum after a significant comeback in 2021, giving to the arts, culture & humanities subsector increased slightly for the second year in a row.

Environment & Animals: $16.10B
DECREASED BY 1.6%
Comprising the smallest share of charitable giving, giving to this subsector decreased in 2022 following a 10.1% increase in 2021.

Giving Trends

Online giving continues to rise.
The trend of online giving is on the rise and seems to be here to stay. The COVID-19 pandemic accelerated this growth, and technology will remain crucial for nonprofit organizations to attract and maintain supporters.

Effective communication and engagement with donors is crucial.
Although maintaining human connections is still essential for building relationships, AI-powered tools like ChatGPT provide exciting new opportunities for nonprofits, fundraisers, and donors alike.

Source: Giving USA Foundation/Giving USA 2023 | All figures are reported in current dollars