1,812,473 nonprofits are registered with the IRS

Some nonprofits are not required to register. How many is unknown.

Source: 2020 IRS Business Master File (BMF). Captures organizations based in the U.S. (including territories) appearing on any BMF in calendar year 2020. This approach represents a slight shift in methodology from the April 2020 Key Facts in which we looked at organizations on the December 2019 BMF only.

The most common type of nonprofit is the public charity

<table>
<thead>
<tr>
<th>Nonprofits by type</th>
<th>501(c)(3) public charities</th>
<th>72%</th>
</tr>
</thead>
<tbody>
<tr>
<td>501(c)s</td>
<td>7%</td>
<td></td>
</tr>
<tr>
<td>All other</td>
<td>20%</td>
<td></td>
</tr>
</tbody>
</table>

501(c) refers to the section of the Internal Revenue Code under which these nonprofits are tax exempt. Public charities and private foundations are grouped under the same section—501(c)(3).

Source: 2020 IRS BMFs.

What are public charities?

— Primarily administer programs; occasionally make grants
— What most people think of when they hear the word nonprofit
— Small and local (e.g., an animal shelter) or large and national or international (e.g., Save the Children)

What are private foundations?

— Primarily grantmaking institutions; occasionally administer programs
— Examples include the Ford Foundation and The California Endowment
— Typically are founded by and receive support from a small number of individuals or corporations

There are more than 30 other types of 501(c) nonprofits in the U.S., including social welfare groups, business associations, veterans’ organizations, labor unions, and federal credit unions.
Public charities are everywhere
You can find them in every state, and in U.S. territories.

Public charities per capita by U.S. state
Number of public charities for every 10,000 residents
<35  35-39  40-44  45+

They raise money from a variety of sources
53% of all charities rely on contributions for the majority of their revenue. For 32% of charities, the majority of revenue comes from program services.

Contributions include government grants, individual donations, and foundation grants.

Most are small
Public charities by annual revenue

They reflect every aspect of life
Top 5 public charity subject areas

<table>
<thead>
<tr>
<th>Subject Area</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Religion</td>
<td>20%</td>
</tr>
<tr>
<td>Human services</td>
<td>18%</td>
</tr>
<tr>
<td>Education</td>
<td>14%</td>
</tr>
<tr>
<td>Arts and culture</td>
<td>9%</td>
</tr>
<tr>
<td>Health</td>
<td>8%</td>
</tr>
</tbody>
</table>

Source: 2020 IRS BMFs. Based on the Philanthropy Classification System. Organizations may receive more than one subject code.

Source: Based on most recent IRS filing available, 2016 or later, for organizations appearing on any 2020 BMF. Excludes organizations that did not report revenue figures, with the exception of the chart above where organizations filing form 990-N are included in the lowest tier.
Foundations

Private foundations
— Independent: Includes most of the nation’s largest foundations. Generally established by individual donors or donor families.
— Operating: Primarily run their own programs, but some also make grants. Generally established by individuals or families.
— Corporate: Established by large or small businesses, although legally separate.

Community foundations
— Raise funds from the public and engage in grantmaking primarily within a defined geographic area.

Foundations by the numbers
- Total foundations = 127,595
- Total assets = $1.2 trillion
- Total giving = $90 billion

Foundation giving over time
- 2014: $57B
- 2015: $61B
- 2016: $66B
- 2017: $72B
- 2018: $75B

Source: Based on IRS filings associated with the given fiscal year. Most recent complete year is 2018.

Foundation giving is a modest but growing slice of overall giving in the U.S.

Private giving by source
- 69% individuals
- 17% foundations
- 10% bequests
- 5% corporations

Source: Figures from Giving USA Foundation, Giving USA, 2020. Per Giving USA criteria, corporate foundations are included under ‘corporations’ and community foundations are excluded.

Key Facts on U.S. Nonprofits and Foundations | candid.org
Grantmaking priorities

What do foundations fund most?

Top 5 subject areas by percentage of total funding

- Education: 26%
- Health: 23%
- Community and economic development: 13%
- Human services: 13%
- Arts and culture: 9%

Top 5 support strategies by percentage of total funding

- Program development: 40%
- General support: 20%
- Research and evaluation: 14%
- Policy, advocacy, and systems reform: 10%
- Capacity building and technical assistance: 8%

Top 5 populations served by percentage of total funding

- Economically disadvantaged people: 29%
- Children and youth: 21%
- Ethnic and racial groups: 8%
- Women and girls: 7%
- Religious groups: 3%

Source (for all figures on this page): 2018. Subject, population, and support strategy categories are based on the Philanthropy Classification System. The full value of each grant is counted toward each applicable category.

In order to analyze grantmaking priorities by U.S. funders, Candid examines all grants of $10,000 or more awarded by 1,000 of the largest U.S.-based private and community foundations. These funders account for about half of all grantmaking dollars awarded by private and community foundations.

About Candid data: candid.org/about-our-data
For more information: researchteam@candid.org

© 2021, Candid. This work is made available under the terms of the Creative Commons Attribution-NonCommercial 4.0 International License. creativecommons.org/licenses/by-nc/4.0.
doi.org/10/gjz2m9