

## TREASURY DEPARTMENT REPORT ON PRIVATE FOUNDATIONS 71

TABLE 5.—*Estimated total amount of philanthropic contributions by individuals, classified by area of service, 1952 and 1954*

[In millions of dollars]

| Area of service              | 1952        | 1954        |
|------------------------------|-------------|-------------|
| 1. Religion.....             | 2,281       | 2,776       |
| 2. Education.....            | 114         | 143         |
| 3. Health and hospitals..... | 259-303     | 283-369     |
| 4. Social welfare.....       | 323         | 465         |
| 5. Private foreign aid.....  | 44-91       | 60-139      |
| 6. Foundations.....          | 153         | 160         |
| 7. Miscellaneous.....        | 122-138     | 156-187     |
| Total.....                   | 3,296-3,403 | 4,043-4,239 |

Source: C. Harry Kahn, *Personal Deductions in the Federal Income Tax*, National Bureau of Economic Research, 1960, p. 218.

Table 5, taken directly from C. Harry Kahn, provides an estimate of the breakdown by type of recipient of charitable contribution deductions of living individual donors in 1952 and 1954. These estimates were pieced together by Kahn from material drawn from the charitable organizations. His estimate of contributions to foundations is \$160 million, or 3 percent of total contributions.<sup>5</sup> This figure is made up of an estimated \$47 million channeled through foundations and \$106 million added to foundation capital.<sup>6</sup>

Kahn's estimate of contributions received by foundations in 1952, \$40 million from bequests, and \$153 million from living donors, also includes an estimated \$24 million from corporations. This is Kahn's breakdown of \$221 million of contributions to foundations in 1952, a figure estimated by Emerson Andrews (*Philanthropic Foundations*, p. 17). This total is only one-fourth the size of the \$833 million of contributions received by foundations in 1962 based on the Treasury survey in 1964 (cf. discussion *infra* and table 10). The higher Treasury survey figure is due in part to the broader coverage. This remarkable growth over 10 years, however, is an indication of increasing use of foundations.

This estimate of contributions to foundations in 1962 may be broken down by sources, as follows:

|                         |                    |
|-------------------------|--------------------|
|                         | <i>Millions</i>    |
| Bequests.....           | <sup>1</sup> \$175 |
| Corporations.....       | <sup>2</sup> 200   |
| Living individuals..... | <sup>3</sup> 450   |

<sup>1</sup> Based on a special tabulation (unpublished) of estate tax returns filed in 1957 and 1959. The figure tabulated from those returns was contributions to organizations that did not appeal to the general public for funds. The figure was scaled up to 1962 levels and rounded. It is a figure particularly subject to erratic year-to-year changes.

<sup>2</sup> This is the Foundation Library Center's estimate of contributions received by "company-sponsored" foundations ("foundations known to have been organized by a business corporation or partnership or to have such an organization as a direct contributor"). *Foundation Directory* 2, pp. 29-30. The statistic includes some individual contributions, but the definition also has the result of excluding some corporate contributions to noncompany sponsored foundations.

<sup>3</sup> Obtained by subtracting line 1 and 2 from the total contributions received in 1962, as estimated by the Treasury survey.

These components pooled from various sources are extremely rough since the foundation reports themselves do not indicate type of donor. The pattern is roughly consistent with the patterns that Professor Kahn found for 1952, except that this estimate would mark corpora-

<sup>5</sup> Kahn's estimate in turn is based mostly on Andrew's *Philanthropic Giving*, cf. Kahn, *op. cit.*, pp. 224-5

<sup>6</sup> *Ibid.*, p. 225.