
Charities: Larger Organizations Have Larger Cumulative Impact

Dan Prives

Though there is a popular belief that hundreds of thousands of small charities have a significant economic impact in the aggregate, data from the IRS master file of charities suggests otherwise.

Data from the master file as of January, 2006, shows that, for charity organizations that report to the IRS on Form 990, the 4% of organizations that report \$10 million or more of gross receipts account for 86% of the aggregate gross receipts. Similarly, the 82% of filing organizations that have gross receipts under \$1 million account for only 3% of the aggregate gross receipts.

Table 1. Form 990 Gross Receipts by Scale of Organization, January 2006

Scale ranges	Number of Orgs	% of Orgs	Form 990 Gross Receipts (GR)	% of GR
Under \$100,000	160,693	47.5%	\$ 5,615,841,578	0.4%
\$100,000 to \$1 mil	117,671	34.8%	40,557,366,033	3.0%
\$1 mil to \$10 mil	46,756	13.8%	146,903,766,709	11.0%
\$10 mil to \$100 mil	11,022	3.3%	304,692,530,271	22.8%
\$100 mil +	1,968	0.6%	841,146,553,762	62.8%
Total filing	338,110	100.0%	\$ 1,338,916,058,353	100.0%
Nonfiling	508,022			
Total records	846,132			

Source: IRS master file, January, 2006 via National Center for Charitable Statistics (<http://nccsdataweb.urban.org/>). Data includes 501(c)(3) organizations excluding private foundations for all of US. Organizations are excluded if there has been more than 24 months since the last filing of Form 990.