

# Charities, Social Welfare, and Other Tax-Exempt Organizations, 2004

by Paul Arnsberger

**N**onprofit charitable organizations exempt from income tax under Internal Revenue Code (IRC) section 501(c)(3) filed over 276,000 information returns for Tax Year 2004, an increase of 5 percent from 2003. These organizations held over \$2.0 trillion in assets, a real increase of 5 percent from the previous year and 52 percent over the past decade. They reported nearly \$1.2 trillion in revenue, 70 percent of which came from program services. The statistics in this article exclude private foundations and most organizations with receipts totaling less than \$25,000, as well as most churches and certain other types of religious organizations.

Social welfare organizations exempt under IRC section 501(c)(4) filed 25,276 Forms 990 and 990-EZ for 2004.<sup>1</sup> Assets reported by these organizations totaled \$82.0 billion. As with nonprofit charities, the majority of the \$61.8 billion in revenue reported by social welfare organizations came from program services.

The statistics for charities and other tax-exempt organizations reported in this article are based on data compiled from Form 990, *Return of Organization Exempt from Income Tax*, and Form 990-EZ, the short form version of this information return. The latter form may be completed by smaller organizations, those with end-of-year assets of less than \$250,000 and gross receipts of \$25,000 to \$100,000. Only condensed income statements and balance sheets are required from filers of the short form, which accounted for 22 percent of the returns filed by organizations exempt under Code sections 501(c)(3) and (4) for Tax Year 2004.<sup>2</sup>

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## Charitable Organizations Tax-Exempt Under Internal Revenue Code Section 501(c)(3)

In order to qualify for tax-exempt status, an organization must show that its purpose serves the public good, as opposed to a private interest. The activities of nonprofit organizations are limited in that they must further one or more of the purposes for which they were granted tax-exempt status. Organizations that are exempt under Code section 501(c)(3) are those whose purposes are religious, charitable, scientific, literary, or educational. In practice, these categories cover a broad range of activities.

Examples of the varied exempt purposes of these charitable organizations include nonprofit hospitals, educational institutions, youth organizations, community fundraising campaigns, public charities, local housing organizations, historical societies, and environmental preservation groups. These organizations may not allow net earnings to inure to the benefit of a shareholder or individual. Activity attempting to influence legislation cannot be a substantial part of an organization's activities, and the organization may not intervene in a political campaign on behalf of, or in opposition to, any candidate.<sup>3</sup> Generally, a donor's contribution to one of these organizations is tax-deductible.

Of the 918,119 active nonprofit charitable organizations recognized by the Internal Revenue Service (IRS) under Code section 501(c)(3), 276,199 filed Form 990 or 990-EZ returns for accounting periods that began in Calendar Year 2004.<sup>4</sup> Those not required to file included churches and certain other religious organizations, as well as organizations with annual gross receipts totaling less than \$25,000.<sup>5</sup> Nonprofit private foundations, which are also tax-exempt under Code section 501(c)(3), are required

<sup>1</sup> Beginning with the Tax Year 2004 study, the annual *SOI Bulletin* article on charities and other tax-exempt organizations will feature data on nonprofit charitable organizations exempt under IRC section 501(c)(3), as well as one other category under IRC section 501(c). For 2004, IRC section 501(c)(4) social welfare organizations are presented. SOI continues to collect data on organizations exempt under IRC sections 501(c)(5) through (9). Data from these organizations can be found in Tables 2, 3, and 4 at the end of this article. Additional tax-exempt organizations are described under IRC sections 501(c)(1), (2), and (10) through (27). Because they tend to constitute a small proportion of financial activity for the nonprofit sector, SOI does not collect data for these organizations.

<sup>2</sup> Unless otherwise indicated, data presented in this article were reported by both Form 990 and 990-EZ filers. The tables at the end of the article separate data by type of form. Detailed data for Form 990 filers are provided in Tables 1, 2, and 3, while Form 990-EZ data are found in Table 4.

<sup>3</sup> For more information on the requirements for tax exemption under 501(c)(3) and other Code sections, see Internal Revenue Service Publication 557, *Tax-Exempt Status for Your Organization*.

<sup>4</sup> Data presented in this article are from 2004 Forms 990 and 990-EZ filed in Calendar Years 2005 and 2006. The total number of nonprofit charitable organizations, including those not required to file Form 990 or Form 990-EZ, was obtained from the Internal Revenue Service Exempt Organizations Business Master File (December 2004) and does not include private foundations filing Form 990-PF, *Return of Private Foundation*.

<sup>5</sup> The \$25,000 filing threshold is an average of an organization's gross receipts over the previous 3 years.

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to file separately on Form 990-PF, *Return of Private Foundation*.<sup>6</sup>

## Financial Growth and Characteristics of Nonprofit Charitable Organizations

Figure A presents selected historical data for nonprofit charitable organizations over a 10-year period. With two notable exceptions, the data, which are inflation-adjusted, show steady growth between Tax Years 1995 and 2004 for nearly every financial category presented.<sup>7</sup> Between Tax Year 1997 and 1998, all of the major financial items (assets, liabilities, revenue, and expenses) decreased in real terms. The decrease can be attributed to two very large, related organizations that filed returns for 1997, but not for 1998. The Teachers Insurance Annuity Association and the College Retirement Equities Fund (collectively known as TIAA-CREF) are pension organizations that lost their tax exemption as a result of provisions of the Taxpayer Relief Act of 1997.<sup>8</sup> The second notable exception to the 10-year growth trend was for investment income. This category, which includes interest from savings and temporary cash investments, dividends and interest from secu-

rities, and other income from investments, proved to be somewhat volatile over the 10-year period, with real net decrease of nearly 25 percent between 1995 and 2004.

Although 65 percent of the returns filed by section 501(c)(3) organizations for 2004 were filed by small organizations, those with assets of less than \$500,000, these organizations held only 1 percent of the total assets and reported less than 4 percent of total revenue (Figure B). In comparison, large organizations, those with assets of \$10 million or more, represented just 6 percent of the returns filed, but accounted for 90 percent of the total asset holdings and 83 percent of the total revenue reported.

The nonprofit charitable organizations in this study reported total revenue of nearly \$1.2 trillion for 2004. Program service revenue, totaling \$801.2 billion, was the major source of revenue for these organizations. This revenue comprises the fees collected by organizations in support of their tax-exempt purposes and includes such income as tuition and fees at educational institutions, hospital patient charges (including Medicare and Medicaid payments), and admission fees collected by museums or community performing arts groups, and YMCA/YWCA.

**Figure A**

### Nonprofit Charitable Organizations, Selected Financial Data, Tax Years 1995-2004

[All figures are estimates based on samples—money amounts are in millions of constant 2004 dollars]

Item	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	Percentage change 1995-2004
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Number of returns.....	180,931	192,059	198,957	207,272	211,615	230,159	240,569	251,676	263,353	276,199	52.7
Form 990.....	142,790	149,902	155,330	162,559	168,701	184,013	193,953	203,949	211,858	218,851	53.3
Form 990-EZ.....	38,141	42,157	43,627	44,713	42,914	46,146	46,616	47,727	51,495	57,348	50.4
Total assets.....	1,358,034	1,508,075	1,650,321	1,533,038	1,625,362	1,709,834	1,743,703	1,821,042	1,953,808	2,058,610	51.6
Total liabilities.....	608,736	658,251	716,770	520,852	538,305	590,212	653,349	728,454	756,489	782,510	28.5
Net assets.....	749,298	849,824	933,551	1,012,186	1,087,058	1,119,622	1,090,354	1,092,587	1,197,319	1,276,100	70.3
Total revenue.....	788,117	821,226	865,447	853,034	895,240	947,864	958,533	1,003,304	1,102,617	1,152,989	46.3
Program service revenue.....	526,368	545,147	557,846	570,357	579,302	633,670	674,110	726,579	776,014	801,199	52.2
Contributions, gifts, and grants.....	151,765	160,510	167,639	183,473	195,660	217,843	227,006	225,270	236,518	248,570	63.8
Investment income [1].....	36,901	39,708	42,480	32,398	34,064	31,883	25,303	21,550	24,264	27,830	-24.6
Other.....	73,084	75,861	97,482	66,807	86,213	64,470	32,114	29,906	65,822	75,391	3.2
Total expenses.....	718,349	743,774	776,596	776,495	798,871	871,512	921,929	981,674	1,038,347	1,058,489	47.4

[1] Includes "interest on savings and temporary cash investments," "dividends and interest from securities," and "other investment income (loss)" from Form 990 and "investment income (loss)" from Form 990-EZ.

NOTES: Data are from both Forms 990 and 990-EZ for nonprofit charitable organizations that are tax-exempt under Internal Revenue Code section 501(c)(3) and exclude private foundations, most organizations with receipts less than \$25,000, as well as most churches, and certain other types of religious organizations. Amounts have been adjusted for inflation based on the 2000 chain-type price index for Gross Domestic Product, as published by the U.S. Department of Commerce, Bureau of Economic Analysis; Tax Year 2004 is the base year. Detail may not add to totals because of rounding.

<sup>6</sup> For information on private foundations, see Ludlum, Melissa, "Domestic Private Foundations and Charitable Trusts: Charitable Distributions and Investment Assets, Tax Year 2004," in this issue.

<sup>7</sup> Adjustments for inflation are based on the 2000 chain-type price index for Gross Domestic Product, as published by the U.S. Department of Commerce, Bureau of Economic Analysis. Tax Year 2004 was used as the base year.

<sup>8</sup> Public Law 105-34, Section 1042.

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**Figure B**

## Nonprofit Charitable Organizations, by Asset Size, Tax Year 2004

[All figures are estimates based on samples—money amounts are in millions of current dollars]

Asset size	Returns		Total assets		Total revenue	
	Number	Percentage of total	Amount	Percentage of total	Amount	Percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)
<b>Total</b> .....	<b>276,199</b>	<b>100.0</b>	<b>2,058,610</b>	<b>100.0</b>	<b>1,152,989</b>	<b>100.0</b>
Under \$100,000 [1].....	110,979	40.2	3,661	0.2	13,725	1.2
\$100,000 under \$500,000.....	67,808	24.6	16,680	0.8	23,987	2.1
\$500,000 under \$1,000,000.....	26,486	9.6	19,226	0.9	16,929	1.5
\$1,000,000 under \$10,000,000.....	54,327	19.7	174,999	8.5	141,292	12.3
\$10,000,000 under \$50,000,000.....	11,368	4.1	242,388	11.8	161,476	14.0
\$50,000,000 or more.....	5,231	1.9	1,601,656	77.8	795,581	69.0

[1] Includes returns with zero assets or assets not reported.

NOTES: Data are from Forms 990 and 990-EZ for nonprofit charitable organizations exempt under Internal Revenue Code section 501(c)(3) and exclude private foundations and most organizations with receipts less than \$25,000 as well as most churches and certain types of religious organizations. Detail may not add to totals because of rounding.

Figure C illustrates the types of revenue reported by organizations of different sizes. Large organizations received nearly three-fourths of their total revenue from program service revenue, while small organizations received over half of their revenue from contributions, gifts, and grants.

On Form 990 (but not on Form 990-EZ), expenses for nonprofit charitable organizations are grouped into four major categories: program services, fundraising, management and general, and payments to affiliates. Program service expenses are those associated with activities that further an organization's exempt purpose; fundraising expenses are those incurred in soliciting contributions, gifts, and grants; and management and general expenses include those administrative and overhead costs that are not specifically related to program services or fundraising activities.

The three categories above are grouped by such specific functional expense items as grants and allocations, salaries and wages, professional fees, and supplies. (See Table 2 at the end of this article.) The fourth major category, payments to affiliates, which includes distributions to organizations closely related to the reporting organizations, such as dues paid by local chapters to State and national agencies, is not grouped by specific functional expenses. Program service expenses accounted for the vast majority (86 percent) of total expenses reported by filers of Form 990; management and general expenses totaled 12 percent; and fundraising expenses and payments to affiliates, combined, accounted for less than 2 percent.

## Compensation

Figure D shows compensation data reported by nonprofit charitable organizations on Form 990. Salaries, wages, and benefits are presented for executives, such as officers, directors, trustees, and key employees, as well as other employees. (Data from Form 990-EZ are not included in this section because that return does not distinguish between types of compensation or types of employee.) For Tax Year 2004, nonprofit charities reported \$440.0 billion in compensation and benefits on Form 990. The majority of this, 81 percent, was in the form of other employee salaries and wages. Salaries of executives, such as officers, directors, trustees, and key employees, totalled \$14.1 billion. In addition to salaries and wages, Form 990 filers reported \$68.6 billion in benefits paid to their employees and executives. Examples of these benefits include contributions to pension, health, and insurance welfare plans; payments to deferred compensation and severance plans; fringe benefits; and expense account reimbursements.

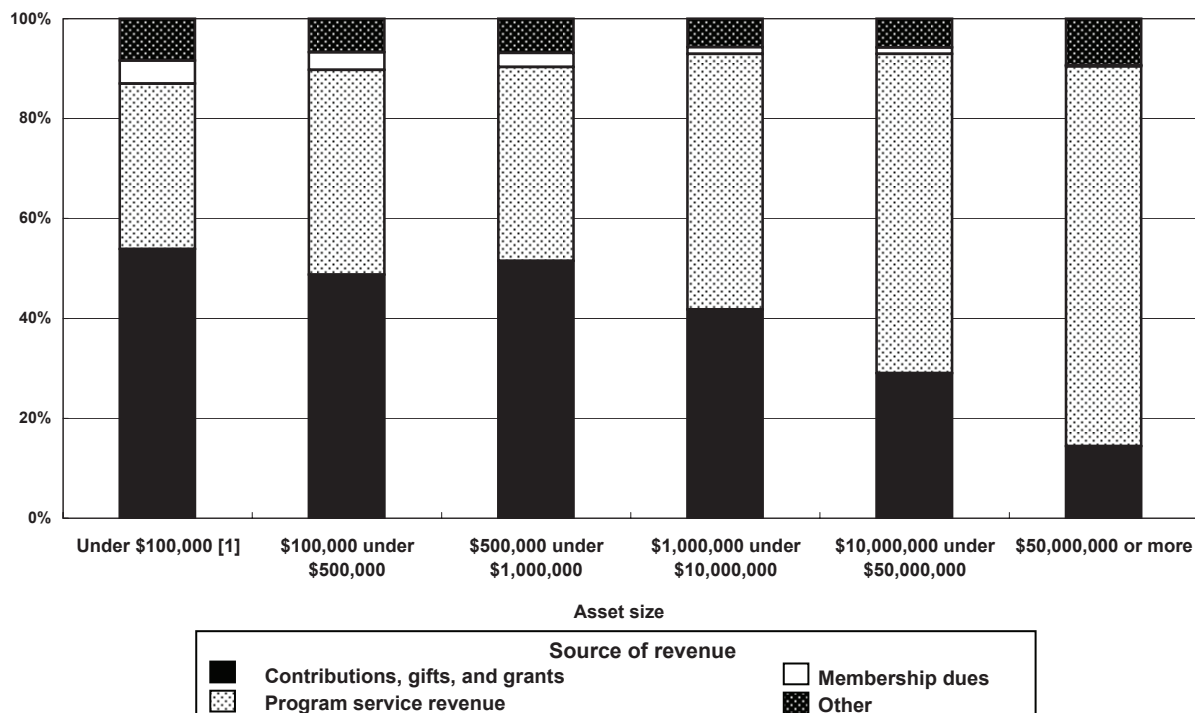
Compensation and benefits represented a significant portion of the total expenses reported by non-charitable organizations on Form 990, nearly 42 percent. When viewed by size of organization and type of employee, certain patterns emerge. For small organizations, those reporting assets less than \$500,000, other employee salaries, wages, and benefits represent slightly more than 32 percent of total expenses for Tax Year 2004; large organizations with assets of at least \$50 million reported 40 percent of their expenses in the form of employee salaries, wages, and benefits. For executives, this compensation pattern is reversed. Salaries and benefits paid to executives,

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**Figure C**

## Sources of Nonprofit Charitable Organization Revenue, by Asset Size, Tax Year 2004



[1] Includes returns with zero assets or assets not reported.

NOTES: Data are from Forms 990 and 990-EZ for nonprofit charitable organizations that are tax-exempt under Internal Revenue Code section 501(c)(3) and exclude private foundations and most organizations with receipts less than \$25,000, as well as most churches and certain other types of religious organizations.

**Figure D**

## Compensation of Nonprofit Charitable Organization Officers, Directors, Trustees, Key Employees, and Other Employees, Reported on Form 990, by Asset Size, Tax Year 2004

[All figures are estimates based on samples—money amounts are in millions of current dollars]

Asset size	Number of Form 990 returns	Total expenses	Officers, directors, trustees, and key employees		Other employees	
			Compensation	Contributions and other benefits [1]	Compensation	Contributions and other benefits [2]
	(1)	(2)	(3)	(4)	(5)	(6)
<b>Total.....</b>	<b>218,851</b>	<b>1,055,970</b>	<b>14,123</b>	<b>1,732</b>	<b>357,093</b>	<b>66,909</b>
Under \$100,000 [3].....	60,584	11,658	964	66	2,644	285
\$100,000 under \$500,000.....	60,855	23,052	1,522	92	7,013	882
\$500,000 under \$1,000,000.....	26,486	15,738	1,012	66	5,041	686
\$1,000,000 under \$10,000,000.....	54,327	134,308	3,877	366	51,102	7,831
\$10,000,000 under \$50,000,000.....	11,368	150,611	2,522	318	51,149	9,087
\$50,000,000 or more.....	5,231	720,604	4,226	825	240,145	48,138

[1] Includes "contributions to employee benefit plans and deferred compensation plans" and "expense account and other allowances" reported on Part V of Form 990.

[2] Includes "pension plan contributions" and "other employee benefits" reported on Part II of Form 990.

[3] Includes returns with zero assets or assets not reported.

NOTES: Data are from Form 990 for nonprofit charitable organizations that are tax-exempt under Internal Revenue Code section 501(c)(3) and exclude private foundations and most organizations with receipts less than \$25,000, as well as most churches and certain other types of religious organizations. Detail may not add to totals because of rounding.

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such as officers, directors, trustees, and key employees, accounted for nearly 8 percent of total expenses at small organizations, but less than 1 percent at large organizations.

Filers of Form 990 (but not Form 990-EZ) are required to report the total number of employees on the organization's payroll as of March 12. Nonprofit charitable organizations that provided this information on their returns reported 9.9 million paid employees and executives on that date in 2004.<sup>9</sup> On another part of the form, filers are required to list all paid and unpaid executives. Nonprofit charitable organizations reported over 195,000 paid and 2.1 million unpaid officers, directors, trustees, and key employees on Form 990 for Tax Year 2004.

## Nonprofit Charitable Organizations Classified by NTEE Codes

The National Taxonomy of Exempt Entities (NTEE) is a classification system developed by the National

Center for Charitable Statistics, which classifies organizations by institutional purpose and major programs and activities.<sup>10</sup> It recognizes 26 major groups, which can be aggregated into 10 program categories, as shown in Figure E. The organizations were classified for statistical purposes by the IRS Statistics of Income Division on the basis of information provided in the "Statement of Program Service Accomplishments" section of Forms 990 and 990-EZ.

Based on the NTEE classification, health was the dominant program category in terms of assets and revenue, accounting for 39 percent and 57 percent of the total, respectively. Examples of organizations in the health category are hospitals; nursing facilities; health support services, such as blood banks and emergency medical transport services; health care financing activities; substance abuse treatment services; medical ethics organizations; health associations active in the prevention or treatment of diseases; and medical research. Eighty-eight percent of the total

**Figure E**

### Selected Items for Nonprofit Charitable Organizations Classified by NTEE Category, Tax Year 2004

[All figures are estimates based on samples--money amounts are in millions of current dollars]

NTEE major category [1]	Number of returns	Total assets	Net assets	Revenue			Total expenses	Excess of revenue over expenses (net)
				Total	Contributions, gifts, and grants	Program service revenue		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>Total</b> .....	<b>276,199</b>	<b>2,058,610</b>	<b>1,276,100</b>	<b>1,152,989</b>	<b>248,569</b>	<b>801,199</b>	<b>1,058,489</b>	<b>94,500</b>
Arts, culture, and humanities.....	28,615	81,094	65,973	25,515	14,151	6,313	22,148	3,367
Education.....	48,920	677,087	486,746	220,139	64,470	116,619	185,093	35,046
Environment, animals.....	11,576	30,473	25,128	11,134	6,796	2,458	9,450	1,684
Health.....	36,372	801,770	424,567	655,063	46,561	575,542	619,048	36,015
Human services.....	104,837	236,302	114,700	157,653	62,853	81,785	151,549	6,104
International, foreign affairs.....	3,486	15,131	10,987	17,077	15,360	1,142	15,933	1,144
Mutual, membership benefit.....	674	13,285	9,746	2,850	178	1,748	2,127	723
Public, societal benefit.....	24,148	184,848	123,267	55,170	32,350	14,307	45,937	9,233
Religion-related.....	17,416	18,619	14,984	8,376	5,840	1,284	7,193	1,183
Unknown/unclassified.....	156	2	2	11	11	0	11	[2]

[1] The National Taxonomy of Exempt Entities (NTEE) is a classification system that uses 26 major field areas that are aggregated into the categories shown above. It was developed by the National Center for Charitable Statistics. The codes describe the purposes and activities of the organizations.

[2] Less than \$500,000.

NOTES: Data are from Forms 990 and 990-EZ for nonprofit charitable organizations that are tax-exempt under Internal Revenue Code section 501(c)(3) and exclude private foundations and most organizations with receipts less than \$25,000, as well as most churches and certain other types of religious organizations. Detail may not add to totals because of rounding.

<sup>9</sup> A number of organizations that reported compensation and/or benefits on Form 990 did not report employees on line 90b. SOI plans to conduct a study to examine nonprofit charitable organization data from Form 990 and Form 941, *Employer's Quarterly Federal Tax Return*, to better understand the sector's share of overall U.S. employment.

<sup>10</sup> For information on the National Taxonomy of Exempt Entities classification system, see the National Center for Charitable Statistics Web site: [www.ncc.urban.org](http://www.ncc.urban.org).

revenue for nonprofit charitable organizations in the health category was derived from program services.

The education program category includes colleges and universities, elementary and secondary schools, correspondence schools, libraries, educational testing services, and student services and organizations. Education ranked a distant second in terms of revenue, which totaled \$220.1 billion, nearly one-third of the amount reported by health organizations. The category also accounted for \$677.1 billion in assets—nearly one-third of the total for nonprofit charitable organizations.

Thirty-eight percent of the organizations that filed Forms 990 and 990-EZ for 2004 were classified as human service organizations. This category comprises organizations in several classifications performing a broad range of services focused on specific needs within the community: housing and shelter programs; job training and placement services; public safety, disaster preparedness, and relief services; recreation and sports programs; crime prevention and legal services; and multipurpose organizations which provide a broad range of social or human services to individuals and families. Program service revenue (\$81.8 billion) and contributions, gifts, and grants received (\$62.9 billion) together represented 95 percent of the total revenue reported by these organizations.

## Social Welfare Organizations Tax-Exempt under IRC Section 501(c)(4)

Internal Revenue Code section 501(c)(4) grants tax exemption to certain organizations that are organized and operated for the promotion of social welfare. Examples of organizations exempt under section 501(c)(4) include civic associations organized to promote community and neighborhood interests, as well as certain health organizations, homeowners' and tenants' associations, veterans' organizations, and police and firefighters' relief organizations. Another broad category covered by IRC section 501(c)(4) includes local associations of employees. To qualify under section 501(c)(4), organizations must show that they "primarily promote the common good and general welfare of the people of the community as a whole. An organization that primarily benefits

a private group of citizens cannot qualify for IRC 501(c)(4) status."<sup>11</sup>

Like nonprofit charitable organizations exempt under section 501(c)(3), 501(c)(4) social welfare organizations may not allow net earnings to inure to the benefit of a shareholder or individual. Unlike nonprofit charities, 501(c)(4) organizations organized exclusively to promote social welfare may legally participate in some political activity on behalf of, or in opposition to, candidates for public office. In most cases, a donor's contribution to one of these organizations is not tax-deductible. However, donations to 501(c)(4) volunteer fire companies are deductible on the donor's Federal income tax return if they are made for exclusively public purposes. Also, contributions to certain 501(c)(4) veterans' organizations whose membership is at least 90 percent war veterans may be deductible for donors.

## Highlights of Social Welfare Organization Financial Data

Social welfare organizations exempt under IRC section 501(c)(4) filed 25,276 Forms 990 or 990-EZ for Tax Year 2004. This figure represents just 18 percent of the total number of active 501(c)(4) organizations recognized by the IRS. Organizations with total gross receipts below the filing threshold and noncompliant organizations comprise the difference. Social welfare organizations that filed information returns reported total assets of \$82.0 billion. With a filing population of approximately one-tenth, and total reported assets less than 4 percent that of nonprofit charitable organizations, the average 501(c)(4) social welfare organization was considerably smaller than its 501(c)(3) counterpart.

As with nonprofit charitable organizations, a small number of large organizations dominated the financial activity of the social welfare sector. Figure F shows that less than 2 percent of social welfare organizations reported assets of \$50 million or more for 2004. However, this small group accounted for 78 percent of total assets and 69 percent of total revenue. On the other hand, organizations with assets less than \$500,000 filed nearly two-thirds of 501(c)(4) returns, but reported just 1 percent of total assets and 2.3 percent of total revenue.

<sup>11</sup> Reilly, John Francis; Carter C. Hull; and Barbara A. Braig Allen, "IRC 501(C)(4) Organizations" Exempt Organizations Technical Instruction Program for FY2003. This article is available at [www.irs.gov/pub/irs-tege/eotopic03.pdf](http://www.irs.gov/pub/irs-tege/eotopic03.pdf).

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Important differences between large social welfare organizations and those that reported fewer assets are illustrated by data on the organizations' revenue as shown in Figure G. Social welfare organizations exempt under IRC section 501(c)(4) with assets of \$10 million or more received the vast majority of their revenue, 88 percent, in the form of payments for program services. Small organizations, those with assets less than \$500,000, reported more diverse sources of revenue: 34 percent from contributions, gifts, and grants; 30 percent from program services; 18 percent from membership dues and assessments; and 18 percent from other sources.

Figure H shows data for IRC section 501(c)(4) social welfare organizations classified by NTEE category. While each of the 10 major NTEE categories is represented by social welfare organizations, the universe of section 501(c)(4) filers tends to be less diverse than that of nonprofit charitable organizations exempt under IRC section 501(c)(3). For example, section 501(c)(4) public and societal benefit and human service organizations combined to file 20,853 returns, or 83 percent of the total. Public and societal benefit organizations reported holding the most assets, \$37.3 billion. While filing relatively few returns (less than 800), social welfare organizations classified in the health category reported well over half of all revenue received. A large portion of this revenue was received by health and dental plan organizations exempt under section 501(c)(4).

## Summary

For 2004, nonprofit charitable organizations (excluding private foundations) tax-exempt under section 501(c)(3) reported \$2.1 trillion in total assets and \$1.2 trillion in revenue. The number of returns filed by these organizations was 276,199, including both Form 990 and the shorter Form 990-EZ. In the 10-year period between 1995 and 2004, nonprofit organizations reported steady growth, in real terms, in most financial categories.

Program service revenue, the fees received for the charitable programs conducted by tax-exempt organizations, was \$801.2 billion for Tax Year 2004. It represented more than two-thirds of the total revenue reported by charitable organizations. A second source of revenue, contributions, gifts, and grants, which totaled \$248.6 billion, accounted for more than one-half of the total revenue of organizations with asset holdings of less than \$1 million, but for a much smaller share of the total revenue of the larger organizations.

Using the National Taxonomy of Exempt Entities codes (which classify organizations by institutional purpose and major programs and activities), health care was the predominant major category, accounting for 39 percent of assets and 57 percent of total revenue reported by nonprofit charitable organizations.

Social welfare organizations exempt under Internal Revenue Code sections 501(c)(4) filed 25,276 information returns with the IRS, and reported \$82.0

**Figure F**

## Social Welfare Organizations, by Asset Size, Tax Year 2004

[All figures are estimates based on samples—money amounts are in millions of current dollars]

Asset size	Returns		Total assets		Total revenue	
	Number	Percentage of total	Amount	Percentage of total	Amount	Percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)
<b>Total</b> .....	<b>25,276</b>	<b>100.0</b>	<b>82,047</b>	<b>100.0</b>	<b>61,752</b>	<b>100.0</b>
Under \$100,000 [1].....	13,344	52.8	486	0.6	1,307	2.1
\$100,000 under \$500,000.....	6,791	26.9	1,572	1.9	1,281	2.1
\$500,000 under \$1,000,000.....	2,367	9.4	1,689	2.1	912	1.5
\$1,000,000 under \$10,000,000.....	2,357	9.3	6,298	7.7	4,225	6.8
\$10,000,000 under \$50,000,000.....	272	1.1	6,202	7.6	6,794	11.0
\$50,000,000 or more.....	145	0.6	65,800	80.2	47,233	76.5

[1] Includes returns with zero assets or assets not reported.

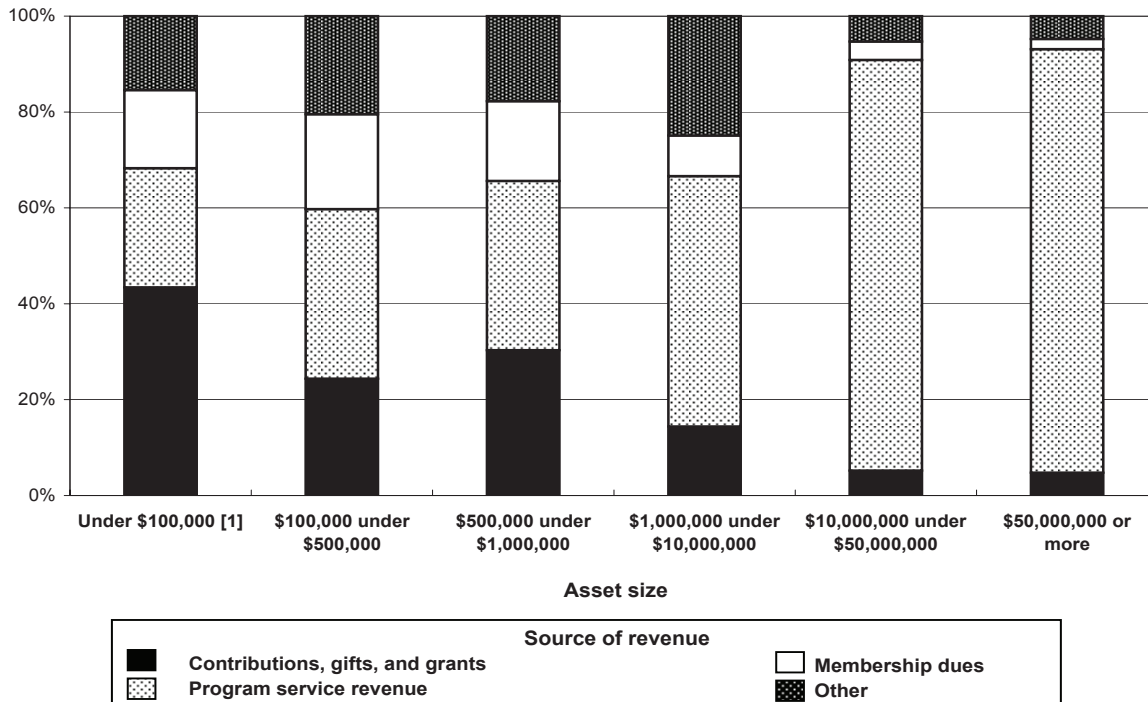
NOTES: Data are from Forms 990 and 990-EZ for organizations exempt under Internal Revenue Code section 501(c)(4) and exclude most organizations with receipts less than \$25,000. Detail may not add to totals because of rounding.

# Charities, Social Welfare, and Other Tax-Exempt Organizations, 2004

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**Figure G**

**Sources of Social Welfare Organization Revenue, by Asset Size, Tax Year 2004**



[1] Includes returns with zero assets or assets not reported.

NOTES: Data are from Forms 990 and 990-EZ for organizations exempt under Internal Revenue Code section 501(c)(4) and exclude most organizations with receipts less than \$25,000.

**Figure H**

**Selected Items for Social Welfare Organizations, by NTEE Category, Tax Year 2004**

[All figures are estimates based on samples--money amounts are in millions of current dollars]

NTEE major category [1]	Number of returns	Total assets	Net assets	Revenue			Total expenses	Excess of revenue over expenses (net)
				Total	Contributions, gifts, and grants	Program service revenue		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>Total</b> .....	<b>25,276</b>	<b>82,047</b>	<b>36,379</b>	<b>61,752</b>	<b>4,367</b>	<b>50,836</b>	<b>59,440</b>	<b>2,312</b>
Arts, culture, and humanities.....	920	1,076	778	950	583	276	963	-13
Education.....	1,119	1,958	564	764	418	144	718	46
Environment, animals.....	637	1,405	1,167	489	175	148	453	36
Health.....	779	15,932	9,285	37,348	192	36,087	36,651	697
Human services.....	10,643	11,866	5,820	10,208	868	6,509	9,499	709
International, foreign affairs*.....	15	9,465	8,615	1,529	1,123	238	1,245	285
Mutual, membership benefit.....	823	3,013	1,935	4,339	55	4,119	4,260	80
Public, societal benefit.....	10,210	37,269	8,154	6,119	952	3,314	5,649	470
Religion-related*.....	42	62	62	3	[2]	0	3	[2]
Unknown/unclassified*.....	86	[2]	[2]	3	1	0	0	3

\* Estimate should be used with caution due to the small number of sample returns on which it is based.

[1] The National Taxonomy of Exempt Entities (NTEE) is a classification system that uses 26 major field areas that are aggregated into the categories shown above. It was developed by the National Center for Charitable Statistics. The codes describe the purposes and activities of the organizations.

[2] Less than \$500,000.

NOTES: Data are from Forms 990 and 990-EZ for organizations exempt under Internal Revenue Code section 501(c)(4) and exclude most organizations with receipts less than \$25,000.

Detail may not add to totals because of rounding.



# Charities, Social Welfare, and Other Tax-Exempt Organizations, 2004

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billion in assets and \$61.8 billion in revenue. Large social welfare organizations received nearly all of their revenue from program services, while smaller organizations reported more diversity. The vast majority of IRC section 501(c)(4) filers were classified as either public and societal benefit or human services organizations under the NTEE system.

## Data Sources and Limitations

The statistics in this article are based on a sample of the 2004 Forms 990, *Return of Organization Exempt From Income Tax*, and Forms 990-EZ, *Short Form Return of Organization Exempt From Income Tax*. Organizations were required to file the 2004 form when their accounting periods ended any time between December 31, 2004, and November 30, 2005. The sample did not include private foundations, which were required to file Form 990-PF. Most churches and certain other types of religious organizations were also excluded from the sample because they were not required to file Form 990 or Form 990-EZ. The sample included only those returns with average receipts of more than \$25,000, the filing threshold.

The sample design had two parts: the first sampling frame contained all returns filed by organizations exempt under section 501(c)(3); the second sampling frame comprised a pool of all returns filed by organizations exempt under sections 501(c)(4) through (9). Organizations tax-exempt under other Code sections were excluded from the sample frames. The data presented were obtained from returns as originally filed with the Internal Revenue Service. They were subjected to comprehensive testing and correction procedures in order to improve statistical reliability and validity. However, in most cases, changes made to the original return as a result of either administrative processing or taxpayer amendment were not incorporated into the database.

The two samples were classified into strata based on the size of end-of-year total assets, with each stratum sampled at a different rate. For section 501(c)(3) organizations, a sample of 15,070 returns was selected from a population of 279,415. Sampling rates ranged from 1.24 percent for organizations reporting total assets less than \$500,000 to 100 percent for organizations with total assets of \$50,000,000 or more. The second sample contained 6,669 records

selected from the population of 111,010 returns filed by organizations exempt under sections 501(c)(4) through (9). Sampling rates ranged from 1.11 percent for organizations reporting total assets less than \$150,000 to 100 percent for organizations with assets of \$10,000,000 or more. The filing populations for these organizations included some returns of terminated organizations, returns of inactive organizations, duplicate returns, and returns of organizations filed with tax periods prior to 2004. However, these returns were excluded from the final sample and the estimated population counts.

Because the data are based on samples, they are subject to sampling error. In order to use these statistics properly, the magnitude of the sampling error, measured by the coefficient of variation (CV), should be taken into account. Figure I shows CVs for selected financial data. A discussion of methods for evaluating the nonsampling error can be found in the general Appendix of this issue.

**Figure I**

### Coefficient of Variation for Selected Items, by Selected Internal Revenue Code Section, Tax Year 2004

Type and size of organization	Percentages		
	Number of returns	Total assets	Total revenue
	(1)	(2)	(3)
All 501(c)(3) organizations [1].....	0.17	0.08	0.44
Large organizations [2].....	0.81	0.11	0.39
Medium organizations [3].....	1.22	0.60	2.03
Small organizations [4].....	1.65	2.70	5.78
All 501(c)(4) organizations.....	4.56	0.49	1.52
Large organizations [2].....	n/a	n/a	n/a
Medium organizations [3].....	6.24	4.22	13.55
Small organizations [4].....	7.03	9.27	26.98
All 501(c)(5) organizations.....	5.17	1.52	4.41
All 501(c)(6) organizations.....	3.97	0.84	2.37
All 501(c)(7) organizations.....	5.10	2.09	2.95
All 501(c)(8) organizations.....	9.39	0.25	0.95
All 501(c)(9) organizations.....	7.41	0.28	4.83

[1] Excludes private foundations, most churches, and certain other types of religious organizations.

[2] Large organizations are those with assets greater than or equal to \$10 million.

[3] Medium organizations are those with assets greater than \$100,000 but less than \$10 million.

[4] Small organizations are those with assets less than \$100,000.

NOTE: Includes data from Forms 990 and 990-EZ and excludes most organizations with receipts less than \$25,000.

# Charities, Social Welfare, and Other Tax-Exempt Organizations, 2004

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**Table 1. Form 990 Returns of Nonprofit Charitable Section 501(c)(3) Organizations: Selected Balance Sheet and Income Statement Items, by Asset Size, Tax Year 2004**

[All figures are estimates based on samples—money amounts are in thousands of current dollars]

Item	Total	Asset size					
		Under \$100,000 [1]	\$100,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 under \$10,000,000	\$10,000,000 under \$50,000,000	\$50,000,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>Number of returns</b> .....	<b>218,851</b>	<b>60,584</b>	<b>60,855</b>	<b>26,486</b>	<b>54,327</b>	<b>11,368</b>	<b>5,231</b>
<b>Total assets</b> .....	<b>2,056,236,833</b>	<b>2,366,306</b>	<b>15,601,055</b>	<b>19,225,997</b>	<b>174,999,394</b>	<b>242,388,308</b>	<b>1,601,655,772</b>
Cash.....	46,478,142	1,080,967	3,236,254	2,044,192	10,237,520	8,578,012	21,301,196
Savings and temporary cash investments.....	137,436,046	538,677	4,117,209	3,918,934	20,264,511	19,670,636	88,926,079
Accounts receivable (net).....	108,471,065	130,261	802,589	983,794	9,219,458	13,533,122	83,801,841
Pledges receivable (net).....	39,031,200	* 9,278	173,861	218,978	4,133,689	7,720,246	26,775,149
Grants receivable.....	12,466,388	60,521	353,508	409,593	3,339,755	3,117,342	5,185,669
Receivables due from officers, etc.....	256,540	* 3,653	* 9,388	* 13,697	105,028	21,817	102,957
Other notes and loans receivable.....	78,770,243	10,560	158,855	428,819	4,112,532	5,419,091	68,640,385
Inventories for sale or use.....	11,979,454	39,544	189,300	166,330	1,569,791	1,713,956	8,300,534
Prepaid expenses and deferred charges.....	19,774,122	23,712	146,066	173,062	1,743,698	2,461,009	15,226,574
Investments in securities.....	721,655,956	36,371	1,297,379	2,493,629	31,898,813	63,213,305	622,716,459
Investments in land, buildings, and equipment.....	35,044,409	66,611	608,969	682,996	6,882,456	6,640,603	20,162,775
Other investments.....	189,926,207	16,738	458,819	965,545	8,672,839	16,136,078	163,676,190
Land, buildings, and equipment for charitable purposes..	542,964,266	312,725	3,795,003	6,130,629	65,964,622	80,126,961	386,634,327
Other assets.....	111,982,792	36,687	253,856	595,800	6,854,683	14,036,130	90,205,636
<b>Total liabilities</b> .....	<b>782,285,445</b>	<b>1,388,147</b>	<b>4,459,413</b>	<b>4,314,809</b>	<b>65,202,329</b>	<b>92,835,410</b>	<b>614,085,337</b>
Accounts payable.....	140,857,893	340,625	1,311,169	907,488	13,068,701	17,322,472	107,907,439
Grants payable.....	10,892,480	* 12,009	134,215	* 96,029	1,532,844	1,720,715	7,396,668
Support and revenue designated for future periods.....	39,951,358	43,788	368,371	251,455	4,310,972	8,100,691	26,876,079
Loans from officers, etc.....	1,012,931	80,674	112,834	78,809	443,326	111,360	185,927
Tax-exempt bond liabilities.....	258,089,143	0	0	0	3,407,459	18,790,387	235,891,297
Mortgages and other notes payable.....	167,445,715	677,761	1,899,278	2,450,183	34,580,453	31,569,302	96,268,739
Other liabilities.....	164,035,925	233,291	633,546	530,844	7,858,574	15,220,483	139,559,188
<b>Net assets</b> .....	<b>1,273,951,388</b>	<b>978,159</b>	<b>11,141,642</b>	<b>14,911,188</b>	<b>109,797,066</b>	<b>149,552,899</b>	<b>987,570,434</b>

Footnotes at end of table.

# Charities, Social Welfare, and Other Tax-Exempt Organizations, 2004

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**Table 1. Form 990 Returns of Nonprofit Charitable Section 501(c)(3) Organizations: Selected Balance Sheet and Income Statement Items, by Asset Size, Tax Year 2003—Continued**

[All figures are estimates based on samples—money amounts are in thousands of current dollars]

Item	Total	Asset size					
		Under \$100,000 [1]	\$100,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 under \$10,000,000	\$10,000,000 under \$50,000,000	\$50,000,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>Total revenue</b> .....	<b>1,150,287,774</b>	<b>11,400,423</b>	<b>23,610,319</b>	<b>16,928,827</b>	<b>141,291,535</b>	<b>161,476,029</b>	<b>795,580,640</b>
Total contributions, gifts, and grants received .....	247,171,845	6,199,535	11,481,838	8,719,695	59,042,179	46,891,519	114,837,079
Contributions received from direct public support.....	124,575,951	4,058,275	6,183,590	4,885,145	23,818,181	25,890,399	59,740,360
Contributions received from indirect public support.....	16,947,398	397,843	730,616	250,772	2,612,749	2,104,048	10,851,370
Government grants.....	105,648,496	1,743,417	4,567,631	3,583,778	32,611,249	18,897,073	44,245,348
Program service revenue .....	800,658,127	4,067,665	9,779,087	6,573,453	72,265,345	103,235,325	604,737,253
Membership dues and assessments.....	7,932,979	400,001	813,425	477,473	1,910,318	2,026,572	2,305,191
Interest on savings and temporary cash investments.....	4,924,984	9,170	72,564	83,039	617,619	698,012	3,444,579
Dividends and interest from securities.....	17,761,243	1,790	52,398	81,477	987,804	1,764,141	14,873,634
Net rental income (loss).....	2,526,429	22,840	116,537	62,040	447,966	417,595	1,459,452
Gross rents.....	5,378,455	27,626	195,938	128,944	922,581	865,930	3,237,436
Rental expenses.....	2,852,026	* 4,786	79,401	66,904	474,615	448,335	1,777,984
Other investment income.....	5,120,647	-72,547	11,804	19,520	273,068	368,479	4,520,323
Total gain (loss) from sales of assets.....	36,693,532	26,310	73,090	50,491	1,416,519	2,360,704	32,766,418
Gain (loss), sales of securities.....	30,346,795	506	21,048	25,109	779,394	1,661,693	27,859,045
Gross amount from sales.....	646,572,216	28,649	421,824	709,979	11,939,437	28,439,454	605,032,872
Cost or other basis and sales expense.....	616,225,421	28,144	400,776	684,870	11,160,043	26,777,761	577,173,827
Gain (loss), sales of other assets.....	6,346,737	25,804	52,041	25,382	637,125	699,011	4,907,373
Gross amount from sales.....	12,500,650	59,167	182,894	106,482	1,724,807	1,741,993	8,685,306
Cost or other basis and sales expense.....	6,153,913	33,362	130,852	81,100	1,087,682	1,042,983	3,777,933
Net income (loss), special events and activities.....	3,191,375	482,260	598,039	317,329	1,101,650	377,479	314,617
Gross revenue.....	8,701,008	1,636,454	2,227,992	720,751	2,213,364	1,022,642	879,805
Direct expenses.....	5,509,633	1,154,193	1,629,954	403,421	1,111,713	645,163	565,188
Gross profit (loss), sales of inventories.....	5,239,187	100,161	295,074	367,369	1,403,170	1,200,682	1,872,730
Gross sales minus returns and allowances.....	12,608,768	291,575	687,235	933,560	3,475,764	2,913,336	4,307,298
Cost of goods sold.....	7,369,581	191,415	392,161	566,190	2,072,593	1,712,653	2,434,568
Other revenue (loss).....	19,067,420	163,237	316,460	176,941	1,825,896	2,135,521	14,449,364
<b>Total expenses [2]</b> .....	<b>1,055,970,120</b>	<b>11,657,818</b>	<b>23,051,713</b>	<b>15,737,598</b>	<b>134,307,703</b>	<b>150,611,381</b>	<b>720,603,908</b>
Program services.....	909,752,638	9,882,823	19,201,051	12,935,725	113,650,003	128,830,079	625,252,956
Management and general.....	130,799,384	1,487,460	3,384,438	2,381,324	17,403,286	18,964,591	87,178,286
Fundraising.....	11,825,757	228,668	440,433	389,481	2,598,271	2,272,679	5,896,224
Payments to affiliates.....	3,592,339	58,866	25,789	* 31,069	656,143	544,031	2,276,441
<b>Excess of revenue over expenses (net)</b> .....	<b>94,317,654</b>	<b>-257,394</b>	<b>558,606</b>	<b>1,191,229</b>	<b>6,983,832</b>	<b>10,864,649</b>	<b>74,976,732</b>

\* Estimate should be used with caution because of the small number of sample returns on which it is based.

[1] Includes returns with zero assets or assets not reported.

[2] The differences between "total expenses" shown in this table and "total functional expenditures" shown in Table 2 are due to payments to affiliates, which are not considered functional expenditures.

NOTES: Data exclude private foundations, most organizations with receipts less than \$25,000, most churches, and certain other types of religious organizations. Detail may not add to totals because of rounding.

# Charities, Social Welfare, and Other Tax-Exempt Organizations, 2004

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**Table 2. Form 990 Returns of Organizations Tax-Exempt Under Internal Revenue Code Sections 501(c)(3)-(9): Total Functional Expenditures, by Code Section, Tax Year 2004**

[All figures are estimates based on samples—money amounts are in thousands of current dollars]

Item	Organizations tax-exempt under Internal Revenue Code section:						
	501(c)(3) [1]	501(c)(4)	501(c)(5)	501(c)(6)	501(c)(7)	501(c)(8)	501(c)(9)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>Number of returns reporting functional expenditures.....</b>	<b>217,632</b>	<b>16,075</b>	<b>14,251</b>	<b>22,545</b>	<b>13,766</b>	<b>5,046</b>	<b>6,556</b>
<b>Total functional expenditures [2].....</b>	<b>1,052,377,777</b>	<b>58,965,583</b>	<b>16,873,000</b>	<b>31,199,444</b>	<b>10,367,386</b>	<b>13,037,039</b>	<b>133,671,271</b>
Grants and allocations.....	66,673,145	4,423,947	491,207	693,675	62,963	325,831	1,483,268
Specific assistance to individuals.....	8,152,020	929,489	65,437	* 19,110	* 1,302	78,152	1,186,860
Benefits paid to or for members.....	5,873,215	17,243,142	1,771,700	1,081,479	22,303	9,528,412	112,695,463
Compensation of officers, directors, or trustees.....	16,321,900	446,940	1,372,006	1,740,377	124,971	87,440	412,975
Other salaries and wages.....	357,093,123	3,237,657	3,552,015	5,723,969	3,534,467	616,999	655,055
Pension plan contributions.....	16,377,234	257,566	690,057	623,145	68,265	118,695	98,146
Other employee benefits.....	50,531,040	726,034	871,064	1,023,619	353,275	557,909	2,131,897
Payroll taxes.....	25,213,292	221,807	497,661	490,160	427,919	86,247	77,679
Professional fundraising fees.....	634,990	41,053	132,799	30,480	8,374	* 11,464	* 1,958
Accounting fees.....	1,802,842	85,839	86,024	154,697	55,380	21,971	128,583
Legal fees.....	2,648,391	168,741	396,928	565,405	21,386	30,803	144,314
Supplies.....	90,906,022	238,255	165,676	225,987	347,406	51,879	39,038
Telephone.....	4,337,211	117,692	146,842	228,829	54,207	29,375	20,418
Postage and shipping.....	3,678,789	360,002	132,461	318,940	42,315	25,356	60,182
Occupancy.....	31,740,502	826,358	500,073	978,939	1,205,331	188,424	109,192
Equipment rental and maintenance.....	13,960,115	250,849	126,027	289,296	312,898	35,719	29,143
Printing and publications.....	6,357,369	462,943	325,048	863,493	89,029	47,368	41,377
Travel.....	8,403,519	173,171	483,418	767,182	31,663	28,700	11,786
Conferences, conventions, and meetings.....	3,930,140	212,229	326,139	2,002,512	57,991	43,356	20,370
Interest.....	16,312,029	2,140,615	56,256	204,771	220,358	21,256	8,678
Depreciation and depletion.....	43,686,028	798,427	304,425	553,292	974,386	128,288	61,445
Other expenses.....	277,744,840	25,602,821	4,379,738	12,620,087	2,351,194	973,392	14,253,445

\* Estimate should be used with caution because of the small number of sample returns on which it is based.

[1] Excludes private foundations, most churches, and certain other types of religious organizations.

[2] The differences between "total functional expenditures" shown in this table and "total expenses" shown in Tables 1 and 3 are due to payments to affiliates, which are not considered functional expenditures.

NOTES: Data exclude most organizations with receipts less than \$25,000. Detail may not add to totals because of rounding.

# Charities, Social Welfare, and Other Tax-Exempt Organizations, 2004

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**Table 3. Form 990 Returns of Organizations Tax-Exempt Under Internal Revenue Code Sections 501(c)(3)-(9): Selected Balance Sheet and Income Statement Items, by Code Section, Tax Year 2004**

[All figures are estimates based on samples—money amounts are in thousands of current dollars]

Item	Organizations tax-exempt under Internal Revenue Code section:						
	501(c)(3) [1]	501(c)(4)	501(c)(5)	501(c)(6)	501(c)(7)	501(c)(8)	501(c)(9)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>Number of returns.....</b>	<b>218,851</b>	<b>16,202</b>	<b>14,256</b>	<b>22,554</b>	<b>13,892</b>	<b>5,046</b>	<b>6,584</b>
<b>Total assets.....</b>	<b>2,056,236,833</b>	<b>81,622,300</b>	<b>26,796,980</b>	<b>55,659,905</b>	<b>20,993,998</b>	<b>92,715,382</b>	<b>149,009,513</b>
Cash.....	46,478,142	2,574,330	2,044,975	3,172,850	1,042,987	587,202	2,450,735
Savings and temporary cash investments.....	137,436,046	7,271,895	5,268,314	9,213,200	1,559,850	5,047,770	18,941,510
Accounts receivable (net).....	108,471,065	4,191,409	1,176,930	2,998,637	1,100,429	97,156	9,720,780
Pledges receivable (net).....	39,031,200	124,707	* 10,566	160,944	14,925	* 1,728	* 2,705
Grants receivable.....	12,466,388	132,295	* 5,389	139,640	* 952	* 257	268,569
Receivables due from officers, etc.....	256,540	* 11,888	1,463	13,061	8,656	* 648	* 162
Other notes and loans receivable.....	78,770,243	27,227,702	328,227	4,725,804	147,290	594,132	252,980
Inventories for sale or use.....	11,979,454	225,085	39,947	163,531	230,429	37,128	6,503
Prepaid expenses and deferred charges.....	19,774,122	1,108,098	212,082	816,488	240,662	456,754	301,313
Investments in securities.....	721,655,956	18,823,718	10,744,302	21,872,157	495,586	64,306,375	102,719,204
Investments in land, buildings, and equipment .....	35,044,409	1,570,688	609,690	566,281	1,533,315	354,779	60,036
Other investments.....	189,926,207	4,064,367	1,867,810	5,572,725	204,495	18,875,489	8,639,522
Land, buildings, and equipment for charitable purposes.....	542,964,266	9,323,668	4,043,329	4,341,530	14,071,455	1,543,925	412,596
Other assets.....	111,982,792	4,972,449	443,957	1,903,059	342,966	812,037	5,232,897
<b>Total liabilities.....</b>	<b>782,285,445</b>	<b>45,620,822</b>	<b>5,857,857</b>	<b>33,094,589</b>	<b>6,885,809</b>	<b>82,049,996</b>	<b>28,409,410</b>
Accounts payable.....	140,857,893	10,428,336	2,225,423	5,661,071	944,339	1,824,134	11,310,245
Grants payable.....	10,892,480	498,286	57,574	128,819	* 4,562	* 61,088	146,901
Support and revenue designated for future periods.....	39,951,358	2,171,192	245,997	3,953,978	691,946	119,502	497,315
Loans from officers, etc.....	1,012,931	* 333	0	* 11,823	* 10,494	* 13	0
Tax-exempt bond liabilities.....	258,089,143	6,996,747	0	* 85,690	* 4,474	* 44,065	0
Mortgages and other notes payable.....	167,445,715	19,094,286	1,440,550	2,943,709	4,440,585	408,924	243,975
Other liabilities.....	164,035,925	6,431,640	1,888,312	20,309,498	789,408	79,592,268	16,210,974
<b>Net assets.....</b>	<b>1,273,951,388</b>	<b>36,001,477</b>	<b>20,939,123</b>	<b>22,565,316</b>	<b>14,108,189</b>	<b>10,665,385</b>	<b>120,600,103</b>

Footnotes at end of table.

# Charities, Social Welfare, and Other Tax-Exempt Organizations, 2004

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**Table 3. Form 990 Returns of Organizations Tax-Exempt Under Internal Revenue Code Sections 501(c)(3)-(9): Selected Balance Sheet and Income Statement Items, by Code Section, Tax Year 2004—Continued**

[All figures are estimates based on samples—money amounts are in thousands of current dollars]

Item	Organizations tax-exempt under Internal Revenue Code section:						
	501(c)(3) [1]	501(c)(4)	501(c)(5)	501(c)(6)	501(c)(7)	501(c)(8)	501(c)(9)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>Total revenue</b> .....	<b>1,150,287,774</b>	<b>61,396,690</b>	<b>19,375,956</b>	<b>32,529,919</b>	<b>10,695,778</b>	<b>13,774,340</b>	<b>144,684,846</b>
Total contributions, gifts, and grants received .....	247,171,845	4,302,967	1,430,510	2,467,666	122,918	149,404	0
Contributions received from direct public support.....	124,575,951	1,723,768	453,087	1,048,376	92,896	50,706	0
Contributions received from indirect public support.....	16,947,398	204,921	686,881	101,791	26,497	65,303	0
Government grants.....	105,648,496	2,374,277	290,542	1,317,498	* 3,525	* 33,395	0
Program service revenue .....	800,658,127	50,764,377	3,451,904	14,026,045	1,958,300	9,417,341	134,610,175
Membership dues and assessments.....	7,932,979	2,127,210	12,323,761	12,370,203	6,294,192	373,949	2,689,859
Interest on savings and temporary cash investments.....	4,924,984	265,711	195,532	297,997	95,341	46,281	472,784
Dividends and interest from securities.....	17,761,243	478,316	352,412	662,008	14,327	3,005,903	2,523,331
Net rental income (loss).....	2,526,429	220,202	66,909	56,353	65,440	23,558	2,250
Gross rents.....	5,378,455	310,088	188,842	178,166	125,374	49,283	12,875
Rental expenses.....	2,852,026	89,885	121,933	121,813	59,934	25,725	10,624
Other investment income.....	5,120,647	699,455	60,626	91,887	3,824	70,551	277,752
Total gain (loss) from sales of assets.....	36,693,532	464,963	248,746	407,704	8,661	332,656	2,682,381
Gain (loss), sales of securities.....	30,346,795	389,078	186,621	348,932	6,562	320,788	2,676,767
Gross amount from sales.....	646,572,216	9,296,954	8,162,194	21,017,627	195,398	3,909,989	128,197,074
Cost or other basis and sales expense.....	616,225,421	8,907,876	7,975,573	20,668,695	188,836	3,589,201	125,520,307
Gain (loss), sales of other assets.....	6,346,737	75,885	62,126	58,773	2,098	11,868	5,614
Gross amount from sales.....	12,500,650	502,244	505,418	184,459	75,892	18,359	229,279
Cost or other basis and sales expense.....	6,153,913	426,359	443,292	125,687	73,794	6,491	223,664
Net income (loss), special events and activities.....	3,191,375	306,780	27,636	214,218	79,305	158,211	* 1,149
Gross revenue.....	8,701,008	1,103,011	91,211	771,683	221,943	400,205	* 4,211
Direct expenses.....	5,509,633	796,231	63,575	557,464	142,638	241,994	* 3,062
Gross profit (loss), sales of inventories.....	5,239,187	183,551	15,294	203,855	1,696,204	117,627	-1,351
Gross sales minus returns and allowances.....	12,608,768	482,593	47,376	372,200	3,565,414	338,673	* 3,451
Cost of goods sold.....	7,369,581	299,041	32,082	168,344	1,869,210	221,046	* 4,802
Other revenue (loss).....	19,067,420	1,583,160	1,202,625	1,731,982	357,266	78,857	1,426,513
<b>Total expenses [2]</b> .....	<b>1,055,970,120</b>	<b>59,086,062</b>	<b>18,861,014</b>	<b>31,322,522</b>	<b>10,396,454</b>	<b>13,053,362</b>	<b>133,689,119</b>
Program services.....	909,752,638	53,943,427	[ 3 ]	[ 3 ]	[ 3 ]	[ 3 ]	[ 3 ]
Management and general.....	130,799,384	4,730,990	[ 3 ]	[ 3 ]	[ 3 ]	[ 3 ]	[ 3 ]
Fundraising.....	11,825,757	291,166	[ 3 ]	[ 3 ]	[ 3 ]	[ 3 ]	[ 3 ]
Payments to affiliates.....	3,592,339	120,478	1,988,014	123,078	29,068	16,323	17,848
<b>Excess of revenue over expenses (net)</b> .....	<b>94,317,654</b>	<b>2,310,628</b>	<b>514,941</b>	<b>1,207,397</b>	<b>299,324</b>	<b>720,978</b>	<b>10,995,727</b>

\* Estimate should be used with caution because of the small number of sample returns on which it is based.

[1] Excludes private foundations, most churches, and certain other types of religious organizations.

[2] The differences between "total expenses" shown in this table and "total functional expenditures" shown in Table 2 are due to payments to affiliates, which are not considered functional expenditures.

[3] Not required to be reported.

NOTES: Data exclude most organizations with receipts less than \$25,000. Detail may not add to totals because of rounding.

# Charities, Social Welfare, and Other Tax-Exempt Organizations, 2004

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**Table 4. Form 990-EZ Returns of Organizations Tax-Exempt Under Internal Revenue Code Sections 501(c)(3)-(9): Selected Balance Sheet and Income Statement Items, by Code Section, Tax Year 2004**

[All figures are estimates based on samples—money amounts are in thousands of current dollars]

Item	Organizations tax-exempt under Internal Revenue Code section:						
	501(c)(3) [1]	501(c)(4)	501(c)(5)	501(c)(6)	501(c)(7)	501(c)(8)	501(c)(9) *
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>Number of returns</b> .....	<b>57,348</b>	<b>9,074</b>	<b>5,696</b>	<b>7,767</b>	<b>6,829</b>	<b>1,485</b>	<b>258</b>
<b>Total assets</b> .....	<b>2,373,495</b>	<b>424,457</b>	<b>330,373</b>	<b>330,001</b>	<b>426,562</b>	<b>132,399</b>	<b>7,642</b>
Cash, savings, and investments .....	1,739,868	307,399	297,048	320,257	204,724	69,816	7,642
Land and buildings (net) .....	399,753	101,837		* 3,012	168,810	* 52,436	0
Other assets .....	233,872	15,221	10,687	6,732	53,028	* 10,148	0
<b>Total liabilities</b> .....	<b>224,671</b>	<b>46,681</b>	<b>42,940</b>	<b>19,522</b>	<b>57,523</b>	<b>* 8,600</b>	<b>0</b>
<b>Net assets</b> .....	<b>2,148,823</b>	<b>377,776</b>	<b>287,433</b>	<b>310,479</b>	<b>369,039</b>	<b>123,799</b>	<b>7,642</b>
<b>Total revenue</b> .....	<b>2,701,376</b>	<b>355,022</b>	<b>297,776</b>	<b>410,685</b>	<b>292,282</b>	<b>64,879</b>	<b>14,802</b>
Contributions, gifts, and grants .....	1,397,630	64,143	5,025	43,718	19,291	9,894	0
Program service revenue .....	540,539	71,333	* 10,723	149,441	66,034	* 14,571	9,079
Dues and assessments .....	259,877	114,505	243,148	178,473	156,392	11,466	4,060
Investment income (loss) .....	23,068	2,687	3,416	2,995	5,052	1,197	45
Gain (loss) from sales of assets .....	10,548	0	* 82	* 747	* 481	0	0
Gross amount from sales .....	42,106	0	* 1,172	* 1,947	* 12,975	0	0
Cost or other basis and sales expense .....	31,557	0	* 1,089	* 1,199	* 12,494	0	0
Net income (loss), special events and activities .....	284,367	76,333	7,157	10,928	16,414	14,198	0
Gross revenue .....	654,959	177,862	23,821	58,025	50,106	37,517	0
Direct expenses .....	370,591	101,528	16,664	47,098	33,692	* 23,319	0
Gross profit (loss), sales of inventories .....	64,998	* 1,817	* 632	* 1,574	14,805	* 1,874	0
Gross sales minus returns and allowances .....	157,860	* 9,081	* 1,358	* 4,320	34,573	* 13,859	0
Cost of goods sold .....	92,861	* 7,264	* 726	* 2,746	19,768	* 11,986	0
Other revenue (loss) .....	120,342	24,203	27,593	22,808	13,811	11,679	1,619
<b>Total expenses</b> .....	<b>2,519,107</b>	<b>353,706</b>	<b>306,965</b>	<b>389,269</b>	<b>273,061</b>	<b>57,816</b>	<b>14,599</b>
Grants paid .....	352,538	91,867	44,442	21,482	8,847	11,534	0
Benefits paid to or for members .....	44,863	15,704	10,473	* 13,607	* 11,924	* 4,766	10,180
Salaries and compensation .....	424,183	20,789	74,765	49,974	16,141	* 2,966	215
Professional fees .....	194,365	23,387	21,530	63,853	17,335	* 79	11
Occupancy, rent, and utilities .....	298,085	28,079	29,786	12,088	84,246	12,515	122
Printing, publications, and postage .....	98,974	11,117	11,293	25,513	13,874	1,556	13
Other expenses .....	1,106,094	162,763	114,677	202,752	120,693	24,399	4,059
<b>Excess of revenue over expenses (net)</b> .....	<b>182,266</b>	<b>1,316</b>	<b>-9,189</b>	<b>21,415</b>	<b>19,220</b>	<b>7,063</b>	<b>203</b>

\* Estimate(s) should be used with caution because of the small number of sample returns on which they are based.

[1] Excludes private foundations, most churches, and certain other types of religious organizations.

NOTES: Organizations with end-of-year total assets under \$250,000 and gross receipts under \$100,000 could elect to file Forms 990-EZ rather than Forms 990.

Data exclude most organizations with receipts less than \$25,000. Detail may not add to totals because of rounding.