

THE SPIRITUAL FOUNDATIONS OF THE NEW PHYSICS OF FINANCES, FAITH, AND PHILANTHROPY

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A leading question for the 21st Century is How wealth can be used as a means for deeper purposes when acquiring more wealth or a greater standard of living is no longer of high importance?

I. Introduction: Financial and Moral Context—Keynes and Gates

A. John Maynard Keynes

In his 1930 essay, “The Economic Possibilities for our Grandchildren,” John Maynard Keynes wrote about the growth in financial wealth and its implications for the growth in spiritual wealth. According to Keynes,

“The *economic problem* [of scarcity] may be solved, or at least within sight of solution, within a hundred years. This means that the economic problem is not—if we look into the future—the *permanent problem of the human race* [italics in the original] (1930 [1933], p. 366). “I look forward,” he continues “to the greatest change which has ever occurred in the material environment of life for human beings in the aggregate. . . . Indeed, it has already begun. The course of affairs will simply be that there will be ever larger and larger classes and groups of people from whom problems of economic necessity have been practically removed” (p. 372).

“When the accumulation of wealth is no longer of high social importance, there will be great changes in the code of morals. We shall be able to rid ourselves of the many pseudo-moral principles. . . by which we have exalted some of the most distasteful of human qualities into the position of the highest virtues” (p. 369).

Although Keynes argues that a change in material environment will spawn a sea change in spiritual consciousness, he does not condemn as lacking moral compass those who continue to focus on generating wealth. For “the time for all this is not yet” (p. 372). Still he does insist that great wealth offers opportunities for a boarder and deeper horizon of aspirations and responsibilities.

It is Keynes’s aspiration that “The love of money as a possession—as distinguished from the love of money as a means to the enjoyments and realities

of life—will be recognized for what it is, a somewhat disgusting morbidity, one of those semi-criminal, semi-pathological propensities which one hands over with a shudder to the specialists in mental disease” (p. 369).

When individuals reach a level of subjectively defined financial security, there is the potential for a shift in moral compass whereby the accumulation of wealth ceases to be an end and becomes more fully a means to achieve other ends. Such ends may be retirement, providing an inheritance, pursuing a hobby, or enjoying more leisure.

The consequence of lifting economic necessity, will be that “for the first time since his creation man will be faced with his real, his permanent problem—how to use his freedom from pressing economic cares, how to occupy the leisure, which science and compound interest will have won for him, to live wisely and agreeably and well” (p. 367).

But Keynes suggests an additional prospect, namely, a change in “the nature of one’s duty to one’s neighbour. For it will remain reasonable to be economically purposive for others after it has ceased to be reasonable for oneself” (372). The shift of wealth from an end to a means, then, is arguably the most significant transformation of capacity and character for individuals who have solved or are near to solving the economic problem.

B. 2015 Gates Annual Letter (reformatted for this use)

Our Big Bet for the Future Bill and Melinda Gates

Forty years ago, Bill and his childhood friend Paul Allen bet that software and personal computers would change the way people around the world worked and played. This bet wasn't exactly a wager. It was an opportunity to make computers personal and empower people through the magic of software. Some people thought they were nuts. But the bet turned out well.

Fifteen years ago, the two of us made a similar bet. We started our foundation in 2000 with the idea that by backing innovative work in health and education, we could help dramatically reduce inequity. The progress we've seen so far is very exciting — so exciting that we are doubling down on the bet we made 15 years ago, and picking ambitious goals for what's possible 15 years from now.

Our Big Bet

The lives of people in poor countries will improve faster in the next 15 years than at any other time in history. And their lives will improve more than anyone else's. We see an opportunity and we want to make the most of it.

We're putting our credibility, time, and money behind this bet — and asking others to join us — because we think there has never been a better time to accelerate progress and have a big impact around the world.

Some will say we're irrational to make this bet too. A skeptic would look at the world's problems and conclude that things are only getting worse. And we shouldn't lose sight of the fact that a handful of the worst-off countries will continue to struggle.

We can make fighting poverty a priority

But we think the next 15 years will see major breakthroughs for most people in poor countries. They will be living longer and in better health. They will have unprecedented opportunities to get an education, eat nutritious food, and benefit from mobile banking. These breakthroughs will be driven by innovation in technology — ranging from new vaccines and hardier crops to much cheaper smartphones and tablets — and by innovations that help deliver those things to more people.

The rich world will keep getting exciting new advances too, but the improvements in the lives of the poor will be far more fundamental — the basics of a healthy, productive life. It's great that more people in rich countries will be able to watch movies on super hi-resolution screens. It's even better that more parents in poor countries will know their children aren't going to die.

We're excited to see how much better the world will be in 15 years.

Here are some of the breakthroughs we see coming.

1. One: Health Child deaths will go down, and more diseases will be wiped out
2. Two: Farming Africa will be able to feed itself
3. Three: Banking Mobile banking will help the poor transform their lives
4. Four: Education Better software will revolutionize learning
5. Conclusion A Call for Global Citizens (can sign up at Global Citizen)

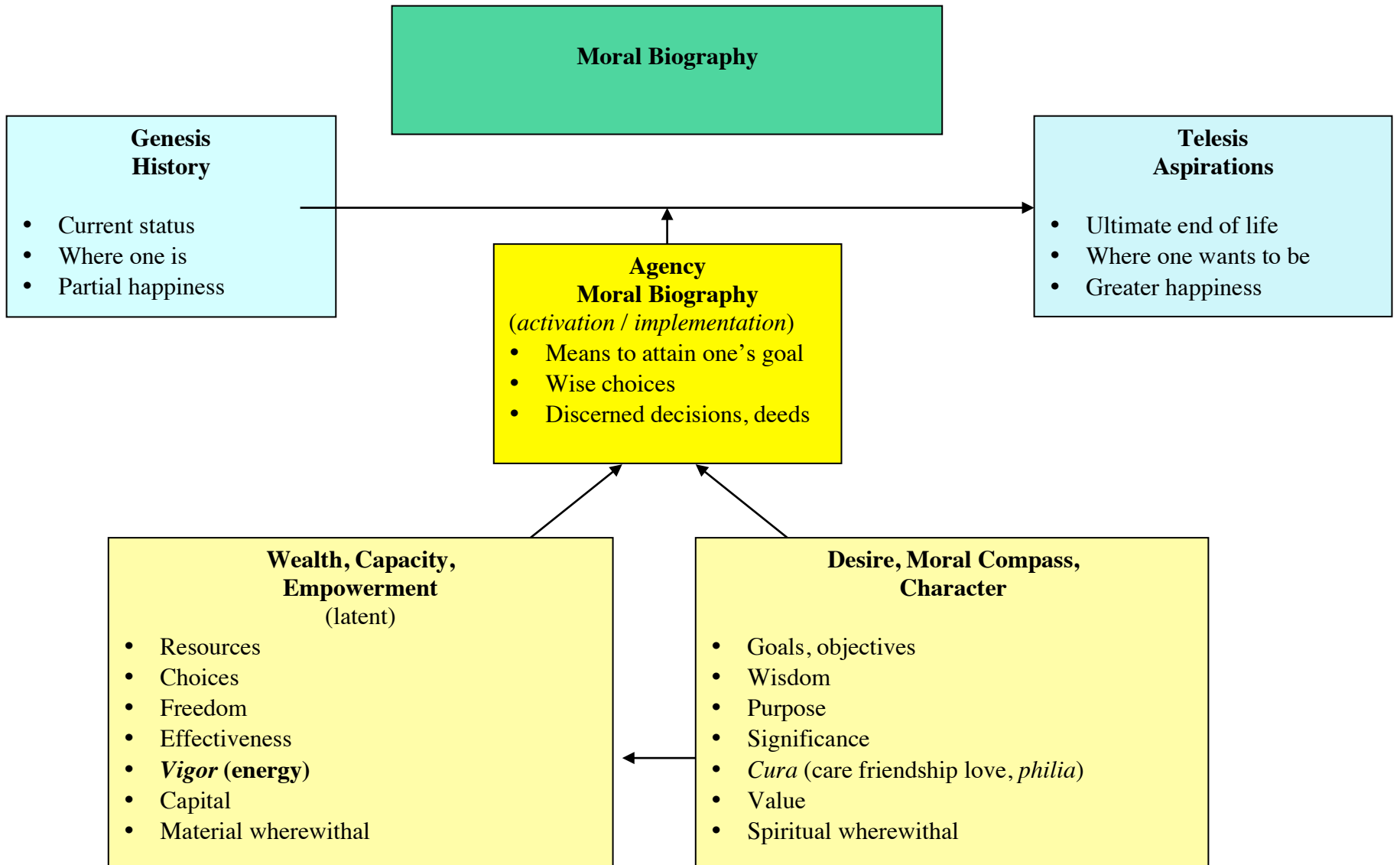
The more active global citizens there are the more progress the world will make

Given the previous, the leading question about wealth in the 21st Century for individuals:

How will I use my wealth for deeper purposes when acquiring more wealth or a higher standard of living for myself and my heirs is no longer of high importance?

II. Moral Biography

See chart below



III. Statistical Findings on Wealth and Philanthropy—and the story they tell.

See Tables at end of document

These tables provide a look at the concentration of charitable giving at the top of the income and wealth spectrum; the distribution of estates to charity, heirs and taxes and how wealth holders give lower percentage of estate to heirs; a look at the 1998 Wealth Transfer Model and the findings from our new 2012 Wealth Transfer Model.

IV. Demand and Supply in Philanthropy

A. Key Question: How to increase the output of charitable giving

B. Demand Side: Output is increased by enunciating need more effectively

1. Emphasizes the role of intermediaries to
2. Convince donors of need for their gifts
3. Instill in donors a moral obligation to shift more expenditures to gifts
4. Set appropriate standards for how much to give, what to give it for, when to do so, and through which vehicles
5. Set norms for fundraisers in number of contacts and/or dollars raised

C. Supply Side: Output is increased by changes in the lives of wealth holders

1. Emphasizes changing circumstances of donors rather than the demand of needs
2. Charitable giving will increase over the next decades in excess of what we have estimated
3. Changes in preferences for allocations of wealth among taxes, heirs and charity
4. Increased wealth has the potential to make wealth holders more charitably inclined
5. Increasing material resources and spiritual motivations
6. Use of biographical conversations with donors

V. The New Physics of Philanthropy

In the new physics, wealth holders are viewed as collaborative agents who:

1. Are becoming more numerous, have higher net worth at a younger age, and increasingly recognize their financial security;
2. Seek out rather than resist greater charitable involvement;
3. Approach their philanthropy with an entrepreneurial disposition and mixed investment model;
4. View a charitable organization as an instrument for implementing their care instead of just viewing themselves as instruments for the charities to do good;
5. Have as the objective of giving to a variety of causes as leading to development of human capital and intellectual capital
6. Focus increasingly on global causes
7. Understand and seek out collaborative efforts and other ways to leverage their philanthropy
8. Move their giving toward inter-vivos contributions;
9. Plan to limit the amount of inheritance for heirs;

10. Understand that caring for the needs of others is a path to self-fulfillment;
11. Make philanthropy a key and regular ingredient of the financial morality they observe and impart to their children;
12. View philanthropy as a way to achieve simultaneously the happiness of themselves and others; and
13. Consider business activities, assistance of family and friends, and production of socially useful products and philanthropy in root sense of meeting true needs and mutual nourishment.
14. Attend to the leading question about wealth for the 21st Century.

VI. Two Terrains of Questions

- A. The Scolding Model—the demand side expressed with a demanding attitude (cajoling, guilt based, admonishing, extracting, dental—drill, fill, and bill
 You are not giving the right amount,
 At the right time,
 To the right causes,
 In the right ways.
- B. The Inclination Model
 Is there anything you want to do?
 That is important to do as an act of care for others?
 That you can do better through philanthropy than through government or commerce?
 And that enables you to identify with the fate of others, express gratitude for blessings, and achieve deeper personal happiness—i.e., effectiveness and significance—for yourself and others at the same time?

VII. The Meaning of Philanthropy as Care and *Philia*

- A. Philanthropy as a Social Relation of Care or Strategic Friendship
 Les Miserables., Jules Toner, Aristotle (*philia*) Aquinas
- B. Commerce and politics as responding to effective demand
- C. Care as responding to affective demand—entreaty
- D. Philanthropy one social relation of *caritas*— attending to others in their true needs; one social relation of care where needs are attended to on the basis of the person in need
- E. Business and Politics as *Philia*
 What are ordinarily called benefactions—that is, gifts for beneficial uses—are, therefore, by no means the only benefits very rich men can confer on the community to which they belong. Any man who, by sound thinking and hard work, develops and carries on a productive industry, and by his good judgment makes that industry both profitable and stable, confers an immense benefit on society. This is indeed the best outcome of great riches.
 Great Riches. Charles W. Eliot, LL.D. President of Harvard University.
 Thomas Y. Crowell & Co. New York. September 1906

F. Infinite Needs, Low Barriers to Entry, Philanthropy as Supply Led, Character and Insight of Donor

Experience seems to show that is difficult for a very rich man to give away intelligently and with enjoyment as large a proportion of his income as a man in modern circumstances can easily give away. . . . It is no easy task to select wisely object for great benefactions and to give money to the selected objects without doing injury. . . . It is easy to pauperize the individuals helped. It is easy to destroy their self-reliance and their capacity for productive labor.

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G. Charity begins at home—the concentric circles of care, the moral citizenship of care (Table 1)

- consumption philanthropy
- adoption philanthropy
- munus suavissimum*—that most gentle burden

H. Engagement vs. Altruism

The quality of the self not the absence of self: “It is not self, but the excess of self that is [to be] suppressed. . . . To love is to abandon this self instinctively locked in isolation, in order to rediscover the genuine ontological self, which is necessarily the center of a whole network of relations.” (G. Gillemann)

I. All Giving as Planned or Biographical Giving

VIII. The Practice of Financial Ministry: Discernment to Link Supply of Care to Demand of Needs

A. The Meaning of Ministry

1. Connecting heaven and earth, wise as serpents gentle/harmless as doves
2. City of God and City of Man
3. Moral Biography of Capacity and Care
4. Competence and Compassion

B. The Need for This Ministry: The Soup of the Soup

1. New knowledge for our epoch—to ease the fog that comes over people when the question turns from accumulation to allocation
2. Productive understanding of wealth
3. Discovery of new spirituality and new religiosity (defined)
4. A key question for the 21st Century: How to use wealth as a tool for deeper purposes when acquiring more wealth or a higher standard of living is no longer of high importance.

IX. The Methods: Discernment

The First Principle and Foundation (*Spiritual Exercises*)

Human beings are created to praise, reverence and serve God Our Lord and by this means to save their souls. The other things on the face of the earth are created for

human beings to help them in working toward the goal for which they are created. Therefore, I am to make use of these other things insofar as they help me attain the goal and turn away from these other things insofar as they hinder me from attaining the goal. I must make myself indifferent to all created things, as far as I am allowed free choice and am not under any prohibition. Consequently, as far as I am concerned, I should not prefer health to sickness, riches to poverty, honor to dishonor, a long life to a short life. The same holds for all other things. My one desire and choice should be what is more conducive to reaching the goal for which I am created.

- A. Disposition of discovery rather than command—counseling wise choices
- B. Archeology before Architecture: decisions about strategic design: self, family, others
- C. Artifact: implementation of decisions
- D. *Discernment* in the Ignatian tradition is a conscientious process of intellectual and emotional self-reflection by which individuals review experiences and capacities, clarify responsibilities, and implement decisions
- E. Addresses need of wealth holders for an inviting and effective approach to decide freely how much and in what way to conscientiously allocate their financial resources, in general, and to charity, in particular
 - Clarification of general financial capacity and charitable resources;
 - Clarification of broader moral purposes and charitable aspirations; and
 - Clarification of how to forge charitable resources and charitable aspirations into specific philanthropic practices.
- F. The key ingredient missing from current efforts aimed at expanding philanthropy among wealth holders.
 - Allows duty to be self-discovered in an environment of liberty and inspiration, and hence to be more wholeheartedly pursued and sustained.
 - Liberty is the material and psychological freedom from unfounded assumptions, fears, and anxieties;
 - Inspiration is the array of desires and aspirations that motivate a commitment.
- G. Can be an informal process carried out by a self-reflective individual or a more formal process guided by an advisor or counselor.
- H. All Giving is Planned Giving—Donor as unit of analysis

X. The Three Classes of Souls

Three Classes of Persons. The meditation begins with a sketch of the scene. We learn, according to the translation by George E. Ganss, S.J., that each of three persons “has acquired ten thousand ducats, but not purely or properly for the love of God. Each desires to save his or her soul and to find God in peace . . . by discarding the burden and obstacle to this purpose which this attachment to the acquired money is found to be.”

Retreatants are then instructed to “ask for the grace to choose that which is more to the glory of the Divine Majesty and the salvation of his or her soul.” The points of the meditation ensue:

The Person Typical of the First Class would like to get rid of this attachment to the acquired money, in order to find God in peace and be able to attain salvation. But this person does not take the means, even to the hour of death.

The Person Typical of the Second Class also desires to get rid of the attachment, but in such a way that she or he will keep the acquired money; and that thus God will come to where this person desires. No decision is made to dispose of the money in order to go to where God is, even though that would be the better state for this individual.

The Person Typical of the Third Class desires to get rid of the attachment, but in such a way that there remains no inclination either to keep the acquired money or to dispose of it. Instead such a one desires to keep it or reject it solely according to what God our Lord will move one’s will to choose, and also according to what the person himself or herself will judge to be better for the service and praise of the Divine Majesty.

In the meantime this person endeavors to take an attitude by which as far as the affections are concerned, he or she is giving up everything. [In other words (Ganss)], one strives earnestly not to desire that money or anything else, except when one is motivated solely by the service of God our Lord; in such a way that the desire to be able to serve God our Lord better is what moves one to take or reject any object whatsoever.

XI. Mobilizing Experiences

A. Financial Security :

financial security and the quality of needs (Table 2)

Thomas B. Murphy, an actuary, business owner, and wealth holder, has sought to conceptualize the usually implicit combination of financial and psychological reckoning that he and other wealth holders go through, formally or informally, in determining how much of their resources to donate to charity. He describes a process in which wealth holders determine a stream of resources; a stream of expenditures for self, family, and investment; and a stream of truly discretionary resources that is simply the positive difference (if any) between the stream of resources and the stream of expenditures:

“Given the generally accepted assumption that one provides first for oneself and one’s family and does so at some level of lifestyle, philanthropy enters into the decision-making process [in a more formidable manner] when the difference between the expected level of income, current and future, and expected level of expense, current and future, to maintain and enhance one’s standard of living is substantial and relatively permanent as measured by the subjectively determined criteria of the decision maker. . . . The extent to which this difference (discretionary income) between income and expense is positive quantifies the financial resources available for philanthropic activities. The extent to which this difference is perceived as permanent strengthens the case for allocating some of the resources for philanthropy. The extent to which the difference is positive, permanent and growing in magnitude enhances the philanthropic allocation” (pp. 34-35)¹.

- B. Happiness:(effectiveness, compassion, significance)
closing the gap between history and aspiration
- C. Attraction to wise choices about wealth as a tool rather than an end
sensitized intelligence, liberty, and inspiration;
virtue: the habit of doing good
- D. Identification—philia, friendship love
empathetic connection to the destiny of others as my destiny too
- E. Wanting to “give back”
gratitude animated by blessing, gift, unmerited benefit
- F. Hyperagency:
productive capacity in life and philanthropy
 - principality (spatial and temporal empowerment);
 - individuality (psychological empowerment)
- G. Spiritual secret of wealth:
recognition of fortune and empathy for misfortune
- H. Aspiration to meet needs directly
“ideal” of doing something “unambiguously social.”
David Hendricks:

I’ve always kind of rolled my eyes a little bit when I hear about do-gooders because I have this image in my mind—not grounded at all on any experience—

¹ Thomas B. Murphy, The T. B. Murphy Foundation Charitable Trust. "Financial and Psychological Determinants of Donor’s Capacity to Give." In *New Directions in Philanthropic Fundraising. Understanding the Needs of Donors: The Supply-Side of Charitable Giving*. Edited by Eugene R. Tempel and Dwight F. Burlingame. Number 29, fall 2001, pp.33-49.

they will be lightweight type of stuff, full of petty politics. So I've always steered away from the world of philanthropy or non-profit and pooh-poohed it somewhat. But there is a side of me that says that maybe I can tune in a little bit more and do something that is unambiguously socially positive and see how that feels. I would like to see how that feels and if I find myself getting up in the morning very excited about how I am spending my time, if indeed I do find something that is unambiguously socially positive. This is something that struck me really very profoundly: those simple pleasures of being a contributor and being able to map how those contributions fit into the larger scheme of things. Kind of the social welfare, if you will. (Respondent in *2001 High-Tech Donors Study*, <http://www.bc.edu/swri>).

- I. Liminality and final death:
the recurring transformation of life
- J. Human capital development:
the distribution of productive capacity
- K. Satisfaction:
the path to sustained care

XII. Conclusion: A New Vocation for the Financial and Development Professionals

- Closing the gap between history and aspirations for self, family, community, world
- A practical vocation of wise choices
- the ultimate end of happiness
- the daily purpose of *philia*
- the vocation: a financial and development ministry
 - care for the clients' vocation: engaged indifference: ask don't tell
 - is care for self and one's own happiness

Tables follow here

Boston College

John Havens and Paul Schervish

Table 1: Household Contributions in 2012 by Household Income 2012

| Household Income | Households | | | Household Income | | | | Household Contributions | | | | | |
|-------------------------------|-------------------|---------------------|-----------------------|--------------------|-------------------|---------------------|-----------------------|-------------------------|-------------------|---------------------|-----------------------|----------------------|------------------------|
| | Number (Millions) | Category Percentage | Cumulative Percentage | Mean | Amount (Billions) | Category Percentage | Cumulative Percentage | Mean | Amount (Billions) | Category Percentage | Cumulative Percentage | Percentage of Income | Percentage of Networth |
| Not positive | 0.436 | 0.36% | 100.00% | -\$5 | \$0 | 0.00% | 100.00% | \$2,394 | \$1.0 | 0.41% | 100.00% | . | 0.05% |
| \$1 to \$9,999 | 5.215 | 4.26% | 99.64% | \$6,912 | \$36 | 0.35% | 100.00% | \$219 | \$1.1 | 0.45% | 99.59% | 3.76% | 2.42% |
| \$10,000 to \$19,999 | 17.796 | 14.52% | 95.39% | \$14,850 | \$264 | 2.53% | 99.65% | \$736 | \$13.1 | 5.17% | 99.14% | 5.26% | 3.76% |
| \$20,000 to \$29,999 | 16.057 | 13.10% | 80.86% | \$24,600 | \$395 | 3.79% | 97.12% | \$519 | \$8.3 | 3.28% | 93.97% | 2.12% | 3.22% |
| \$30,000 to \$39,999 | 14.686 | 11.99% | 67.76% | \$34,596 | \$508 | 4.87% | 93.33% | \$594 | \$8.7 | 3.44% | 90.69% | 1.71% | 2.03% |
| \$40,000 to \$49,999 | 11.568 | 9.44% | 55.77% | \$44,789 | \$518 | 4.97% | 88.46% | \$751 | \$8.7 | 3.42% | 87.25% | 1.66% | 1.75% |
| \$50,000 to \$59,999 | 8.945 | 7.30% | 46.33% | \$54,757 | \$490 | 4.70% | 83.49% | \$877 | \$7.8 | 3.09% | 83.83% | 1.60% | 3.08% |
| \$60,000 to \$74,999 | 10.403 | 8.49% | 39.03% | \$66,703 | \$694 | 6.66% | 78.79% | \$1,124 | \$11.7 | 4.61% | 80.74% | 1.68% | 2.22% |
| \$75,000 to \$99,999 | 12.638 | 10.31% | 30.54% | \$87,111 | \$1,101 | 10.56% | 72.13% | \$1,644 | \$20.8 | 8.19% | 76.13% | 1.87% | 1.56% |
| \$100,000 to \$124,999 | 7.668 | 6.26% | 20.23% | \$110,972 | \$851 | 8.16% | 61.57% | \$2,103 | \$16.1 | 6.36% | 67.94% | 1.91% | 1.25% |
| \$125,000 to \$149,999 | 4.291 | 3.50% | 13.97% | \$136,481 | \$586 | 5.62% | 53.41% | \$2,445 | \$10.5 | 4.13% | 61.58% | 1.80% | 0.95% |
| \$150,000 to \$199,999 | 5.402 | 4.41% | 10.47% | \$170,778 | \$923 | 8.85% | 47.80% | \$3,165 | \$17.1 | 6.74% | 57.45% | 1.86% | 1.06% |
| \$200,000 to \$299,999 | 3.686 | 3.01% | 6.06% | \$239,852 | \$884 | 8.48% | 38.95% | \$6,544 | \$24.1 | 9.51% | 50.71% | 2.75% | 0.71% |
| \$300,000 to \$399,999 | 1.140 | 0.93% | 3.05% | \$343,322 | \$391 | 3.75% | 30.47% | \$5,834 | \$6.7 | 2.62% | 41.20% | 1.70% | 0.29% |
| \$400,000 to \$499,999 | 0.681 | 0.56% | 2.12% | \$439,680 | \$300 | 2.87% | 26.71% | \$11,539 | \$7.9 | 3.10% | 38.58% | 2.58% | 0.33% |
| \$500,000 to \$999,999 | 1.250 | 1.02% | 1.56% | \$685,851 | \$857 | 8.22% | 23.84% | \$18,900 | \$23.6 | 9.31% | 35.48% | 2.82% | 0.46% |
| \$1,000,000 or More | 0.668 | 0.54% | 0.54% | \$2,439,019 | \$1,628 | 15.62% | 15.62% | \$99,431 | \$66.4 | 26.17% | 26.17% | 4.17% | 0.48% |
| All | 122.530 | 100.00% | | \$85,087 | \$10,426 | 100.00% | | \$2,070 | \$253.7 | 100.00% | | 2.45% | 2.15% |

Calculated by the Center on Wealth and Philanthropy at Boston College, based on data from the Survey of Consumer Finances sponsored by the Board of Governors of the Federal Reserve.

Note: All dollar values are adjusted for inflation to 2013 purchasing power.

Table 2: Household Contributions by Household Networth 2013

| Household Net Worth | Households | | | Household Net Worth | | | | Household Contributions | | | | | |
|-----------------------------------|-------------------|---------------------|-----------------------|---------------------|-------------------|---------------------|-----------------------|-------------------------|-------------------|---------------------|-----------------------|----------------------|------------------------|
| | Number (Millions) | Category Percentage | Cumulative Percentage | Mean | Amount (Billions) | Category Percentage | Cumulative Percentage | Mean | Amount (Billions) | Category Percentage | Cumulative Percentage | Percentage of Income | Percentage of Networth |
| Not positive | 15.828 | 12.92% | 100.00% | -\$28,574 | -\$452 | -0.70% | 100.00% | \$504 | \$8.0 | 3.14% | 100.00% | 1.63% | . |
| \$1 to \$9,999 | 16.390 | 13.38% | 87.08% | \$4,263 | \$70 | 0.11% | 100.70% | \$366 | \$6.0 | 2.37% | 96.86% | 1.70% | 10.17% |
| \$10,000 to \$19,999 | 8.141 | 6.64% | 73.71% | \$14,459 | \$118 | 0.18% | 100.59% | \$409 | \$3.3 | 1.31% | 94.49% | 1.29% | 2.88% |
| \$20,000 to \$29,999 | 4.929 | 4.02% | 67.06% | \$24,448 | \$120 | 0.19% | 100.41% | \$543 | \$2.7 | 1.05% | 93.18% | 1.31% | 2.17% |
| \$30,000 to \$39,999 | 4.320 | 3.53% | 63.04% | \$34,609 | \$150 | 0.23% | 100.22% | \$850 | \$3.7 | 1.45% | 92.12% | 2.10% | 2.41% |
| \$40,000 to \$49,999 | 3.078 | 2.51% | 59.51% | \$44,492 | \$137 | 0.21% | 99.99% | \$821 | \$2.5 | 1.00% | 90.68% | 1.72% | 1.81% |
| \$50,000 to \$59,999 | 2.922 | 2.38% | 57.00% | \$54,924 | \$160 | 0.25% | 99.78% | \$667 | \$1.9 | 0.77% | 89.68% | 1.72% | 1.20% |
| \$60,000 to \$74,999 | 3.980 | 3.25% | 54.62% | \$67,125 | \$267 | 0.41% | 99.53% | \$697 | \$2.8 | 1.09% | 88.91% | 1.68% | 1.03% |
| \$75,000 to \$99,999 | 5.870 | 4.79% | 51.37% | \$86,644 | \$509 | 0.79% | 99.12% | \$866 | \$5.1 | 2.00% | 87.82% | 1.90% | 0.99% |
| \$100,000 to \$124,999 | 4.695 | 3.83% | 46.58% | \$112,643 | \$529 | 0.82% | 98.33% | \$968 | \$4.5 | 1.79% | 85.81% | 2.41% | 0.84% |
| \$125,000 to \$149,999 | 3.798 | 3.10% | 42.75% | \$137,519 | \$522 | 0.81% | 97.52% | \$1,060 | \$4.0 | 1.59% | 84.02% | 1.96% | 0.76% |
| \$150,000 to \$199,999 | 6.600 | 5.39% | 39.65% | \$174,034 | \$1,149 | 1.77% | 96.71% | \$1,207 | \$8.0 | 3.14% | 82.44% | 2.14% | 0.70% |
| \$200,000 to \$299,999 | 10.116 | 8.26% | 34.26% | \$245,439 | \$2,483 | 3.84% | 94.94% | \$1,315 | \$13.3 | 5.24% | 79.30% | 2.17% | 0.53% |
| \$300,000 to \$399,999 | 5.995 | 4.89% | 26.00% | \$346,253 | \$2,076 | 3.21% | 91.10% | \$1,442 | \$8.6 | 3.41% | 74.05% | 2.20% | 0.41% |
| \$400,000 to \$499,999 | 4.295 | 3.50% | 21.11% | \$444,518 | \$1,909 | 2.95% | 87.89% | \$1,708 | \$7.3 | 2.89% | 70.65% | 2.27% | 0.38% |
| \$500,000 to \$999,999 | 10.045 | 8.20% | 17.61% | \$710,152 | \$7,134 | 11.02% | 84.95% | \$2,388 | \$24.0 | 9.46% | 67.76% | 2.83% | 0.33% |
| \$1,000,000 to \$4,999,999 | 9.355 | 7.63% | 9.41% | \$2,008,810 | \$18,792 | 29.03% | 73.93% | \$5,322 | \$49.8 | 19.62% | 58.30% | 7.86% | 0.28% |
| \$5,000,000 to \$9,999,999 | 1.324 | 1.08% | 1.77% | \$7,044,179 | \$9,324 | 14.40% | 44.90% | \$20,157 | \$26.7 | 10.52% | 38.68% | 5.07% | 0.27% |
| \$10,000,000 or More | 0.850 | 0.69% | 0.69% | \$23,214,281 | \$19,741 | 30.49% | 30.49% | \$84,007 | \$71.4 | 28.16% | 28.16% | 7.75% | 0.29% |
| All | 122.530 | 100.00% | | \$528,329 | \$64,736 | 100.00% | | \$2,070 | \$253.7 | 100.00% | | 2.45% | 2.15% |

Calculated by the Center on Wealth and Philanthropy at Boston College, based on data from the Survey of Consumer Finances sponsored by the Board of Governors of the Federal Reserve.
 Note: All dollar values are adjusted for inflation to 2013 purchasing power.

Center on Wealth and Philanthropy Charitable Giving Index

Measures of Giving Relative to Income Adjusted for Taxes and Cost of Living by State: 2000, 2002, 2004, 2006, 2007, 2008

Copyright: Boston College Center on Wealth and Philanthropy

| | | 2000 | | 2002 | | 2004 | | 2006 | | 2007 | | 2008 | |
|-------|----------------------|---------------|------|---------------|------|---------------|------|-------------|------|-------------|------|-------------|------|
| State | | CWP Measure 3 | | CWP Measure 3 | | CWP Measure 4 | | Measure 4* | | Measure 4* | | Measure 4* | |
| | | Value | RANK | Value | RANK | Value | RANK | Value | RANK | Value | RANK | Value | RANK |
| 1 | Alabama | 1.09 | 11 | 0.93 | 22 | 0.95 | 17 | 1.03 | 14 | 0.94 | 19 | 1.00 | 17 |
| 2 | Alaska | 0.75 | 44 | 0.93 | 23 | 0.77 | 38 | 0.76 | 41 | 0.79 | 35 | 0.83 | 35 |
| 3 | Arizona | 0.86 | 33 | 0.87 | 29 | 0.76 | 39 | 0.84 | 30 | 0.82 | 33 | 0.83 | 36 |
| 4 | Arkansas | 1.03 | 14 | 0.84 | 32 | 0.85 | 28 | 0.88 | 25 | 0.90 | 24 | 0.97 | 21 |
| 5 | California | 1.15 | 9 | 1.4 | 6 | 1.4 | 4 | 1.35 | 5 | 1.30 | 5 | 1.21 | 6 |
| 6 | Colorado | 0.95 | 19 | 0.94 | 21 | 0.84 | 29 | 0.80 | 38 | 0.78 | 38 | 0.83 | 37 |
| 7 | Connecticut | 1.43 | 4 | 1.43 | 5 | 1.33 | 5 | 1.17 | 8 | 1.28 | 7 | 1.37 | 5 |
| 8 | Delaware | 1 | 17 | 0.97 | 18 | 1.04 | 12 | 1.01 | 17 | 0.89 | 25 | 0.89 | 28 |
| 9 | District of Columbia | 1.85 | 1 | 1.75 | 1 | 1.84 | 2 | 1.72 | 2 | 1.75 | 2 | 1.56 | 2 |
| 10 | Florida | 0.93 | 21 | 0.92 | 24 | 0.89 | 23 | 0.92 | 22 | 0.97 | 16 | 0.96 | 22 |
| 11 | Georgia | 1.15 | 10 | 1.13 | 9 | 1.12 | 8 | 1.09 | 10 | 1.00 | 14 | 1.04 | 13 |
| 12 | Hawaii | 0.91 | 24 | 1.33 | 7 | 1.08 | 10 | 1.29 | 6 | 1.28 | 6 | 1.11 | 8 |
| 13 | Idaho | 0.95 | 20 | 0.99 | 16 | 0.85 | 27 | 0.92 | 21 | 0.88 | 28 | 0.97 | 18 |
| 14 | Illinois | 0.92 | 22 | 0.97 | 19 | 1.04 | 15 | 0.96 | 18 | 0.89 | 26 | 0.97 | 19 |
| 15 | Indiana | 0.76 | 43 | 0.73 | 44 | 0.71 | 44 | 0.76 | 42 | 0.82 | 34 | 0.79 | 40 |
| 16 | Iowa | 0.72 | 46 | 0.73 | 45 | 0.66 | 47 | 0.71 | 46 | 0.69 | 46 | 0.74 | 46 |
| 17 | Kansas | 0.84 | 35 | 0.8 | 37 | 0.82 | 33 | 0.83 | 34 | 0.95 | 18 | 0.91 | 25 |
| 18 | Kentucky | 0.83 | 37 | 0.75 | 42 | 0.81 | 35 | 0.81 | 36 | 0.78 | 39 | 0.81 | 38 |
| 19 | Louisiana | 1.06 | 12 | 0.9 | 27 | 0.89 | 25 | 0.84 | 31 | 0.74 | 44 | 0.89 | 27 |
| 20 | Maine | 0.77 | 41 | 0.75 | 43 | 0.73 | 42 | 0.69 | 47 | 0.64 | 49 | 0.58 | 51 |
| 21 | Maryland | 1.03 | 13 | 1.57 | 4 | 1.18 | 6 | 1.43 | 4 | 1.43 | 4 | 1.44 | 4 |
| 22 | Massachusetts (44) | 1.27 | 7 | 1.06 | 12 | 1.12 | 9 | 1.08 | 11 | 1.16 | 10 | 1.03 | 14 |
| 23 | Michigan | 0.91 | 26 | 0.85 | 30 | 0.91 | 21 | 0.89 | 23 | 0.84 | 30 | 0.85 | 32 |
| 24 | Minnesota | 0.88 | 30 | 0.84 | 31 | 0.84 | 30 | 0.88 | 27 | 0.94 | 20 | 1.01 | 16 |
| 25 | Mississippi (1) | 0.9 | 27 | 0.91 | 25 | 0.72 | 43 | 0.93 | 20 | 0.88 | 27 | 0.97 | 20 |
| 26 | Missouri | 0.71 | 47 | 0.72 | 46 | 0.7 | 45 | 0.75 | 43 | 0.78 | 40 | 0.80 | 39 |
| 27 | Montana | 0.83 | 36 | 0.87 | 28 | 0.84 | 31 | 0.84 | 32 | 0.84 | 31 | 0.86 | 31 |
| 28 | Nebraska | 0.89 | 29 | 0.83 | 34 | 0.77 | 37 | 0.80 | 39 | 0.79 | 36 | 0.86 | 30 |
| 29 | Nevada | 0.91 | 25 | 0.98 | 17 | 1.01 | 16 | 0.88 | 28 | 0.85 | 29 | 0.88 | 29 |
| 30 | New Hampshire | 0.66 | 49 | 0.66 | 49 | 0.73 | 41 | 0.73 | 44 | 0.67 | 47 | 0.60 | 49 |
| 31 | New Jersey | 1.4 | 5 | 1.31 | 8 | 1.16 | 7 | 1.10 | 9 | 1.17 | 9 | 1.16 | 7 |
| 32 | New Mexico | 0.73 | 45 | 0.79 | 39 | 0.66 | 46 | 0.71 | 45 | 0.66 | 48 | 0.68 | 47 |
| 33 | New York | 1.46 | 3 | 1.57 | 3 | 1.96 | 1 | 1.71 | 3 | 1.90 | 1 | 1.78 | 1 |
| 34 | North Carolina | 1.19 | 8 | 1.07 | 11 | 1.04 | 13 | 1.03 | 13 | 1.02 | 13 | 1.06 | 11 |
| 35 | North Dakota | 0.64 | 50 | 0.6 | 51 | 0.5 | 51 | 0.61 | 49 | 0.61 | 50 | 0.59 | 50 |
| 36 | Ohio | 0.79 | 39 | 0.75 | 41 | 0.78 | 36 | 0.81 | 37 | 0.75 | 42 | 0.76 | 42 |
| 37 | Oklahoma | 1.01 | 15 | 0.96 | 20 | 0.91 | 20 | 1.04 | 12 | 1.10 | 11 | 1.05 | 12 |
| 38 | Oregon | 0.83 | 38 | 0.99 | 15 | 0.93 | 19 | 0.89 | 24 | 0.95 | 17 | 0.90 | 26 |
| 39 | Pennsylvania | 0.86 | 32 | 0.8 | 36 | 0.89 | 24 | 0.88 | 26 | 0.92 | 22 | 0.84 | 34 |
| 40 | Rhode Island | 0.85 | 34 | 0.9 | 26 | 0.87 | 26 | 0.78 | 40 | 0.74 | 43 | 0.78 | 41 |
| 41 | South Carolina | 1.01 | 16 | 1.08 | 10 | 1.05 | 11 | 1.01 | 16 | 1.00 | 15 | 1.02 | 15 |
| 42 | South Dakota | 0.69 | 48 | 0.69 | 48 | 0.65 | 48 | 0.59 | 50 | 0.78 | 37 | 0.75 | 44 |
| 43 | Tennessee | 0.89 | 28 | 0.81 | 35 | 0.83 | 32 | 0.95 | 19 | 0.92 | 23 | 0.92 | 24 |
| 44 | Texas | 0.92 | 23 | 0.8 | 38 | 0.81 | 34 | 0.83 | 33 | 0.84 | 32 | 0.93 | 23 |
| 45 | Utah | 1.68 | 2 | 1.72 | 2 | 1.56 | 3 | 1.74 | 1 | 1.58 | 3 | 1.52 | 3 |
| 46 | Vermont | 0.76 | 42 | 0.69 | 47 | 0.61 | 49 | 0.67 | 48 | 0.69 | 45 | 0.75 | 45 |
| 47 | Virginia | 0.96 | 18 | 1.01 | 14 | 1.04 | 14 | 1.03 | 15 | 1.02 | 12 | 1.10 | 10 |
| 48 | Washington | 0.87 | 31 | 0.83 | 33 | 0.9 | 22 | 0.87 | 29 | 0.93 | 21 | 0.84 | 33 |
| 49 | West Virginia | 0.63 | 51 | 0.65 | 50 | 0.58 | 50 | 0.56 | 51 | 0.58 | 51 | 0.61 | 48 |
| 50 | Wisconsin | 0.78 | 40 | 0.76 | 40 | 0.76 | 40 | 0.81 | 35 | 0.77 | 41 | 0.76 | 43 |
| 51 | Wyoming | 1.28 | 6 | 1.04 | 13 | 0.95 | 18 | 1.17 | 7 | 1.23 | 8 | 1.10 | 9 |
| | All States | 1.00 | | 1.00 | | 1.00 | | 1.00 | | 1.00 | | 1.00 | |

*Measure 4 is adjusted by the ACCRA Index. Previous issues of this publication reported a "Measure 3" adjusted by the MERIC index.

The new name of the index in this report reflects this change in method.

Calculated at the Center for Wealth and Philanthropy at Boston College.

Boston College Center on Wealth and Philanthropy

| State | Center on Wealth and Philanthropy | Chronicle of Philanthropy |
|----------------------|-----------------------------------|---------------------------|
| Alabama | 17 | 3 |
| Alaska | 35 | 28 |
| Arizona | 36 | 18 |
| Arkansas | 21 | 7 |
| California | 6 | 25 |
| Colorado | 37 | 30 |
| Connecticut | 5 | 45 |
| Delaware | 28 | 27 |
| District of Columbia | 2 | NA |
| Florida | 22 | 19 |
| Georgia | 13 | 8 |
| Hawaii | 8 | 24 |
| Idaho | 18 | 6 |
| Illinois | 19 | 29 |
| Indiana | 40 | 21 |
| Iowa | 46 | 40 |
| Kansas | 25 | 16 |
| Kentucky | 38 | 15 |
| Louisiana | 27 | 12 |
| Maine | 51 | 49 |
| Maryland | 4 | 10 |
| Massachusetts | 14 | 47 |
| Michigan | 32 | 23 |
| Minnesota | 16 | 34 |
| Mississippi | 20 | 2 |
| Missouri | 39 | 26 |
| Montana | 31 | 37 |
| Nebraska | 30 | 32 |
| Nevada | 29 | 41 |
| New Hampshire | 49 | 50 |
| New Jersey | 7 | 42 |
| New Mexico | 47 | 22 |
| New York | 1 | 17 |
| North Carolina | 11 | 9 |
| North Dakota | 50 | 43 |
| Ohio | 42 | 36 |
| Oklahoma | 12 | 11 |
| Oregon | 26 | 20 |
| Pennsylvania | 34 | 39 |
| Rhode Island | 41 | 46 |
| South Carolina | 15 | 5 |
| South Dakota | 44 | 35 |
| Tennessee | 24 | 4 |
| Texas | 23 | 13 |
| Utah | 3 | 1 |
| Vermont | 45 | 48 |
| Virginia | 10 | 14 |
| Washington | 33 | 33 |
| West Virginia | 48 | 38 |
| Wisconsin | 43 | 44 |
| Wyoming | 9 | 31 |

| | | |
|------|-----|-----|
| RED | 578 | 391 |
| BLUE | 748 | 884 |

| | | |
|----------------|-------------|-------------|
| RED per state | 26.27272727 | 17.77272727 |
| BLUE per state | 25.79310345 | 31.57142857 |

| | | |
|-----------------------|----|----|
| Number of red states | 22 | 22 |
| Number of blue states | 29 | 28 |

| | |
|-------------|-------------|
| 1.018595041 | 1.776397516 |
|-------------|-------------|

2011 Federal Estate Returns

| Gross Estate | | Charitable Deduction | | Fees & Surviving Spouse | | Charitable Deduction | | State and Federal Taxes | | Heirs and Other | | |
|-----------------------|-----------------------|----------------------|----------------------|-------------------------|-------------------|----------------------|-------------------|-------------------------|-------------------|-----------------|-------------------|----------------|
| Gross Estate Category | # Returns (Thousands) | Amount (Billions) | Net Worth (Billions) | Available (Billions) | Amount (Billions) | % of Available | Amount (Billions) | % of Available | Amount (Billions) | % of Available | Amount (Billions) | % of Available |
| Under \$3.5 M | 0.6 | \$1.4 | \$1.3 | \$0.1 | \$1.2 | 23% | \$0.3 | 23% | \$0.0 | 4% | \$0.9 | 73% |
| 3.5 M-5 M | 1.0 | \$4.1 | \$3.9 | \$0.2 | \$3.7 | 21% | \$0.8 | 21% | \$0.1 | 4% | \$2.8 | 75% |
| 5 M-10 M | 2.1 | \$13.9 | \$13.2 | \$3.2 | \$10.0 | 16% | \$1.6 | 16% | \$0.8 | 8% | \$7.6 | 76% |
| 10 M-20 M | 0.6 | \$7.5 | \$7.0 | \$2.3 | \$4.8 | 32% | \$1.5 | 32% | \$0.7 | 15% | \$2.5 | 53% |
| 20 M or more | 0.3 | \$21.0 | \$19.7 | \$7.2 | \$12.6 | 58% | \$7.3 | 58% | \$2.1 | 16% | \$3.3 | 26% |
| Total | 4.6 | \$48.0 | \$45.3 | \$13.0 | \$32.3 | 36% | \$11.5 | 36% | \$3.8 | 12% | \$17.0 | 53% |
| 20M as % Total | 7.1% | 43.8% | 43.6% | 55.1% | 39.0% | 63.2% | 162.1% | 54.9% | 140.8% | 19.2% | 49.2% | |

Source: Calculated at the Center on Wealth and Philanthropy at Boston College based on Estate Tax data from the IRS:
<http://www.irs.gov/uac/SOI-Tax-Stats-Estate-Tax-Statistics-Filing-Year-Table-1>

**The Original 1999
Projections for Wealth Transfer and Revised (2007) Charitable Contributions**

| 20-Year Period from 1998-2017 (2007 Purchasing Power) | | | |
|--|--------------------------------------|--|--------------------------------------|
| | Low Estimate (2% secular growth)* | Middle Estimate (3% secular growth) | High Estimate (4% secular growth) |
| | <u>(\$2007 in trillions)</u> | <u>(\$2007 in trillions)</u> | <u>(\$2007 in trillions)</u> |
| Total Wealth Transfer | \$14.75 | \$18.06 | \$22.26 |
| Bequests to Charity | \$0.72 | \$0.93 | \$1.14 |
| Inter-Vivos Giving by Individuals*** | \$4.92 - \$5.64 | \$5.51 - \$6.44 | \$6.23 - \$7.37 |
| Total Charitable Contributions | \$5.64 - \$6.36 | \$6.44 - \$7.38 | \$7.37 - \$8.52 |
| % of Total Contributed by Millionaires | 54.4% | 56.3% | 58.2% |

| 55-Year Period from 1998-2052 (2007 Purchasing Power) | | | |
|--|--------------------------------------|--|--------------------------------------|
| | Low Estimate (2% secular growth)* | Middle Estimate (3% secular growth) | High Estimate (4% secular growth) |
| | <u>(\$2007 in trillions)</u> | <u>(\$2007 in trillions)</u> | <u>(\$2007 in trillions)</u> |
| Total Wealth Transfer | \$52 | \$92 | \$173 |
| Bequests to Charity* | \$2.54 | \$4.92 | \$10.53 |
| Inter-Vivos Giving by Individuals*** | \$19.36 - \$21.90 | \$27.97 - \$32.89 | \$42.80 - \$53.32 |
| Total Charitable Contributions | \$21.90 - \$24.44 | \$32.89 - \$37.81 | \$53.33 - \$63.85 |
| % of Total Contributed by Millionaires | 52.0% | 57.5% | 65.3% |

Source: Calculated by the Center on Wealth and Philanthropy, Boston College.

*Note: This table is calculated for secular trends of 2%, 3%, and 4% in growth rates of both real personal wealth and real inter-vivos giving.

The actual real growth rate in inter-vivos giving was 1.61% in the 10 years from 1985 through 1995; 8.08% in the 5 years from 1995 through 2000; and 3.72% in the 15 years from 1985-2000

**Note: Bequests to charity were estimated by the Center on Wealth and Philanthropy Boston College (Havens and Schervish 1999) and revised in 2007.

***Note: Calculated by the Center on Wealth and Philanthropy, Boston College based on an estimate from AAFRC, Giving USA 2002.

of inter-vivos giving in 1998 and revised in 2007 for accelerated individual giving from household assets, family foundations, family trusts, and family donor-advised funds.

Copyright: Boston College Center on Wealth and Philanthropy

**2012 Center on Wealth and Philanthropy National Wealth Transfer Summary Table
20-Year Period (2007 through 2026)**

In Inflation-Adjusted 2007 Dollars
In Trillions of Dollars

Number of Final Estates 23,358,464

| | 1% Growth Scenario | | 2% Growth Scenario | | 3% Growth Scenario | | 4% Growth Scenario | |
|--|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | \$1 M Exemption after 2012 | \$5 M Exemption after 2012 | \$1 M Exemption after 2012 | \$5 M Exemption after 2012 | \$1 M Exemption after 2012 | \$5 M Exemption after 2012 | \$1 M Exemption after 2012 | \$5 M Exemption after 2012 |
| Total Wealth Transfer (Unadjusted for Recession) | \$ 14.32 | \$ 14.34 | \$ 17.52 | \$ 17.45 | \$ 20.80 | \$ 20.83 | \$ 25.95 | \$ 26.13 |
| Total Wealth Transfer (Adjusted for Recession) | \$ 12.96 | \$ 12.98 | \$ 15.52 | \$ 15.55 | \$ 18.18 | \$ 18.21 | \$ 22.24 | \$ 22.28 |
| Accelerated Lifetime Giving | \$ 0.38 | \$ 0.39 | \$ 0.50 | \$ 0.51 | \$ 0.65 | \$ 0.65 | \$ 0.87 | \$ 0.87 |
| Other Lifetime Transfers | \$ 3.00 | \$ 3.01 | \$ 3.71 | \$ 3.72 | \$ 4.48 | \$ 4.49 | \$ 5.74 | \$ 5.76 |
| Value of Final Estates | \$ 9.58 | \$ 9.58 | \$ 11.31 | \$ 11.32 | \$ 13.05 | \$ 13.07 | \$ 15.63 | \$ 15.65 |
| Estate Taxes | \$ 1.39 | \$ 0.78 | \$ 1.84 | \$ 1.06 | \$ 2.36 | \$ 1.42 | \$ 3.10 | \$ 1.94 |
| Charitable Bequests | \$ 0.92 | \$ 1.02 | \$ 1.16 | \$ 1.29 | \$ 1.45 | \$ 1.62 | \$ 1.88 | \$ 2.10 |
| Bequests to Heirs | \$ 7.04 | \$ 7.56 | \$ 8.05 | \$ 8.70 | \$ 8.95 | \$ 9.73 | \$ 10.30 | \$ 11.26 |
| Estate Closing Fees | \$ 0.23 | \$ 0.23 | \$ 0.27 | \$ 0.27 | \$ 0.30 | \$ 0.30 | \$ 0.35 | \$ 0.35 |
| Potential for Charity | | | | | | | | |
| Baseline Lifetime Giving Trend | \$ 4.34 | \$ 4.34 | \$ 4.63 | \$ 4.63 | \$ 4.95 | \$ 4.95 | \$ 5.30 | \$ 5.30 |
| Accelerated Lifetime Giving | \$ 0.38 | \$ 0.39 | \$ 0.50 | \$ 0.51 | \$ 0.65 | \$ 0.65 | \$ 0.87 | \$ 0.87 |
| Total Lifetime Giving | \$ 4.72 | \$ 4.72 | \$ 5.13 | \$ 5.13 | \$ 5.60 | \$ 5.60 | \$ 6.17 | \$ 6.17 |
| Charitable Bequests | \$ 0.92 | \$ 1.02 | \$ 1.16 | \$ 1.29 | \$ 1.45 | \$ 1.62 | \$ 1.88 | \$ 2.10 |
| Potential Total to Charity | \$ 5.64 | \$ 5.74 | \$ 6.29 | \$ 6.42 | \$ 7.04 | \$ 7.22 | \$ 8.05 | \$ 8.27 |

Source: Calculated at Center on Wealth and Philanthropy at Boston College based on Federal Data and the CWP Wealth Transfer Microsimulation Model.

2012 Center on Wealth and Philanthropy National Wealth Transfer Summary Table
55-Year Period (2007 through 2061)
 In Inflation-Adjusted 2007 Dollars
 In Trillions of Dollars

Number of Final Estates **93,609,981**

| | 1% Growth Scenario | | 2% Growth Scenario | | 3% Growth Scenario | | 4% Growth Scenario | |
|--|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | \$1 M Exemption after 2012 | \$5 M Exemption after 2012 | \$1 M Exemption after 2012 | \$5 M Exemption after 2012 | \$1 M Exemption after 2012 | \$5 M Exemption after 2012 | \$1 M Exemption after 2012 | \$5 M Exemption after 2012 |
| Total Wealth Transfer (Unadjusted for Recession) | \$ 42.10 | \$ 42.55 | \$ 72.20 | \$ 73.30 | \$ 121.53 | \$ 123.92 | \$ 238.20 | \$ 243.29 |
| Total Wealth Transfer (Adjusted for Recession) | \$ 34.53 | \$ 34.95 | \$ 58.08 | \$ 59.03 | \$ 95.91 | \$ 97.77 | \$ 184.48 | \$ 188.45 |
| Accelerated Lifetime Giving | \$ 0.78 | \$ 0.79 | \$ 1.45 | \$ 1.49 | \$ 2.73 | \$ 2.81 | \$ 5.61 | \$ 5.79 |
| Other Lifetime Transfers | \$ 5.12 | \$ 5.21 | \$ 8.39 | \$ 8.58 | \$ 13.50 | \$ 13.89 | \$ 26.11 | \$ 26.85 |
| Value of Final Estates | \$ 28.63 | \$ 28.94 | \$ 48.23 | \$ 48.96 | \$ 79.67 | \$ 81.07 | \$ 152.76 | \$ 155.81 |
| Estate Taxes | \$ 4.60 | \$ 2.38 | \$ 9.80 | \$ 5.64 | \$ 19.86 | \$ 12.68 | \$ 45.02 | \$ 31.14 |
| Charitable Bequests | \$ 2.65 | \$ 3.04 | \$ 5.38 | \$ 6.25 | \$ 11.82 | \$ 13.69 | \$ 28.23 | \$ 32.33 |
| Bequests to Heirs | \$ 20.70 | \$ 22.84 | \$ 31.98 | \$ 35.97 | \$ 46.35 | \$ 53.03 | \$ 76.61 | \$ 89.39 |
| Estate Closing Fees | \$ 0.67 | \$ 0.68 | \$ 1.08 | \$ 1.09 | \$ 1.64 | \$ 1.67 | \$ 2.90 | \$ 2.95 |
| Potential for Charity | | | | | | | | |
| Baseline Lifetime Giving Trend | \$ 14.69 | \$ 14.69 | \$ 19.17 | \$ 19.17 | \$ 25.51 | \$ 25.51 | \$ 34.54 | \$ 34.54 |
| Accelerated Lifetime Giving | \$ 0.78 | \$ 0.79 | \$ 1.45 | \$ 1.49 | \$ 2.73 | \$ 2.81 | \$ 5.61 | \$ 5.79 |
| Total Lifetime Giving | \$ 15.47 | \$ 15.48 | \$ 20.63 | \$ 20.67 | \$ 28.24 | \$ 28.33 | \$ 40.15 | \$ 40.33 |
| Charitable Bequests | \$ 2.65 | \$ 3.04 | \$ 5.38 | \$ 6.25 | \$ 11.82 | \$ 13.69 | \$ 28.23 | \$ 32.33 |
| Potential Total to Charity | \$ 18.11 | \$ 18.52 | \$ 26.01 | \$ 26.92 | \$ 40.07 | \$ 42.01 | \$ 68.38 | \$ 72.66 |

Source: Calculated at Center on Wealth and Philanthropy at Boston College based on Federal Data and the CWP Wealth Transfer Microsimulation Model.

Billions of Inflation-Adjusted Dollars Given to/by ...

| Year | Foundations | Bequests | Foundations - Bequests |
|--------------|--------------------|----------------------|-------------------------------|
| 1990 | 6.83 | 12.10 | -5.27 |
| 1991 | 7.62 | 13.13 | -5.51 |
| 1992 | 8.32 | 15.85 | -7.53 |
| 1993 | 10.10 | 14.29 | -4.19 |
| 1994 | 9.95 | 17.50 | -7.55 |
| 1995 | 12.94 | 15.92 | -2.98 |
| 1996 | 18.77 | 17.88 | 0.89 |
| 1997 | 20.26 | 23.58 | -3.32 |
| 1998 | 28.46 | 19.16 | 9.30 |
| 1999 | 40.22 | 24.92 | 15.30 |
| 2000 | 33.44 | 27.40 | 6.04 |
| 2001 | 33.78 | 26.51 | 7.27 |
| 2002 | 24.82 | 27.41 | -2.59 |
| 2003 | 27.37 | 22.89 | 4.48 |
| 2004 | 25.06 | 22.85 | 2.21 |
| 2005 | 29.19 | 28.64 | 0.55 |
| 2006 | 31.33 | 25.32 | 6.01 |
| 2007 | 42.33 | 26.73 | 15.60 |
| 2008 | 32.62 | 33.81 | -1.19 |
| 2009 | 35.17 | 20.76 | 14.41 |
| 2010 | 29.39 | 25.00 | 4.39 |
| 2011 | 33.18 | 26.07 | 7.11 |
| 2012 | 42.90 | 25.86 | 17.04 |
| 2013 | 35.74 | 27.73 | 8.01 |
| 2014 | 41.62 | 28.31 | 13.31 |
| Total | 6* %" % |) * - " & | - %" + - |

Total Giving 2014 358.38*

*Reflects the total of giving by corporations, foundations, bequests, and individuals for 2014.