

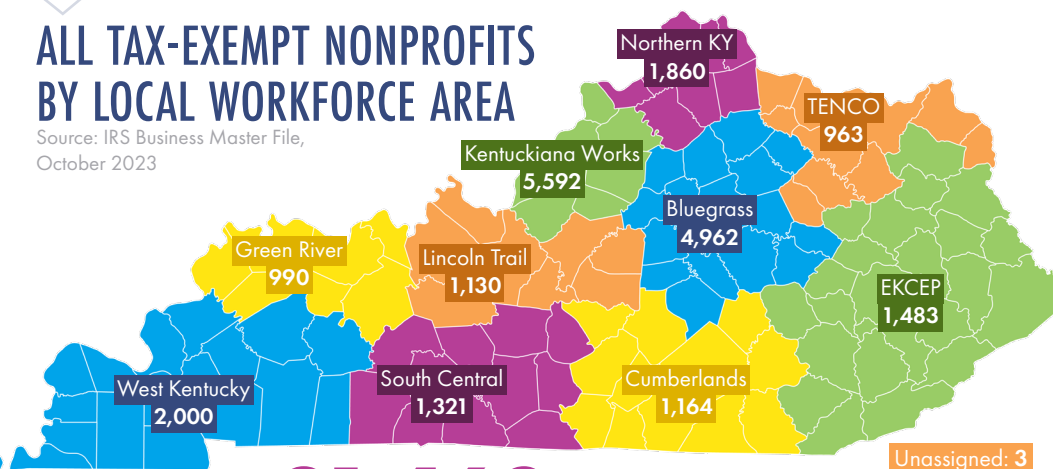
# Kentucky Nonprofits: **MORE** THAN **CHARITY**

## THE BIG PICTURE

All tax-exempt nonprofits

### ALL TAX-EXEMPT NONPROFITS BY LOCAL WORKFORCE AREA

Source: IRS Business Master File, October 2023



total: **21,468**  
registered Kentucky nonprofits

### ALL TAX-EXEMPT NONPROFITS BY PRIMARY PURPOSE

Primary Purpose	Number	% of Total	Revenue	% of Total
Arts, Culture & Humanities	1,428	6.8%	\$304 M	1.0%
Education	2,582	12.3%	\$3.2 B	10.7%
Environment & Animals	821	3.9%	\$177 M	0.6%
Health	1,294	6.2%	\$18.3 B	61.1%
Human Services	5,415	25.9%	\$3 B	10.0%
International, Foreign Affair	224	1.1%	\$27 M	0.1%
Mutual/Member Benefit	1,277	6.1%	\$343 M	1.1%
Public/Societal Benefit	3,586	17.1%	\$4.4 B	14.7%
Religion Related	3,685	17.6%	\$148 M	0.5%
Unknown/Unclassified	604	2.9%	\$8 M	0.0%

Source: IRS Exempt Organization Business Master File with National Center for Charitable Statistics enhancements as of August 2022

## A CLOSER LOOK AT CHARITABLE NONPROFITS

501(c)(3) Organizations Filing IRS Form 990 & 990-EZ



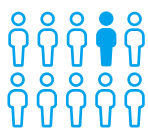
**13,587**

Total charitable nonprofits in Kentucky



**4,330**

Registered 501 (c)(3) nonprofit locations with paid employees



**1 in 10**

Kentucky private sector jobs are at nonprofits



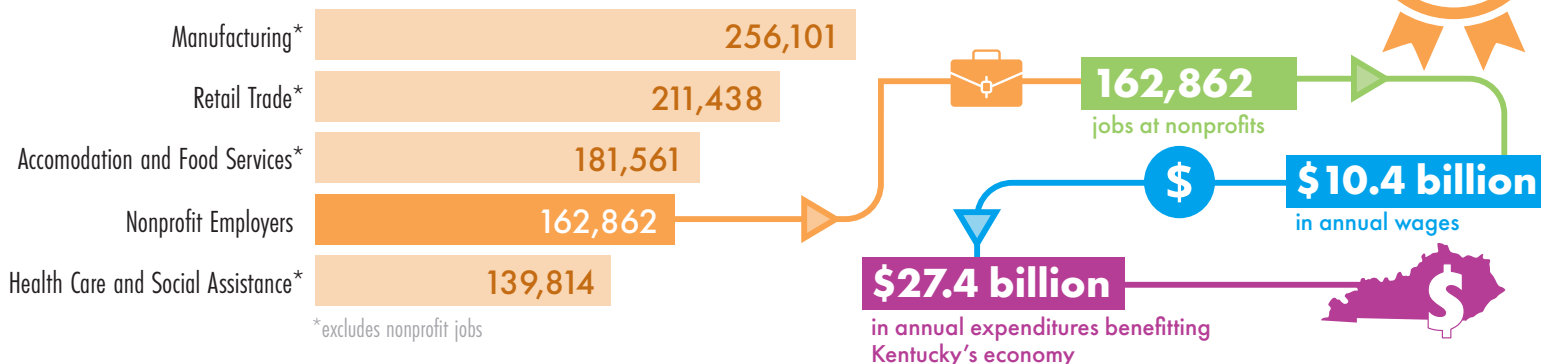
**25.2%**

of post-secondary graduates were employed at a nonprofit at some point within 5 years of graduation

Source: IRS Exempt Organization Business Master File, October 2023, and Kentucky Center for Statistics, Labor Market Information Branch Quarterly Census of Employment and Wages, 2022

Source: Kentucky Longitudinal Data System

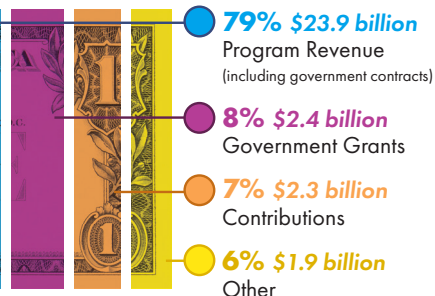
## NONPROFIT EMPLOYERS COMPARED TO LARGEST PRIVATE SECTORS



Sources: IRS Exempt Organization Business Master File and Kentucky Center for Statistics, Labor Market Information Branch Quarterly Census of Employment and Wages, 2022; Expenditure data: IRS Business Master Files 2019-2022; IRS e-File and Revenue Transaction Files FY ending circa 2021, via DataLake Nonprofit Research

# REVENUE SOURCES FOR CHARITABLE NONPROFITS

**TOTAL KENTUCKY REVENUE: \$30.5 billion**



Source: IRS Business Master Files 2019-2022; IRS e-File and Revenue Transaction Files FY ending circa 2021, via DataLake Nonprofit Research

**SMALL BUT MIGHTY**

**74%**

of nonprofits have annual budgets of **less than \$500,000**

**82%**

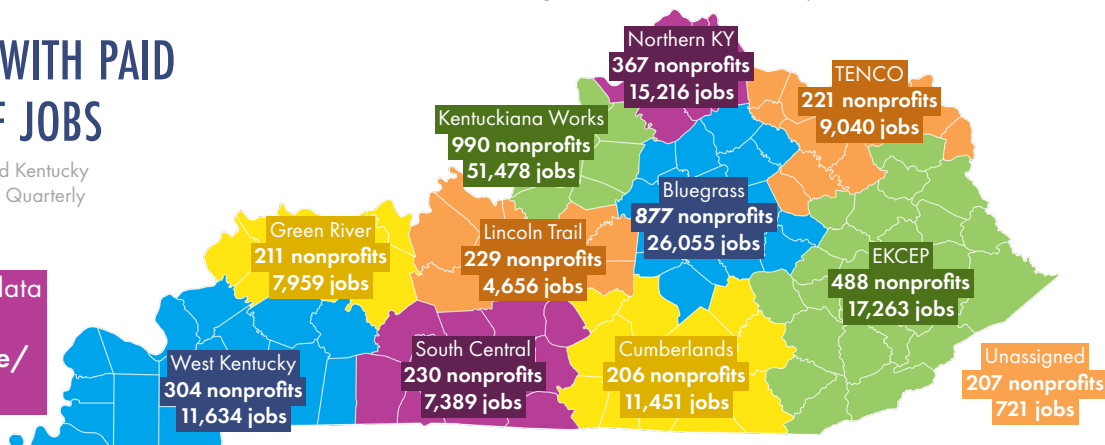
of nonprofits have annual budgets of **less than \$1 million**



## CHARITABLE NONPROFITS WITH PAID EMPLOYEES & NUMBER OF JOBS

Source: IRS Exempt Organization Business Master and Kentucky Center for Statistics, Labor Market Information Branch Quarterly Census of Employment and Wages, 2022

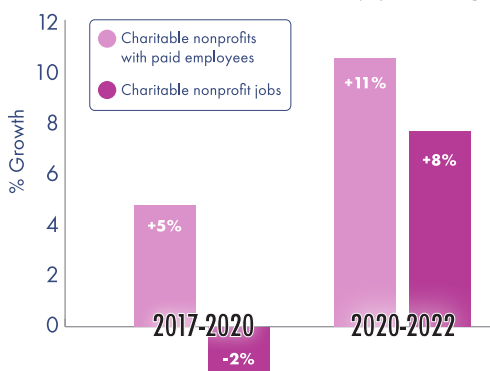
For more employment and financial data by Local Workforce Area, visit [www.kynonprofits.org/advocate/morethancharity](http://www.kynonprofits.org/advocate/morethancharity)



## THE SHIFTING LANDSCAPE FACING CHARITABLE NONPROFITS

### GROWTH IN KY CHARITABLE NONPROFITS WITH PAID EMPLOYEES DURING THE PANDEMIC

Source: IRS Exempt Organization Business Master File and Kentucky Center for Statistics, Labor Market Information Branch Quarterly Census of Employment and Wages



**KENTUCKY NONPROFIT NETWORK**  
Kentucky Nonprofit Network, over 1,000 members strong, advances and strengthens Kentucky's nonprofit sector.

### THREATS TO THE SECTOR:

#### Government Contracting is Broken

- Failure to pay full costs
- Delayed agreements
- Late payments
- Nonprofits paying interest on loans to float government
- Workforce shortages
- Unsustainable business model
- Waiting lists
- Closed programs
- Less workforce participation

#### Declines in Charitable Giving

**2017 Tax Cuts & Jobs Act** → Fewer taxpayers eligible for tax incentives to donate to their favorite charities. Individual giving fell by 13.4% nationally (2018-2022) when adjusted for inflation.

Source: Giving USA 2023: The Annual Report on Philanthropy for the Year 2022, a publication of Giving USA Foundation, 2023, Indiana University Lilly Family School of Philanthropy

#### Public Perception

**Only 5%** of Americans think they or someone in their immediate family has been helped by a nonprofit.

Source: What Americans Think About Philanthropy and Nonprofits, April 2023, Indiana University Lilly Family School of Philanthropy

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### CHARITABLE NONPROFITS:

- Improve Lives
- Are Economic Engines
- Attract Other Employers & Industries
- Bring Americans Together to Solve Problems
- Build & Strengthen Democracy
- Promote Civic Engagement

**100% OF KENTUCKIANS BENEFIT FROM THE WORK OF NONPROFITS**

FOR MORE INFORMATION, VISIT [KYNONPROFITS.ORG/ADVOCATE/MORETHANCHARITY](http://KYNONPROFITS.ORG/ADVOCATE/MORETHANCHARITY)