NATIONAL CENTER FOR CHARITABLE STATISTICS

The national clearinghouse of data on the nonprofit sector in the United States

· · · · U R B A N · I N S T I T U T E ·

</>

Frequently Asked Questions

This page contains answers to many frequently asked questions about the nonprofit sector. More detailed technical notes are also available in the KnowledgeBase <http://nccsweb.urban.org/knowledgebase/>

- General Nonprofit Information
- Nonprofit Funding and Finances
- Nonprofit Employment and Wages Information
- Foundation Information
- Charitable Giving
- Legal Questions
- Requesting NCCS Data
- NCCS Data Files
- NCCS Contact Information

General Nonprofit Information

What are nonprofit organizations?

Formal organizations in the United States are typically thought about in three broad categories:

1. Business and industry, or "for-profit" organizations
2. Government, including state, local, and federal agencies that provide services and regulation
3. Nonprofit organizations, that qualify for tax-exempt status under the Internal Revenue Code because they are organized for the specific purposes stated in the Code.

Although there are legal distinctions among nonprofit organizations and different reporting requirements, all are exempt from paying federal income taxes. About half of nonprofits - called charitable organizations - are exempt under Section 501(c)(3). This status permits donations to charities to be tax-deductible to the donor.

Are all nonprofit organizations public charities?

No. Public charities represent a substantial portion of the nonprofit sector, but not all nonprofit organizations are public charities.

Public charities receive their tax-exemption under subsection (3) of Section 501(c). This privileged status allows donors to make tax-deductible contributions to the organization. The IRS defines these organizations as "charitable" because they serve broad public purposes in educational, religious, scientific, and artistic fields, among others, as well as the relief of poverty and other public benefit activities.

Other tax-exempt organizations and their 501(c) subsection include:

- Private foundations. These charitable organizations are tax-exempt under Section 501(c)(3), but they are not public charities. Most private foundations are created *to distribute money to public charities or individuals*. They must meet strict guidelines requiring distribution of a proportion of their assets each year.
- Social welfare organizations - 501(c)(4)
- Labor and agricultural associations - 501(c)(5)
- Business leagues - 501(c)(6)
- Fraternal beneficiary societies - 501(c)(8).

What is the difference between a "nonprofit" and a "not-for-profit" organization?

There is no legal distinction; the terms are often used interchangeably.

How do nonprofit organizations differ from for-profit organizations?

Generally, the purposes of nonprofit organizations and for-profit organizations differ, and the purpose of a nonprofit forms the basis of its formal exemption from paying federal income taxes.

Additionally, unlike for-profit organizations, most nonprofit organizations are legally constrained from distributing residual earnings (profits) to individuals who exercise control over the firm, such as officers, directors, or members. Nonprofit organizations are **not** prohibited from earning profits or paying reasonable compensation to employees, but they must devote any surplus to the continuing operation of the organization or distribute it to noncontrolling persons.

Which nonprofit organizations are required to file with the IRS? Do they file the Form 990, 990-EZ, 990-PF, or 990-N?

There is a difference between registration and filing. Tax-exempt organizations with at least $5,000 in annual gross receipts must register with the IRS, but they are not required to file one of the forms in the 990 series until they reach annual gross receipts of $50,000 for tax years ending on or after December 31, 2010. Religious congregations have automatic Section 501(c)(3) status and are not required to register or file. Foundations of any size must register and file.

Following the IRS' introduction of a new Form 990 series, a new set of requirements are being phased in over a 3 year period as described on the IRS website <http://www.irs.gov/charities/article/0,,id=184445,00.html>. Organizations must file one of the following forms for the 2010 tax year according to the following eligibility criteria:

- **Form 990**. Nonprofit organizations with at least $200,000 in annual gross receipts or at least $500,000 in total assets are required to file Form 990 with the IRS.
- **Form 990-EZ**. Organizations that have gross receipts between $50,000 and $199,999 and total assets of less than $500,000 at the end of the year must either file Form 990-EZ or file the full Form 990.
- **Form 990-PF**. This form is filed by private foundations of any size. However, since some funders require Form 990, some smaller nonprofit organizations file Form 990 even though the IRS does not require them to do so.
- **Form 990-N** (also known as the e-Postcard). Small tax-exempt organizations whose annual gross receipts are normally $50,000 or less may choose to submit Form 990-N instead of completing Form 990 or Form 990-EZ.

How many nonprofit organizations are there in the United States?

In 2012, there were more than 1.4 million exempt organizations that had formally obtained recognition of their tax-exempt status from the IRS.

In addition, there are many other organizations that are *not* required to register with the IRS. These organizations fall primarily into two categories:

1. **Organizations with less than $5,000 in gross receipts.** This category includes many (but not all) neighborhood associations, PTAs, and community theater companies. While not required to register, a significant percentage of these organizations do so nonetheless. The total number of these small organizations is unknown; scholars offer widely varying estimates.
2. **Religious congregations.** Approximately half of the more than 275,000 congregations voluntarily register with the IRS, though they are not required to do so. See the NCCS KnowledgeBase <http://nccsweb.urban.org/knowledgebase/> to learn more.

To learn more about the number and types of nonprofit organizations that have filed with the IRS in the United States, please click here. </statistics/profiles.cfm>

How many nonprofit organizations are in each state?

Information on charitable and other nonprofit organizations by state is available on this website. Click below to view:

- State profiles </statistics/profiles.cfm>
- National profile <http://nccsweb.urban.org/pubapps/profile1.php?state=us>

Information on the distribution of other tax-exempt organizations is not available.

What are the biggest public charities in the United States by assets or expenses?

Click here <http://nccsweb.urban.org/pubapps/showtoporgs.php> to see the NCCS list of top ten charities by major group (arts, health, human service, etc).

The Chronicle of Philanthropy <http://philanthropy.com/> and the NonProfit Times <http://www.nptimes.com/> also compile lists periodically.

Please note that these lists vary because of different criteria. For example, some lists may exclude supporting organizations (those that primarily support programs of other charities, such as United Ways) or higher education institutions or hospitals.

Do you have information on the number and types of nonprofit organizations in major cities across the United States? Over time?

NCCS information is based on Forms 990 filed annually by charities with the IRS. While NCCS researchers complete specific projects and annually summarize the scope of the nonprofit sector on a national and state basis, we typically do not create databases for specific cities.

NCCS will provide data to researchers for their own analyses. To order data, please fill out an online Data Request Form online <http://nccsweb.urban.org/pubapps/regis/register.php> (or download, print, and return the PDF version <http://nccsdataweb.urban.org/kbfiles/1128/nccsreq_10.pdf> to us). You should also review the listing of NCCS databases </database/overview> and other data-related FAQs for additional information.

How many public charities have failed in the past decade? The past year?

Organizations registered with the IRS are supposed to notify the IRS when they formally dissolve. However, many organizations fade away gradually and do not formally notify the IRS. Some organizations may be inactive for a number of years but eventually secure new funding or volunteers and become active again.

The IRS periodically mails postcards to organizations that haven't filed a Form 990 for several years. However, many of these postcards cannot be delivered due to outdated addresses.

In 2008, the IRS began requiring organizations that do not file Form 990s (or 990-EZs or 990-PFs) to complete an online "epostcard" to let the IRS know that they are still in business. Organizations that do not respond within three years will be removed from the list of registered organizations.

An IRS study of "nonfilers" <http://nccsweb.urban.org/knowledgebase> conducted in the 1990s found that 21 percent of the nonprofit organizations in the IRS Business Master File that had not filed a Form 990 could no longer be located, indicating that they had probably ceased operations.

Over the five year period from 2000 to 2005, 16% of organizations that filed IRS Form 990s in 2000 failed to file in 2005. This means that they either dropped below the $25,000 filing threshold or went out of business.

Learn more from our Knowledge base <http://nccsweb.urban.org/knowledgebase/>.

How do you determine the health of organizations in the nonprofit sector? Do nonprofits suffer from inefficiency, governance or management problems, or budget issues?

These issues are given considerable thought by researchers within the nonprofit field. Although we do not offer guidelines on what constitutes a healthy or unhealthy organization, NCCS data have proven useful to compute various measures of organizational financial health. However, a full portrait requires an understanding of an organization's programs, management and environment.

For more information pertaining to these issues:

- Search for articles, reports and books on the Urban Institute's homepage <http://www.urban.org/>.
- For scholarly articles, ARNOVA's Abstracts Database <http://www.arnova.org/?section=publications&subsection=abstractsonline> is an excellent source (membership required).
- Other resources can be found on our Knowledge Base <http://nccsweb.urban.org/knowledgebase>.

Do you have statistics available with regard to nonprofit organizations and their use of the Internet? How are nonprofits making use of the Internet for fundraising and membership?

There are a number of studies and surveys on the use of technology by nonprofits. Check out websites of The Foundation Center </faq/www.foundationcenter.org/%c3%83%c2%83%c3%82%c2%83%c3%83%c2%82%c3%82%c2%83%c3%83%c2%83%c3%82%c2%82%c3%83%c2%82%c3%82%c2%a2%c3%83%c2%83%c3%82%c2%83%c3%83%c2%82%c3%82%c2%82%c3%83%c2%83%c3%82%c2%82%c3%83%c2%82%c3%82%c2%80%c3%83%c2%83%c3%82%c2%83%c3%83%c2%82%c2%82%c3%82%c2%82%c3%83%c2%82%c3%82%c2%8e> or Independent Sector <http://www.independentsector.org/> for additional information.

Do you have website addresses for nonprofit organizations?

Currently, NCCS does not have website addresses for all nonprofit organizations. Some organizations have added their website and further details, which is optional. The Form 990 inludes an optional field for organizations' web addresses, which will be collected if organizations provide it.

Who should I contact if I have concerns about the integrity or practices of a particular nonprofit organization?

NCCS is not a regulatory agency; charities are regulated at the federal and state levels: If you believe an organization is not acting in accord with the laws and regulations governing nonprofit organizations, please contact the following groups:

- At the state level: Contact your state's charity office, typically a part of the Office of the Attorney General or the Office of the Secretary of State. You can find the appropriate contact at the National Association of State Charity Officials website <http://www.nasconet.org/>.
- At the federal level: Contact the IRS <http://www.irs.gov/>.

Other groups investigating charities include Better Business Bureau Wise Giving Alliance <http://www.give.org/>, Charitable Choices <http://www.charitablechoices.org/>, The American Institute of Philanthropy <http://www.charitywatch.org/>, and the Charities Review Council <http://www.smartgivers.org/>.

return to top </faq>

Nonprofit Funding and Finances

On average, what percentage of a nonprofit's budget is spent on fundraising? How are these expenses broken down? What percentage of an average public charity's budget is spent on overhead? A private foundation?

Most people who ask about the percentage of a charity's budget spent on fundraising or administration are really interested in knowing what percentage of the organization's expenses are spent on programs. They want some assurance that the organization meets a minimum level of efficiency, that funds contributed are not just going to raise more funds and that its purpose is not to provide its own employees with jobs.

Watchdog groups provide various guidelines for nonprofit management and fundraising activity. The following table provides several examples of different organizations' standards.

Organization	Recommended/required minimum spending on program activity as a percent of total budget
BBB Wise Giving Alliance <http://www.give.org/>	65%
American Institute of Philanthropy <http://www.charitywatch.org/>	60%
The United Way of the National Capital Area <http://www.unitedwaynca.org/>	80%

An organization's program, fundraising, or administrative ratios can vary widely based on a number of organizational characteristics. For example, an established university with lots of wealthy alumni may have much lower fundraising expenses as a percentage of total expenses than a newly formed nonprofit with no established contributor base.

Click here <http://nccsweb.urban.org/knowledgebase/index.php?category=40> to find an NCCS summary of some of the current guidelines on fundraising and administrative ratios.

The Nonprofit Research Collaborative conducts quarterly studies of fundraising and fundraising activities. Links to two of the most recent reports are below. Collaborative members include the Urban Institute's National Center for Charitable Statistics with GuideStar, Indiana University's Center on Philanthropy, the Association of Fundraising Professionals, the Foundation Center, and Blackbaud.

Nonprofit Fundraising Study: Covering Charitable Receipts at U.S. Nonprofit Organizations in 2012 <http://www.urban.org/publications/412836.html>

The Nonprofit Research Collaborative: 2012 <http://www.urban.org/uploadedpdf/412673-the-nonprofit-research-collaborative-special-report.pdf>

How efficient are an organization's fundraising efforts? How much does a nonprofit spend on overhead costs?

One easily calculated measure of a nonprofit's efficiency in fundraising is the ratio of fundraising expenses (Form 990, line 15) divided by public support (Form 990, line 1a).

There are many opinions about the appropriate level of fundraising and factors such as size and type of organization that affect the ratio. Some economists argue that the ideal level of fundraising is reached when it costs one dollar to raise the last dollar of contributions. Other theories are more conservative. All nonprofit executives will agree, however, that it takes money to raise money.

The Nonprofit Overhead Cost Study, a joint project of Urban Institute and the Center on Philanthropy at Indiana University, found a great deal of variation in what organizations consider to be fundraising expenses. Thus, we chose not to determine standards or benchmarks. However, we do provide information on common practices and pitfalls and some broad ranges for different types of organizations.

Click here <http://nccsweb.urban.org/knowledgebase/index.php?category=40> to review the study's findings, including the policy briefs and guide books, in greater detail.

Where can I find information about possible sources of funding for my organization?

Here are a few resources you might try:

- The Foundation Center <http://fdncenter.org/> database of US grantmaking organizations.
- The Chronicle of Philanthropy <http://www.philanthropy.com/> lists grants by thematic area.
- Regional associations of grantmakers often provide listings of grants available within specific regions or states.

What percentage of an average public charity's total revenue comes from individuals? From grantmaking foundations? From corporations?

The major source of information on the financing of charities comes from the Form 990, but their funding are all combined on the direct and indirect "private contributions" lines. Thus, there is no way to separate these funding sources on the Form 990.

The Giving USA Foundation <http://www.givingusa.org/> publishes national estimates based on a number of sources each year in their Giving USA report. For 2009, Giving USA reported the following national totals:

- Individuals: $227.41 billion (75%)
- Foundations: $38.44 billion (13%)
- Bequests: $23.80 billion (8%)
- Corporations: $14.10 billion (4%)

What percentage of an average public charity's total revenue comes from government?

Government support for charities is difficult to measure because it comes in different forms and is reported on the IRS Form 990 in several places.

A grant to provide a service for the public, for example, is reported under "Government contributions (grants)" on Form 990, line 1c, while a contract to provide a service or good to the government itself is reported under "Program service revenue" on Form 990, line 2. Program service revenue is further divided into revenue from Medicare/Medicaid and from government fees and contracts, as well as other contracts.

In 2004, government grants only made up about 9 percent of revenue for all reporting charities (about $100 billion), but represented a higher proportion for human service, international, and public benefit organizations. This amount does **not** include government funding from Medicare and Medicaid, and the revenue from contracts for providing services directly to the government, all of which are reported under program service revenues on the Form 990. (Medicare and Medicaid revenues are drastically underreported on the Form 990. See the Nonprofit Almanac 2012 <http://www.urban.org/books/nonprofit-almanac-2012/index.cfm> for more information and new estimates for these sources.)

A third source of government support for charities is more indirect, as individuals may receive grants or subsidies and then use them to pay fees for services and goods provided by nonprofits. This would include, for example, primary and secondary school vouchers or college scholarships. Further research is necessary to measure this source of government support for charities.

Under the requirements of the Single Audit Act, any state, local government, or nonprofit that receives $300,000 or more from the Federal Government in grants per year must have an audit conducted. The Federal Audit Clearinghouse <http://harvester.census.gov/sac/>, maintained by the US Census Bureau, offers a user-friendly online system for accessing this data.

A recent survey conducted by the Urban Institute's Center on Nonprofits and Philanthropy provides updated information on government contracting as well as state-by-state profiles. Links to the reports are below:

Human Service Nonprofits and Government Collaboration: Findings from the 2010 National Survey of Nonprofit Government Contracting and Grants <http://www.urban.org/publications/412228.html>

Contracts and Grants between Human Service Nonprofits and Governments <http://www.urban.org/publications/412229.html>

National Study of Nonprofit-Government Contracting: State Profiles <http://www.urban.org/publications/412227.html>

INSTRUCTIONS FOR ACCESSING THE FEDERAL AUDIT CLEARINGHOUSE

1. Go to the Federal Audit Clearinghouse <http://harvester.census.gov/sac/> website.
2. Click *Single Audit Reference Information* for background information about the clearinghouse, but click *Search the Single Audit Database* to access the data directly.
3. You will see a disclaimer, click "Go to Database"
4. Several options are available to search the clearinghouse, select number four, *Advanced Entity Search*.
5. Under *Organizational Types*, scroll to the bottom and click *Non-Profit*.
6. You can now enter whatever information you choose to find the nonprofit (auditee) or any other criteria desired.

Discussions of government support for charities are included in The Nonprofit Almanac <http://www.urban.org/books/nonprofit-almanac-2012/index.cfm> published by the Urban Institute. The "New Nonprofit Almanac and Desk Reference: The Essential Facts & Figures for Managers, Researchers, Volunteers" published by Jossey-Bass in 2002 provides data for older time periods.

return to top </faq>

Nonprofit Employment and Wages Information

Where can I find salary information on nonprofit employees?

Charities report salary information on the Form 990 in several places. (Please see our data dictionaries <http://nccsweb.urban.org/pubapps/showdd.php> for a description of variables contained here.)

- Part II (Statement of Functional Expenses) lists total organizational expenditures on salaries, wages, and benefits and allocates them by program services, management and fundraising expenses.
- Part V (Officers, Directors and Key Employees) lists titles and amounts of compensation. A key employee is any person having responsibilities or power similar to those of officers, directors or trustees. Department managers are not considered key employees.
- Schedule A (Part I) lists the five highest paid employees that are paid more than $50,000 per year, other than officers, directors or trustees.

There are several other sources of information on nonprofit employee salaries.

- GuideStar's reports and tools <https://commerce.guidestar.org/guidestar/default.aspx> on compensation practices within the nonprofit sector.
- Abbott, Langer and Associates <http://www.abbott-langer.com/> conducts studies of nonprofit executive compensation that are available for purchase on its website.
- The Economic Research Institute <http://www.erieri.com/> (ERI) is another trusted source of compensation data.
- Some industry associations and state nonprofit associations, such as the Minnesota Council of Nonprofits <http://www.mncn.org/>, collect salary statistics each year for their particular region or industry.
- Use a search engine to locate the most recent information.

Do you keep nonprofit employment statistics?

Yes. However, the Form 990 has only required the number of employees to be listed since 1997.

Additional sources for this information include:

- The Center for Civil Society Studies in the Institute for Policy Studies at Johns Hopkins University <http://www.jhu.edu/> is currently working on a nonprofit employment data project.
- A detailed discussion on wage and employment trends is presented in The Nonprofit Almanac <http://www.urban.org/books/nonprofit-almanac-2012/index.cfm> published by the Urban Institute.

What do you know about employee turnover rates among nonprofit organizations?

According to the Council on Foundations <http://www.cof.org/>, the average annual turnover rate for associations is 24%, but there appears to be wide variation among nonprofit subsectors. For example, employee turnover has become such a widespread problem in child welfare agencies that the Child Welfare League of America <http://www.cwla.org/> has formed national workgroups to address annual turnover rates often in the 100%-300% range.

Do you have statistics on nonprofit volunteers or volunteer hours? What is the worth of a volunteer hour?

Information regarding volunteer hours and volunteering can be found at:

- New Data Show Women, More Educated Doing Most Volunteering <http://www.usnews.com/news/articles/2013/02/27/charts-new-data-show-women-more-educated-doing-most-volunteering>, published by US News.
- The Nonprofit Almanac <http://www.urban.org/books/nonprofit-almanac-2012/index.cfm> published by the Urban Institute.
- A brief summary can be found in THE NONPROFIT SECTOR IN BRIEF Facts and Figures from the Nonprofit Almanac 2012: Public Charities, Giving, and Volunteering <http://www.urban.org/publications/412674.html> (2012).
- U.S. Bureau of Labor Statistics supplement to the September U.S. Current Population Survey <http://www.bls.gov/news.release/volun.nr0.htm>.
- American Time Use Survey
- Independent Sector's <http://www.independentsector.org/volunteer_time> list of recent research on Giving and Volunteering <http://www.independentsector.org/programs/research/gvresources.html>.
- Nonprofit Almanac & Desk Reference <http://www.josseybass.com/wileycda/wileytitle/productcd-0787957267.html>, published by Jossey-Bass in 2002.
- The Center for Information and Research on Civic Learning and Engagement <http://www.civicyouth.org/>

Independent Sector offers the most well publicized estimation of the worth of a volunteer hour <http://www.independentsector.org/programs/research/volunteer_time.html>. However, researchers differ on how best to calculate the value of volunteer time.

return to top </faq>

Foundation Information

Where can I find information on foundations?

NCCS creates a file from IRS data from Forms 990-PF
<http://nccs2.urban.org/nccsdataweb/f990pf.pdf> that is available for research purposes. For a
listing of variables available, click on the corresponding Data Dictionary
<http://nccsweb.urban.org/pubapps/showdd.php>.

To find the Form 990-PF for a specific foundation, click here
<http://nccsweb.urban.org/pubapps/search.php>.

Both The Foundation Center <http://www.fdncenter.org/> and the Council on Foundations
<http://www.cof.org/> are also important sources of information on foundations.

**Where can I find a list of private foundations ranked by size? What are the top ten private
foundations in the United States by assets? By total giving?**

The Foundation Center <http://www.fdncenter.org/> publishes a list of the largest private foundations
by asset size and by total giving. Information on the largest foundations in each state is also available.

Where can I find information about possible sources of funding for my organization?

Here are a few resources you might try:

- The Foundation Center <http://fdncenter.org/> database of US grantmaking organizations.
- The Chronicle of Philanthropy <http://www.philanthropy.com/> lists grants by thematic area.
- Regional associations of grantmakers <http://www.lib.msu.edu/harris23/grants/rags.htm> often
  provide listings of grants available within specific regions or states.

return to top </faq>

Charitable Giving

**Where can I find information concerning tax deductions for charitable contributions? Where
can I find a breakdown by state?**

The IRS website provides Publication 526, "Charitable Contributions <http://www.irs.gov/pub/irs-
pdf/p526.pdf>."

For information on individual states, check the webpage for the revenue department in the relevant
state.

Are nonprofit organizations required to report grant recipients?

If the recipient is a charitable organization, the foundation that makes the grant and the charity that
receives it may both list the grant in their annual reports. The Chronicle of Philanthropy
<http://philanthropy.com/> lists nonprofit recipients of grants from large foundations in each issue.

Private foundations must provide a list of grant recipients in Part XV of the Form 990-PF. Scanned
images of the forms can be viewed at GuideStar <http://guidestar.org/>or NCCS
<http://nccsweb.urban.org/pubapps/search.php>.

The Forms 990 filed by the charities also include the names of some recipients - both individuals and
organizations - of grants:

- Line 22 in Part II lists recipients of grants, although the names of some individual grant recipients are confidential, (for example, those receiving college scholarships).
- Line 22 in the attachment lists others, such as scientists who receive research grants.
- Line 23 includes specific assistance to individuals, including direct cash assistance to indigents and disaster victims. Only a schedule of the categories of assistance provided is required (not the names of the individuals who receive this assistance).

Where can I find information identifying current trends in charitable giving?

NCCS has prepared Profiles of Individual Charitable Contributions <http://nccsweb.urban.org/knowledgebase/detail.php?linkid=827&category=22&xrefid=3133> at the state level.

The following resources may be useful:

- The American Association of Fund-Raising Counsel (AAFRC)/Giving Institute <http://givinginstitute.org/> publishes Giving USA <http://www.givingusareports.org/>, the annual yearbook on American philanthropy.
- Indiana University's Center on Philanthropy <http://www.philanthropy.iupui.edu/> publishes the results from its periodic household survey.
- Independent Sector's <http://www.independentsector.org/> list of recent research on Giving and Volunteering <http://www.independentsector.org/programs/research/gvresources.html>.
- The Chronicle of Philanthropy <http://philanthropy.com/> publishes occasional research findings on charitable giving.

Where might I find information on a for-profit corporation's charitable giving?

Businesses are not required to divulge this information. However, if they do participate in charitable giving, they may be inclined to publicize this information. Such information may be found by visiting the company's website or by contacting the public relations department. The following sources may also be useful:

- If a business contributes through a separately incorporated foundation, the foundation will file Form 990-PF. The scanned image will be available on our website <http://nccsweb.urban.org/pubapps/search.php>.The American Association of Fund-Raising Counsel <http://www.aafrc.org/> provides aggregate information regarding corporate giving on its website.
- The Conference Board <http://www.conference-board.org/> publishes estimates of charitable giving.

What statistics do you have available on individual giving? Where might I find a contributor demographic profile for a particular state?

NCCS has prepared Profiles of Individual Charitable Contributions <http://nccsweb.urban.org/knowledgebase/detail.php?linkid=827&category=22&xrefid=3133> at the state level.

Demographic profiles of contributors who itemize deductions on their annual tax returns are not available. National estimates of contribution levels of non-itemizers based on the Urban Institute Charitable Giving Model are also available. (The Charitable Giving Model estimates that non-itemizer giving is equal to about one-third of the total charitable giving reported on individual tax returns by taxpayers who itemize deductions.) But there are no state, regional, or local estimates.

Additional information can be found at the following websites:

- Giving USA <http://www.aafrc.org/> estimates individual giving.
- Local United Way affiliates make individual giving data available in some areas. This information can be accessed at the United Way of America website <http://national.unitedway.org/>.

Where might I find information on tax policies for corporate and individual giving?

The primary national document is the Internal Revenue Code <http://www.fourmilab.ch/ustax/ustax.html>. Interpretations of the Code are offered at various websites. For legal advice, consult your tax attorney or financial advisor.

return to top </faq>

Legal Questions

How do I start a charity? What steps are necessary?

The IRS <http://www.irs.gov/> has a variety of resources available <http://www.irs.gov/charities/article/0,,id=96109,00.html> to help new nonprofit organizations apply for the correct form of tax-exempt status.

Additional IRS tax information on nonprofit organizations is available in IRS Publication 557 Tax-Exempt Status for your Organization <http://www.irs.gov/publications/p557/index.html> and these easy-to-use links on the life cycle of nonprofits <http://www.irs.gov/charities/charitable/article/0,,id=122670,00.html>.

Additional websites that may be useful include:

- The Internet Nonprofit Center <http://www.nonprofits.org/npofaq/02>
- Harbor Compliance <https://www.harborcompliance.com/information/how-to-start-a-non-profit-organization>
- Minnesota Council of Nonprofits <http://www.mncn.org/>
- About.com One Stop Answer Page <http://nonprofit.about.com/library/weekly/blonestart.htm?once=true&>

Why is the information on the Form 990s public?

In the mid-1990s, legislative changes to the federal laws governing exempt organizations were made to encourage public disclosure of Forms 990 to promote accountability.

Section 6104 of the Internal Revenue Code addresses the disclosure requirements for Forms 990 and other IRS forms. General Instruction M of the IRS Instructions for the Form 990 provides additional information. For a summary of disclosure regulations click here <http://www.nonprofits.org/npofaq/19/19.html>.

What if our organization would prefer not to have our Form 990 made available on the web?

GuideStar and NCCS have created a national database of information about charitable organizations in the United States to enhance access and accountability. Congress views such public inspection as a price to be paid in return for exempt status, and an aid to ensure that exempt organizations operate in accordance with the requirements of their particular category of tax-exempt status.

According to a letter from the IRS, "public disclosure promotes accountability and discourages inappropriate activities, which, in turn, enhances voluntary compliance and assists...in the administration of the tax law." Although we cannot remove your organization from the website, you can choose to remove your organization's name from the list of organizations whose information can be licensed at other sites. Contact GuideStar directly to do so.

GuideStar and NCCS take the responsibility of bringing information to the public very seriously. Several million dollars are spent each year digitizing the information that appears on the Forms 990, including double-keying most entries, checking for spelling and math errors, and verifying that what is reported on the form is correctly entered in the database. We also safeguard the privacy of tax preparers and executive directors by blocking social security numbers and signatures that appear on the Forms 990.

As nonprofit organizations have grown to understand GuideStar and NCCS and our high standards, most now welcome the posting of the information and use GuideStar as a free way to publicize their charities. We regularly hear anecdotal stories about organizations that have received large, unsolicited donations because the donor found them at GuideStar.

We encourage charities to become GuideStar participants by filling out the GuideStar Information Form <http://www.guidestar.org/>.

Does the posting of our Form 990 on your website satisfy our public disclosure requirements?

No. The public disclosure law <http://www.access.gpo.gov/su_docs/fedreg/a990409c.html> requires that all tax-exempt organizations (except for private foundations, which have slightly different requirements) make available upon request:

- their application form for tax exemption (Form 1023 or 1024)
- the IRS determination letter
- the three most recent information returns filed with the IRS (Form 990, 990-EZ, 990-BL, or Form 1065), along with schedules and attachments.

An organization is not required, however, to disclose the parts of the return that identify names and addresses of contributors, nor is it required to disclose Form 990-T.

return to top </faq>

Requesting NCCS Data

Are mailing lists of nonprofit organizations available?

For information regarding mailing lists, please call our data request line at (202) 261-5397 or send an email to nccs@urban.org.

How do I obtain a list of nonprofit organizations in a particular area?

See our Database Access page </database/index.cfm> for submitting a request for data.

Is it possible to look at the Form 990 for a specific nonprofit organization?

Yes, click here <http://nccsweb.urban.org/pubapps/search.php> to search for scanned images of Forms 990. You will be able to find information on charities or private foundations, along with scanned images of Form 990.

How can I order copies of the Nonprofit Almanac 2012 <http://www.urban.org/books/nonprofit-almanac-2012/index.cfm> and other Urban Institute publications?

Please call the Urban Institute Press at 1-800-537-5487 or visit our website <http://www.uipress.org/>.

Can data requests be processed more quickly for an additional fee?

The standard time for filling data requests is 2-3 weeks. If you would like your data sent overnight once they have been compiled, please submit an express mail service account number (FedEx, USPS Express, etc.) along with your data request form.

How do I extract your data files so I can view and manipulate the data directly?

You can set up an account and submit a data request here <http://nccsweb.urban.org/pubapps/regis/register.php>. It may take up to 3 business days for us to complete this process. You will be notified if payment is required.

If payment for a data request is necessary, where do I send the check? Can I use a credit card for payment instead?

Checks for data should be made out to The Urban Institute and sent to:

NCCS/Center on Nonprofits and Philanthropy, The Urban Institute, 2100 M Street NW, Washington, DC 20037.

We also accept credit cards payments through PayPal.

Do you have information regarding possible sponsors for nonprofit events?

No.

Do you have a list of recommended charities?

No. NCCS provides data on charities but does not rate them. There are many sources of information on individual charities, including their own web sites and GuideStar <http://www.guidestar.org/>. There are a number of groups that do rate charities, including:

- BBB Wise Giving Alliance <http://www.give.org/>
- the American Institute of Philanthropy <http://www.charitywatch.org/>
- the Charities Review Council <http://www.smartgivers.org/>
- and the Maryland Association of Nonprofit Organizations <http://www.mdnonprofit.org/>.

Search the web for additional resources.

return to top </faq>

NCCS Data Files

Where can I find information on the variables included in NCCS datasets?

The data dictionaries
<http://nccsweb.urban.org/pubapps/showdd.php> provide information on each variable provided
in our datasets.

Which is the best variable to use to identify "type of organization?"

The best variable is the organization's National Taxonomy of Exempt Entities - Core Codes (NTEE-CC)
classification. See the NTEE two pager
<http://nccsdataweb.urban.org/kbfiles/324/ntee%20two%20page_2005.doc> for an overview
of available codes or the Manual <http://nccsdataweb.urban.org/kbfiles/322/ntee-cc-manual-
2007a.pdf> for more information.

Is there a way to extract the files by county?

The standard extraction variable for counties is FIPS (federal information processing standard) codes.
FIPS codes are 5-digit numbers assigned to each county, with the first two digits unique to each state
and three unique digits assigned to the county. Click here
<http://www.census.gov/population/metro/> to find a list of FIPS codes. This site also provides
population counts for each county.

Metropolitan statistical area (MSA), primary metropolitan statistical area (PMSA), and New England
Consolidated Metropolitan Area (NECMA) variables are also included in NCCS datasets to allow various
metropolitan groupings.

How do I find public charities grouped by specific cities, counties, or states?

Information for states and counties is on NCCS State Profiles page </statistics/profiles.cfm>. If data
for specific cities are needed, please submit a data request
<http://nccsweb.urban.org/pubapps/regis/register.php>.

Is the ruling date of an organization the date on which the organization was founded?

No, the ruling date is the date the organization received its recognition of exemption from the IRS. The
organization could have been in existence prior to the ruling date. Information on when an organization
was founded or incorporated is not collected on the Form 990.

return to top </faq>

NCCS Contact Information

For questions not covered on this site, please contact us. An NCCS researcher will respond within forty-
eight hours.

Send an email to NCCS@urban.org

Navigate the NCCS website: NCCS Sitemap
<http://nccsdataweb.urban.org/nccs/extracts/sitemap.pdf>