

# Charities, Social Clubs, and Other Tax-Exempt Organizations, 2007

by Paul Arnsberger and Mike Graham

**N**onprofit charitable organizations exempt from income tax under Internal Revenue Code (IRC) section 501(c)(3) filed 313,121 information returns for Tax Year 2007, an increase of 4 percent from 2006. These organizations held nearly \$2.7 trillion in assets, an increase of 5 percent from the previous year. They reported \$1.4 trillion in revenue, more than two-thirds of which came from program services (Figure A).<sup>1</sup>

Social clubs exempt under IRC section 501(c)(7) filed 21,296 Forms 990 and 990-EZ for 2007.<sup>2</sup> Assets reported by these organizations, which include recreational clubs, service organizations, fraternities, sororities, and sports clubs, totaled \$24.5 billion. Of the \$12.5 billion in revenue reported by section 501(c)(7) organizations, the majority came from membership dues and assessments (\$7.4 billion). Nearly half of the information returns filed came from recreational clubs, the majority of which are comprised primarily of country clubs. Recreational clubs also include golf, tennis, and yacht clubs.

The statistics for charities and other tax-exempt organizations reported in this article are based on data compiled from information returns Form 990, *Return of Organization Exempt from Income Tax*, and Form 990-EZ, the short form version of this information return. The latter form may be completed by smaller organizations, those with end-of-year assets of less than \$250,000 and gross receipts of \$25,000 to \$100,000. Only condensed income statements and balance sheets are required from filers of the short form, which accounted for 21 percent of the returns filed by organizations exempt under IRC sections 501(c)(3) and (7) for Tax Year 2007.<sup>3</sup>

## Charitable Organizations Tax-Exempt Under IRC Section 501(c)(3)

In order to qualify for tax-exempt status, an organization must show that its purpose serves the public

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**Figure A**

### Nonprofit Charitable Organizations, Selected Financial Data, Tax Years 2006-2007

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

Item	2006	2007	Percentage change
	(1)	(2)	(3)
Number of returns	301,214	313,121	4.0
Form 990	237,653	249,761	5.1
Form 990-EZ	63,561	63,359	-0.3
Total assets	2,549,728	2,683,444	5.2
Total liabilities	932,011	1,009,054	8.3
Net assets	1,617,717	1,674,389	3.5
Total revenue	1,370,880	1,445,932	5.5
Program service revenue	920,222	980,343	6.5
Contributions, gifts, and grants	303,168	324,542	7.1
Investment income [1]	45,269	44,270	-2.2
Other	102,221	96,777	-5.3
Total expenses	1,230,416	1,317,227	7.1

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

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

good, rather than a private interest. The activities of nonprofit organizations are limited in that they must further one or more of the purposes for which they were granted tax-exempt status. Organizations that are exempt under IRC section 501(c)(3) are those whose purposes are religious, charitable, scientific, literary, or educational. In practice, these categories cover a broad range of activities. Examples of the varied exempt purposes of these charitable organizations include nonprofit hospitals, educational institutions, youth organizations, community fundraising campaigns, public charities, local housing organizations, historical societies, and environmental preservation groups. These organizations may not allow net earnings to inure to the benefit of a shareholder or individual. Activities attempting to influence legislation cannot be a substantial part of an organization's activities, and the organization may not intervene in a political campaign on behalf of, or in opposition to,

<sup>1</sup> The statistics in this article exclude private foundations, most organizations with receipts totaling less than \$25,000, as well as most churches and certain other types of religious organizations.

<sup>2</sup> Beginning with the Tax Year 2004 study, the annual SOI Bulletin article on charities and other tax-exempt organizations has featured data on nonprofit charitable organizations exempt under IRC section 501(c)(3), as well as one other category of organizations defined under IRC section 501(c). For 2007, section 501(c)(7) social clubs are presented. The Statistics of Income (SOI) Division continues to collect annual data on organizations exempt under sections 501(c)(4) through (c)(6), as well as (c)(8) and (c)(9). Data from these organizations can be found in Tables 2, 3, and 4 at the end of this article. Additional tax-exempt organizations are described under sections 501(c)(1), (2), and (10) through (27). Because they constitute a small proportion of financial activity for the nonprofit sector, SOI does not collect data for these organizations.

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

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any candidate.<sup>4</sup> Generally, a donor's contribution to one of these organizations is deductible for income tax purposes.

Of the 858,283 active nonprofit charitable organizations recognized by the Internal Revenue Service (IRS) under IRC section 501(c)(3), 313,121 filed Form 990 or 990-EZ returns for accounting periods that began in Calendar Year 2007.<sup>5</sup> Those not required to file included churches and certain other religious organizations, as well as organizations with annual gross receipts totaling less than \$25,000.<sup>6</sup> Nonprofit private foundations, which are also tax exempt under section 501(c)(3), are separately required to file on Form 990-PF, *Return of Private Foundation*.<sup>7</sup>

## Electronic filing for 2007

For tax years ending on or after December 31, 2006, it is mandatory for exempt charitable organizations that have \$10 million or more in total assets and that file at least 250 returns in a calendar year to file Form 990 electronically. The 250-return requirement includes income, excise, and employment tax returns, as well as information returns. For example, a nonprofit charitable organization in 2007 with \$10 million in total assets and 250 employees was required to file Form 990 electronically, because each employment Form W-2 is considered a separate return. Organizations that cannot e-file due to technology constraints, or organizations for which compliance would cause undue financial burden, may request a waiver from the electronic filing requirement.

Congress and the IRS have worked to promote the benefits of filing returns electronically, noting that Form 990 paper returns have an error rate of approximately 35 percent. In contrast, e-filed returns, which are screened by the IRS prior to acceptance and do not have to be manually input during processing, typically have an error rate of less than 1 percent.<sup>8</sup> As such, the IRS introduced Modernized e-File in 2004 and now requires larger exempt organizations that meet the criteria mentioned above to

## Figure B

### Nonprofit Charitable Organization Returns Filed, by Type, Tax Years 2006–2007

[All figures are estimates based on samples]

Filing type	2006	2007	Percentage change
	(1)	(2)	(3)
Paper	272,407	265,048	-2.7
Form 990	212,124	206,884	-2.5
Form 990-EZ	60,283	58,164	-3.5
Electronic	28,806	48,073	66.9
Form 990	25,529	42,878	68.0
Form 990-EZ	3,278	5,195	58.5

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

file Form 990 electronically. Most charitable organizations that file Forms 990 and 990-EZ fall below the mandatory e-filing requirement. Therefore, the majority of Form 990 returns are still paper-filed. However, since these efforts began, the number of e-filed returns has increased substantially. Figure B shows paper and electronic filing data for Tax Years 2006 and 2007. From 2006 to 2007, the number of paper Forms 990 and 990-EZ filed fell by 2.5 percent and 3.5 percent, respectively. During that same period, electronically filed Forms 990 and 990-EZ increased by nearly 67 percent, from a total of 28,806 in 2006 to 48,073 in 2007.

## Financial Characteristics of Nonprofit Charitable Organizations

Although 41 percent of the returns filed by section 501(c)(3) organizations for 2007 were filed by small organizations, defined to be those organizations with assets of less than \$100,000, these organizations collectively held just 0.2 percent of total assets and reported 1 percent of total revenue (Figure C). In comparison, large organizations, defined to be those organizations with assets of \$10 million or more, represented a little more than 6 percent of the returns

<sup>4</sup> For more information on the requirements for tax exemption under section 501(c)(3) and other IRC sections, see Internal Revenue Service Publication 557, *Tax Exempt Status for Your Organization*.

<sup>5</sup> Data presented in this article are from Tax Year 2007 Forms 990 and 990-EZ filed in Calendar Years 2008 and 2009. The total number of nonprofit charitable organizations, including those not required to file Form 990 or Form 990-EZ, was obtained from the IRS Exempt Organizations Business Master File (December 2007) and does not include private foundations filing Form 990-PF, *Return of Private Foundation*.

<sup>6</sup> The \$25,000 filing threshold is an average of an organization's gross receipts over the previous 3 years.

<sup>7</sup> For information on private foundations, see Belmonte, Cynthia, "Domestic Private Foundations and Charitable Trusts: Tax Years 2005 and 2006," *Statistics of Income Bulletin*, Fall 2009, Volume 29, Number 2.

<sup>8</sup> The 35-percent error rate includes errors that occur during manual processing of paper returns by the IRS, as well as math and consistency errors introduced by return preparers. See Treasury Regulation Section 301.6033-4T, published January 12, 2005.

Figure C

## Nonprofit Charitable Organizations, by Asset Size, Tax Year 2007

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

Asset size	Returns		Total assets		Total revenue	
	Number	Percentage of total	Amount	Percentage of total	Amount	Percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)
<b>Total</b>	<b>313,121</b>	<b>100.0</b>	<b>2,683,444</b>	<b>100.0</b>	<b>1,445,932</b>	<b>100.0</b>
Under \$100,000 [1]	129,212	41.3	4,271	0.2	15,396	1.1
\$100,000 under \$500,000	74,100	23.7	17,965	0.7	24,440	1.7
\$500,000 under \$1,000,000	29,183	9.3	20,891	0.8	16,664	1.2
\$1,000,000 under \$10,000,000	61,080	19.5	197,460	7.4	161,273	11.2
\$10,000,000 under \$50,000,000	13,347	4.3	284,952	10.6	189,950	13.1
\$50,000,000 or more	6,199	2.0	2,157,903	80.4	1,038,209	71.8

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

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

filed but accounted for 91 percent of total asset holdings and almost 85 percent of total revenue reported.

The nonprofit charitable organizations in this study reported total revenue of more than \$1.4 trillion for 2007. Program service revenue, totaling \$980.3 billion, was the major source of revenue for these organizations. This revenue includes fees collected by organizations in support of their tax-exempt purposes. These fees include income, such as tuition and fees at educational institutions; hospital patient charges (including Medicare and Medicaid payments); and admission fees collected by museums, community performing arts groups, and community service centers, such as the YMCA/YWCA. Figure D illustrates the types of revenue reported by organizations of different sizes. Large organizations received nearly 72 percent of their total revenue from program service revenue. In contrast, small organizations received well over half of their revenue from contributions, gifts, and grants.

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

filers are required to report specific functional expense items, such as grants and allocations, salaries and wages, professional fees, and supplies (see Table 2 at the end of this article). For the fourth major category, payments to affiliates, filers are not required to report specific functional expenses. Payments to affiliates include distributions to organizations closely related to the reporting organizations, such as dues paid by local chapters to state and national agencies. Program service expenses accounted for the vast majority (86 percent) of total expenses reported by nonprofit charitable filers of Form 990; management and general expenses totaled 12 percent; and fundraising expenses and payments to affiliates, combined, accounted for less than 2 percent.

### Compensation

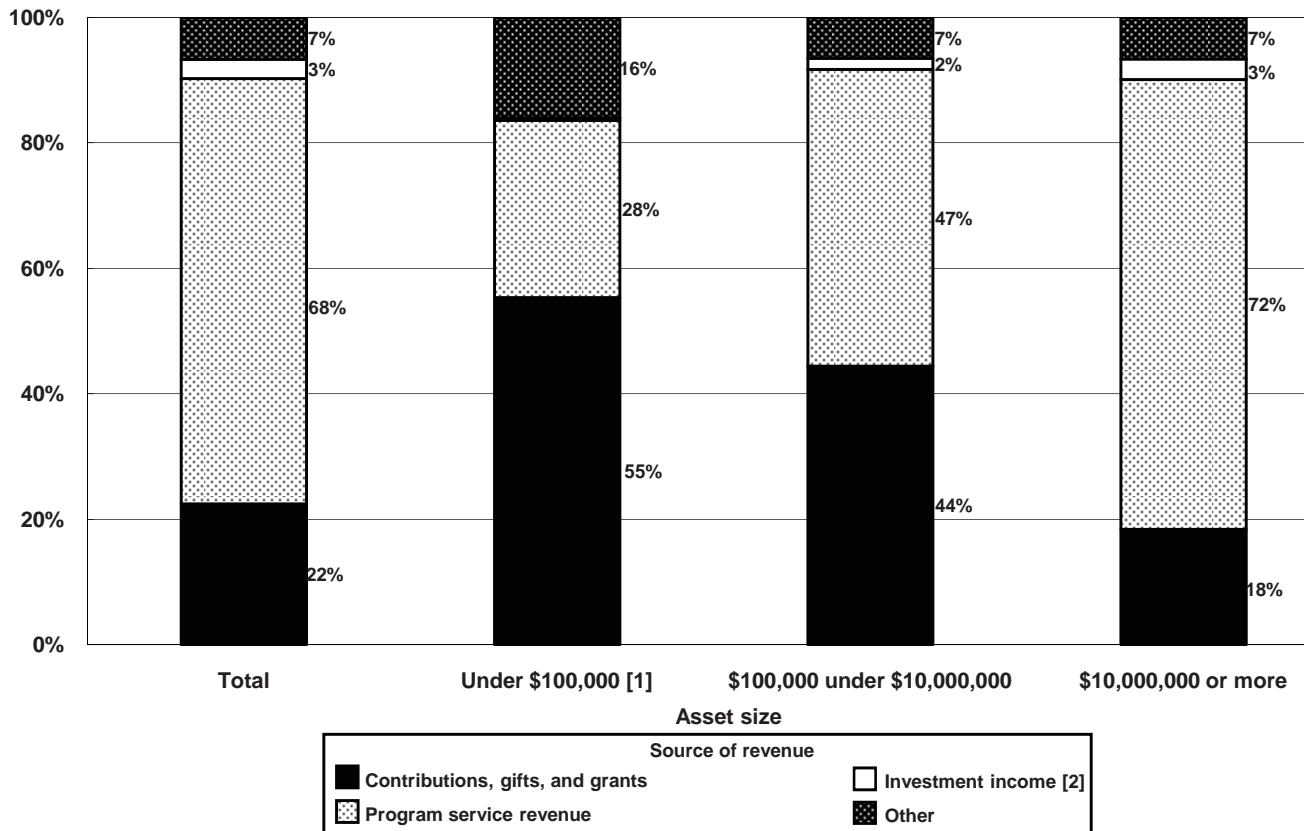
Figure E shows data from the 175,776 nonprofit charitable organizations that reported compensation on Form 990 for 2007. (Data from Form 990-EZ are not included in Figure E because that return does not distinguish between types of compensation or types of employee.) Salaries, wages, and benefits are presented for executives, such as officers, directors, trustees, and key employees, as well as other employees. For Tax Year 2007, nonprofit charities reported \$539.3 billion in compensation and benefits on Form 990. The majority of this, 81 percent, was in the form of other employee salaries and wages. Salaries of executives, such as officers, directors, trustees, and key employees, totaled \$18.8 billion. In addition to salaries and wages, nonprofit charities

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**Figure D**

**Sources of Nonprofit Charitable Organization Revenue, by Asset Size, Tax Year 2007**



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

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

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

reported \$82.8 billion in benefits paid to their employees and executives on Form 990. Examples of these benefits include contributions to pension, health insurance, and welfare plans; payments to deferred compensation and severance plans; fringe benefits; and expense account reimbursements.

Compensation and benefits represented a significant portion—more than 42 percent—of the total expenses reported by nonprofit charitable organizations on the Form 990. When viewed by size of organization and type of employee, certain patterns emerge. Nearly 57 percent of small organizations, those with assets less than \$100,000, filed Form 990 rather than Form 990-EZ for Tax Year 2007. These organizations reported \$3.9

billion in total compensation and benefits. For small organizations that filed the longer form, employee salaries, wages, and benefits represented 28 percent of total expenses for Tax Year 2007. Large organizations with assets of at least \$10 million reported more than 40 percent of their expenses in the form of employee salaries, wages, and benefits. For executives, this compensation pattern is reversed. Salaries and benefits paid to executives such as officers, directors, trustees, and key employees, accounted for 12 percent of total expenses for small organizations, but only 1 percent for large organizations.

The Form 990-EZ contains limited data on employee compensation. For Tax Year 2007, 26 percent

Figure E

### Compensation of Nonprofit Charitable Organization Officers, Directors, Trustees, Key Employees, and Other Employees, Reported on Form 990, by Asset Size, Tax Year 2007

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

Asset size	Number of Forms 990 reporting compensation	Total expenses	Compensation and benefits				
			Total	Officers, directors, trustees, and key employees [1]		Other employees [3]	
				Compensation	Contributions and other benefits [2]	Compensation	Contributions and other benefits [4]
(1)	(2)	(3)	(4)	(5)	(6)	(7)	
<b>Total</b>	<b>175,776</b>	<b>1,277,251</b>	<b>539,348</b>	<b>18,835</b>	<b>2,329</b>	<b>437,763</b>	<b>80,421</b>
Under \$100,000 [5]	42,776	9,505	3,869	1,094	71	2,470	234
\$100,000 under \$500,000	44,257	19,830	8,368	1,817	92	5,775	684
\$500,000 under \$1,000,000	20,718	14,185	6,042	996	73	4,398	575
\$1,000,000 under \$10,000,000	50,464	146,273	70,124	5,091	477	55,957	8,599
\$10,000,000 under \$50,000,000	11,814	170,621	75,171	3,529	464	60,637	10,541
\$50,000,000 or more	5,748	916,836	375,775	6,308	1,152	308,527	59,788

[1] Data are from Part V of Form 990.

[2] Includes "contributions to employee benefit plans and deferred compensation plans" and "expense account and other allowances."

[3] Data are from Part II of Form 990.

[4] Includes "pension plan contributions" and "other employee benefits."

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

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

of the nonprofit charitable organizations that filed Form 990-EZ reported employee compensation, totaling \$344 million. For those organizations that reported compensation on Form 990-EZ, it accounted for 38 percent of their total expenses.

### Nonprofit Charitable Organizations Classified by NTEE Codes

The National Taxonomy of Exempt Entities (NTEE) is a classification system developed by the National Center for Charitable Statistics, which classifies organizations by institutional purpose and major programs and activities.<sup>9</sup> It recognizes 26 major groups that can be aggregated into 9 program categories, as shown in Figure F. The organizations are classified for statistical purposes by the IRS Statistics of Income Division on the basis of information provided in the "Statement of Program Service Accomplishments" section of Forms 990 and 990-EZ.

Health-related organizations constituted the largest NTEE category in terms of financial activity, with 38 percent of all assets (\$1,015.1 billion) and 55 percent of all revenue (\$801.01 billion) reported by charitable organizations for 2007. Examples of

organizations in the health category are hospitals; nursing facilities; health support services, such as blood banks and emergency services; health care financing activities; substance abuse treatment services; organizations active in the prevention or treatment of diseases; and medical research. Program service revenue was the dominant source of income for health organizations, accounting for 87 percent of total revenue.

The education category, which includes colleges, universities, elementary and secondary schools, correspondence schools, libraries, and educational testing services, ranked a close second in terms of assets, with \$939.8 billion. At \$293 billion, total revenue reported by these organizations was considerably less than the amount reported in the health category.

Organizations in the human services category filed 38 percent of all Forms 990 and 990-EZ in 2007, constituting the largest proportion among the nine categories. This category includes organizations in several classifications performing a broad range of services focused on specific needs within the community: housing and shelter programs; job training and placement services; public safety, disaster preparedness, and relief services; recreation and

<sup>9</sup> For information on the National Taxonomy of Exempt Entities classification system, see the National Center for Charitable Statistics Web site: [www.nccs.urban.org](http://www.nccs.urban.org).

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**Figure F**

## Selected Items for Nonprofit Charitable Organizations Classified by NTEE Category, Tax Year 2007

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

NTEE major category [1]	Number of returns	Total assets	Net assets	Revenue			Total expenses	Excess of revenue over expenses
				Total	Contributions, gifts, and grants	Program service revenue		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<b>Total</b>	<b>313,121</b>	<b>2,683,444</b>	<b>1,674,389</b>	<b>1,445,932</b>	<b>324,542</b>	<b>980,343</b>	<b>1,317,227</b>	<b>128,705</b>
Arts, culture, and humanities	31,791	102,179	82,111	33,959	18,527	8,307	28,263	5,695
Education	55,415	939,820	663,565	293,080	92,154	149,073	243,925	49,155
Environment, animals	14,389	39,934	33,396	14,778	9,685	2,966	11,437	3,341
Health	36,464	1,015,064	542,612	801,011	60,156	697,444	758,714	42,297
Human services	119,971	290,268	141,648	187,767	71,973	98,784	178,803	8,964
International, foreign affairs	5,086	23,689	17,220	22,565	19,599	1,838	21,597	968
Mutual, membership benefit	662	18,280	8,884	3,293	245	1,972	2,463	830
Public, societal benefit	29,445	228,443	164,595	78,555	44,645	18,395	62,663	15,892
Religion related	19,898	25,766	20,357	10,924	7,558	1,564	9,362	1,562

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

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

sports programs; crime prevention and legal services; and multipurpose organizations that provide a broad range of social or human services to individuals and families. Program service revenue (\$98.8 billion) and contributions, gifts, and grants received (\$72.0 billion) combined represented 91 percent of the total revenue reported by these organizations.

### Social Clubs Tax Exempt under IRC Section 501(c)(7)

IRC section 501(c)(7) grants a tax exemption to “clubs organized for pleasure, recreation, and other nonprofitable purposes, substantially all of the activities of which are for such purposes.” Examples of these types of organizations include country clubs, fraternities and sororities, sports clubs, and service organizations. To be recognized as tax exempt under section 501(c)(7), social clubs must meet three major requirements unique to these organizations: personal contact; limited membership; and support by membership dues. The first of these requires organizations to show that “personal contact, commingling, and fellowship exist among members.”<sup>10</sup> The limited membership requirement prohibits section 501(c)(7) organizations from making club facilities and services available to the general public. Under the final

requirement, these organizations are expected to be supported solely by fees, dues, and assessments paid by club members.

As with all tax-exempt organizations, the net earnings of those described in section 501(c)(7) may not inure to the benefit of any private shareholder or individual. Additionally for these organizations, for inurement to occur, “it is not necessary that net earnings be actually distributed. Even undistributed earnings can benefit members. Examples of this include a decrease in membership dues or an increase in the services the club provides to its members without a corresponding increase in dues or other fees paid for club support.”<sup>11</sup>

Unlike section 501(c)(3) charitable organizations, donations to tax-exempt social clubs are not deductible as a charitable contribution on the donor’s income tax return. Another important distinction lies in the treatment of investment income. For most organizations exempt under section 501(c), certain investment income is excluded from unrelated business income tax. However, IRC section 512(a)(3) states that this exclusion is unavailable to organizations described in sections 501(c)(7), (9), (17), and (20). Therefore, with a few exceptions, the investment income reported by social clubs is subject to tax.

<sup>10</sup> See Internal Revenue Service Publication 557, Tax-Exempt Status for Your Organization, page 48.

<sup>11</sup> Ibid.

## Highlights of IRC Section 501(c)(7) Organization Financial Data

Of the 49,940 active organizations exempt under IRC section 501(c)(7), 21,296 filed Forms 990 and 990-EZ for Tax Year 2007. Organizations with total gross receipts less than the \$25,000 filing threshold and some non-compliant organizations comprise the difference. The organizations that did file information returns reported total assets of \$24.5 billion and total revenue of \$12.5 billion for Tax Year 2007.

Figure G shows data for different types of section 501(c)(7) organizations classified by NTEE code. Recreational clubs, which under the NTEE taxonomy mostly include country clubs, as well as a smaller number of golf, tennis, and yacht clubs, filed 10,376 Forms 990 and 990-EZ, or fewer than half of the total returns filed. However, these types of clubs reported the vast majority of all section 501(c)(7) assets and revenue: \$21.5 billion (approximately 88 percent of total assets reported) and \$10.9 billion (nearly 87 percent of total revenue), respectively. The second most common type of section 501(c)(7) filers were fraternities and sororities. This group filed more than 4,000 returns and reported \$1.79 billion in assets and nearly \$900 million in revenue. Other types of organizations that filed a significant number of Forms 990 and 990-EZ for Tax Year 2007

include hunting, fishing, and gun clubs (2,166) and swimming and other sports clubs (1,970).

Social clubs and other organizations exempt under section 501(c)(7) differ significantly from section 501(c)(3) charitable organizations in both their composition of assets and sources of revenue. Figure H shows the types of assets reported on Forms 990 and 990-EZ by charities and social clubs. More than half of the assets reported by nonprofit charitable organizations for Tax Year 2007 were in the form of cash and investments, and another quarter were in land, buildings, and equipment. In comparison, section 501(c)(7) social clubs reported that 69 percent of their assets were in land, buildings, and equipment. Under IRS regulations, support for social clubs must come predominantly from members. For Tax Year 2007, social clubs reported \$7.4 billion in membership dues and assessments, constituting 59 percent of total revenue for these organizations. In contrast, less than 1 percent of charitable organization revenue came from membership dues.

## Summary

For 2007, nonprofit charitable organizations (excluding private foundations) tax exempt under IRC section 501(c)(3) reported \$2.7 trillion in total assets and \$1.4 trillion in revenue. The number of returns filed by these organizations was 313,121, including both Form 990 and the shorter Form 990-EZ.

Program service revenue, the fees received for the charitable programs conducted by tax-exempt organizations, was \$980.3 billion for Tax Year 2007. It represented two-thirds of the total revenue reported by charitable organizations. Contributions, gifts, and grants totaled \$324.5 billion, or 23 percent of the total. This source of revenue accounted for more than half of the total reported by organizations with asset holdings of less than \$1 million but a much smaller share of the total revenue reported by larger organizations.

Using National Taxonomy of Exempt Entities codes, health care was the predominant category, accounting for 38 percent of total assets and 55 percent of total revenue reported by nonprofit charitable organizations.

Social clubs exempt under section 501(c)(7) filed 21,296 information returns, on which they reported \$24.5 billion in assets and \$12.5 billion in revenue. While recreational clubs, including golf,

## Figure G

### Selected Items for Social Clubs Exempt Under IRC Section 501(c)(7), by Type of Organization, Tax Year 2007

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

Type of organization	Number of returns	Total assets	Total revenue
	(1)	(2)	(3)
<b>All 501(c)(7) organizations</b>	<b>21,296</b>	<b>24,504</b>	<b>12,531</b>
Recreational clubs [1]	10,376	21,456	10,868
Fraternities and sororities	4,124	1,653	887
Hunting, fishing, and gun clubs	2,166	601	279
Swimming and other sports clubs	1,970	336	241
Animal related clubs	950	77	86
All other 501(c)(7) organizations	1,711	381	170

[1] Includes country clubs, as well as golf, tennis, and yacht clubs.

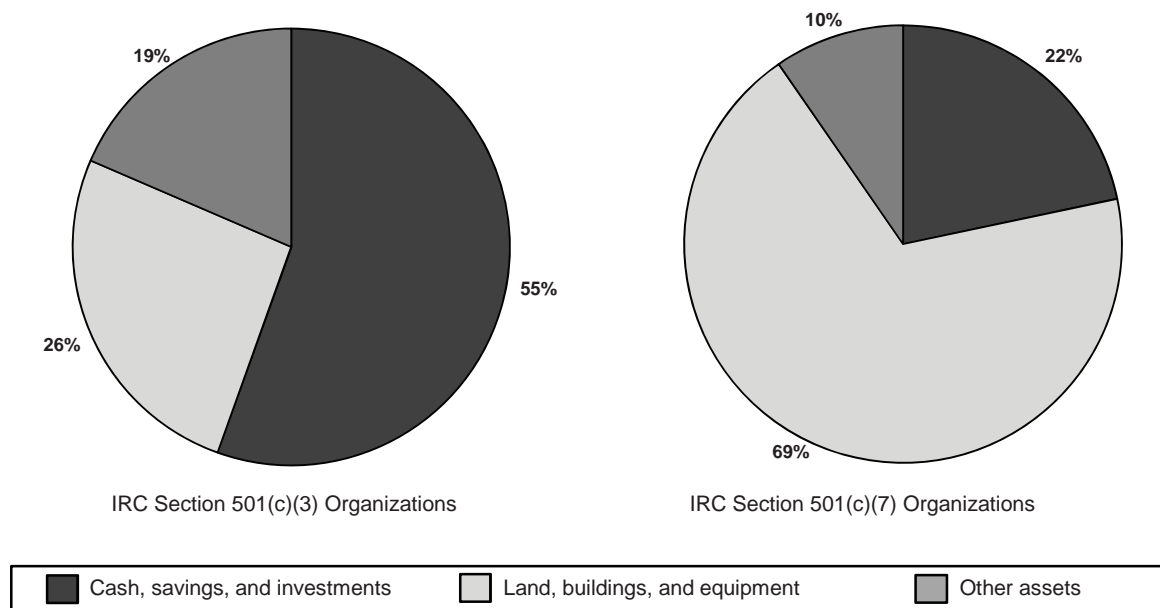
NOTES: Data are from both Forms 990 and 990-EZ for organizations that are tax-exempt under Internal Revenue Code section 501(c)(7) and exclude most organizations with receipts less than \$25,000. Detail may not add to totals because of rounding.

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## Figure H

### Components of Assets for Nonprofit Charitable Organizations and Social Clubs, Tax Year 2007



NOTES: Data are from Forms 990 and 990-EZ for organizations that are tax-exempt under Internal Revenue Code (IRC) Sections 501(c)(3) and 501(c)(7) and exclude private foundations, most organizations with receipts less than \$25,000, as well as most churches, and certain other types of religious organizations.

tennis, yacht, and country clubs, filed slightly fewer than half of Forms 990 and 990-EZ for these organizations, they accounted for 88 percent of the assets and 87 percent of the revenue reported by all section 501(c)(7) organizations. The major source of revenue reported by social clubs was membership dues, while land, buildings, and equipment was the most common asset type held by these organizations.

### Data Sources and Limitations

The statistics in this article are based on a sample of Tax Year 2007 Forms 990, *Return of Organization Exempt From Income Tax*, and Forms 990-EZ, *Short Form Return of Organization Exempt From Income Tax*. Organizations were required to file the 2007 form if their accounting periods ended any time between December 31, 2007, and November 30, 2008. The sample did not include private foundations, which were required to file Form 990-PF. Most churches and certain other types of religious organizations were also excluded from the sample, because they were not required to file Form 990 or Form 990-EZ. The sample included only those returns with

average receipts of more than the filing threshold of \$25,000.

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

The two samples were classified into strata based on the size of end-of-year total assets, with each stratum sampled at a different rate. For section 501(c)(3) organizations, a sample of 16,042 returns was selected from a population of 316,370. Sampling rates ranged from 0.83 percent for organizations re-



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porting total assets less than \$500,000, to 100 percent for organizations with total assets of \$50,000,000 or more. The second sample contained 6,555 records selected from the population of 117,157 returns filed by organizations exempt under sections 501(c)(4) through (9). Sampling rates ranged from 1.17 percent for organizations reporting total assets less than \$150,000 to 100 percent for organizations with assets of \$10,000,000 or more. The filing populations for these organizations included some returns of terminated organizations, returns of inactive organizations, duplicate returns, and returns of organizations

filed with tax periods prior to 2007. However, these returns were excluded from the final sample and the estimated population counts.

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

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**Figure I**

## Coefficients of Variation for Selected Items, by Internal Revenue Code Section, Tax Year 2007

Item	Percentages						
	501(c)(3) [1]	501(c)(4)	501(c)(5)	501(c)(6)	501(c)(7)	501(c)(8)	501(c)(9)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>Number of returns</b>	<b>0.92</b>	<b>5.21</b>	<b>5.65</b>	<b>4.41</b>	<b>5.87</b>	<b>9.87</b>	<b>6.77</b>
<b>Total assets</b>	<b>0.06</b>	<b>0.51</b>	<b>1.76</b>	<b>0.96</b>	<b>2.43</b>	<b>0.24</b>	<b>0.44</b>
Cash	1.08	4.52	5.80	4.30	4.90	5.97	11.49
Savings and temporary cash investments	0.55	1.73	3.75	2.88	6.06	2.02	1.38
Accounts receivable (net)	0.45	1.05	4.78	2.19	4.47	3.54	1.02
Pledges receivable (net)	0.84	2.56	0.00	27.33	28.19	0.00	0.00
Grants receivable	2.44	17.72	28.36	17.86	0.00	0.00	5.64
Receivables due from officers, etc.	13.80	64.04	63.53	44.96	20.59	96.73	* 0.00
Receivables due from disqualified persons	4.17	96.73	* 0.00	* 0.00	0.00	* 0.00	* 0.00
Other notes and loans receivable	0.53	0.18	8.16	3.48	14.61	3.57	26.99
Inventories for sale or use	1.77	3.48	38.92	4.84	6.50	10.97	0.11
Prepaid expenses and deferred charges	0.69	1.75	5.75	3.03	4.21	4.01	3.68
Investments in publicly-traded securities	0.23	0.79	1.72	0.85	13.71	0.17	0.31
Investments in other securities	0.33	1.25	5.00	1.78	24.43	1.08	0.45
Investments in land, buildings, and equipment	2.00	3.20	20.26	14.61	12.16	23.93	15.09
Other investments	0.30	1.67	5.27	2.82	14.47	0.09	1.11
Land, buildings, and equipment for charitable purposes	0.26	2.29	4.35	3.41	2.61	6.54	5.75
Other assets	0.49	1.13	7.67	2.40	9.17	1.87	1.29
<b>Total liabilities</b>	<b>0.25</b>	<b>0.57</b>	<b>4.21</b>	<b>0.82</b>	<b>3.49</b>	<b>0.14</b>	<b>1.16</b>
Accounts payable	0.43	1.08	7.59	1.42	3.91	1.76	1.55
Grants payable	2.16	1.76	48.52	13.74	0.00	33.10	5.89
Support and revenue designated for future periods	1.01	2.09	8.67	2.76	5.89	21.13	6.83
Loans from officers, etc.	14.53	60.55	* 0.00	0.00	25.29	98.70	* 0.00
Tax-exempt bond liabilities	0.28	0.72	* 0.00	0.00	0.00	8.48	* 0.00
Mortgages and other notes payable	0.81	0.93	7.27	3.76	4.40	22.18	2.32
Other liabilities	0.48	1.21	6.68	0.59	5.49	0.08	1.46
<b>Net assets</b>	<b>0.16</b>	<b>0.90</b>	<b>2.12</b>	<b>1.48</b>	<b>2.62</b>	<b>1.56</b>	<b>0.41</b>
<b>Total revenue</b>	<b>0.37</b>	<b>0.69</b>	<b>3.57</b>	<b>2.23</b>	<b>3.42</b>	<b>1.02</b>	<b>3.02</b>
Total contributions, gifts, and grants received	1.13	4.83	32.24	11.89	23.07	27.13	0.00
Contributions received from donor-advised funds	1.96	* 0.00	* 0.00	* 0.00	* 0.00	* 0.00	* 0.00
Contributions received from direct public support	1.29	14.93	21.13	23.85	17.72	0.00	0.00
Contributions received from indirect public support	1.92	15.41	44.98	20.43	6.45	3.93	* 0.00
Government grants	2.37	2.71	66.32	14.40	35.95	63.71	* 0.00
Program service revenue	0.42	0.57	4.70	2.88	5.90	0.65	3.32
Membership dues and assessments	4.04	5.76	4.47	3.10	3.67	13.58	6.42
Interest on savings and temporary cash investments	0.55	1.56	3.46	2.32	5.38	3.58	1.06
Dividends and interest from securities	0.31	0.97	1.95	1.41	12.65	0.19	0.35
Net rental income (loss)	3.20	11.71	12.57	13.80	17.39	17.00	37.17
Gross rents	2.02	16.71	8.81	6.16	14.68	21.05	1.89
Rental expenses	2.42	35.94	11.04	7.91	21.03	41.80	0.00
Other investment income	1.01	11.52	9.28	13.98	15.99	5.14	3.97
Total gain (loss) from sales of assets	0.53	2.13	8.05	4.23	26.96	18.59	0.37
Gain (loss), sales of securities	0.31	1.41	5.61	2.82	61.45	9.18	0.41
Gross amount from sales	0.16	0.49	2.96	0.69	16.02	1.35	0.52
Cost or other basis and sales expense	0.17	0.49	2.99	0.68	15.81	1.36	0.53
Gain (loss), sales of other assets	3.21	13.47	11.56	13.26	27.46	25.87	0.37
Gross amount from sales	3.27	3.41	9.15	16.28	21.69	26.43	68.44
Cost or other basis and sales expense	4.02	2.08	8.75	23.34	29.23	51.93	85.22
Net income (loss), special events and activities	5.85	15.82	37.72	15.23	28.61	11.90	57.66
Gross revenue	8.82	17.70	36.70	12.45	28.33	16.67	66.02
Direct expenses	12.55	20.61	46.10	13.05	31.81	23.77	67.24
Gross profit (loss), sales of inventories	4.85	14.94	56.77	9.53	5.13	19.70	397.05
Gross sales minus returns and allowances	4.77	12.24	43.78	8.18	4.46	18.76	16.83
Cost of goods sold	6.17	12.11	38.26	8.70	5.33	22.68	0.71
Other revenue (loss)	1.53	4.20	8.49	3.46	9.44	32.16	8.33
<b>Total expenses</b>	<b>0.41</b>	<b>0.72</b>	<b>3.81</b>	<b>2.35</b>	<b>3.51</b>	<b>1.12</b>	<b>3.14</b>
Program services	0.43	0.72	[2]	[2]	[2]	[2]	[2]
Management and general	0.53	1.24	[2]	[2]	[2]	[2]	[2]
Fundraising	2.01	14.72	[2]	[2]	[2]	[2]	[2]
Payments to affiliates	3.82	5.42	9.67	14.85	46.72	67.99	1.93
<b>Excess of revenue over expenses (net)</b>	<b>0.85</b>	<b>2.55</b>	<b>5.50</b>	<b>4.33</b>	<b>25.26</b>	<b>7.17</b>	<b>3.58</b>

\* No money amount reported.

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

[2] Not required to be reported.

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

# Charities, Social Clubs, and Other Tax-Exempt Organizations, 2007

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**Table 1. Form 990 Returns of 501(c)(3) Organizations: Balance Sheet and Income Statement Items, by Asset Size, Tax Year 2007**

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

Item	Total	Asset size					
		Under \$100,000 [1]	\$100,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 under \$10,000,000	\$10,000,000 under \$50,000,000	\$50,000,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>Number of returns</b>	<b>249,761</b>	<b>73,222</b>	<b>66,730</b>	<b>29,183</b>	<b>61,080</b>	<b>13,347</b>	<b>6,199</b>
<b>Total assets</b>	<b>2,680,778,205</b>	<b>2,788,259</b>	<b>16,783,126</b>	<b>20,891,468</b>	<b>197,459,771</b>	<b>284,952,150</b>	<b>2,157,903,431</b>
Cash	58,716,758	1,383,498	3,542,803	2,385,975	12,769,296	10,924,739	27,710,447
Savings and temporary cash investments	179,799,519	689,936	4,666,552	4,441,575	24,610,215	27,225,416	118,165,825
Accounts receivable (net)	128,524,212	92,141	792,982	733,167	10,494,138	15,393,234	101,018,551
Pledges receivable (net)	54,313,112	30,099	226,482	323,679	4,535,933	9,039,145	40,157,775
Grants receivable	16,343,621	41,306	408,596	413,473	3,818,456	3,812,660	7,849,130
Receivables due from officers, etc.	302,690	* 1,709	* 60,536	* 122	31,704	31,907	176,711
Receivables due from disqualified persons	139,980	0	* 272	0	* 6,458	* 363	132,888
Other notes and loans receivable	106,296,027	* 5,938	92,043	473,279	4,985,508	6,318,601	94,420,657
Inventories for sale or use	14,838,643	34,294	228,363	254,816	1,728,065	1,970,133	10,622,971
Prepaid expenses and deferred charges	21,415,931	26,476	127,301	116,434	1,793,744	2,613,885	16,738,090
Investments in publicly-traded securities	692,530,508	* 30,127	1,231,993	2,527,116	29,599,398	59,234,366	599,907,508
Investments in other securities	221,459,120	0	208,129	441,030	5,337,527	12,967,003	202,505,431
Investments in land, buildings, and equipment	35,914,118	66,933	613,439	1,201,166	6,940,577	6,491,406	20,600,597
Other investments	298,260,693	* 30,971	455,279	720,481	9,195,626	17,340,634	270,517,702
Land, buildings, and equipment for charitable purposes	697,094,495	289,896	3,754,777	6,261,228	72,957,949	94,691,150	519,139,495
Other assets	154,828,773	64,930	373,578	597,928	8,655,176	16,897,508	128,239,652
<b>Total liabilities</b>	<b>1,008,886,973</b>	<b>906,881</b>	<b>4,236,824</b>	<b>5,232,324</b>	<b>70,124,068</b>	<b>105,440,049</b>	<b>822,946,827</b>
Accounts payable	175,811,158	314,812	970,338	1,115,845	14,124,919	20,120,782	139,164,462
Grants payable	16,826,885	19,751	144,038	105,722	1,451,732	2,566,167	12,539,474
Support and revenue designated for future periods	53,006,900	96,969	421,898	545,491	4,390,303	9,401,244	38,150,995
Loans from officers, etc.	967,162	92,401	214,932	* 62,525	297,781	80,198	219,324
Tax-exempt bond liabilities	330,701,419	0	0	0	3,917,769	21,203,226	305,580,425
Mortgages and other notes payable	207,770,472	235,502	1,770,074	2,563,209	36,660,757	35,159,283	131,381,647
Other liabilities	223,802,978	147,446	715,543	839,531	9,280,807	16,909,150	195,910,500
<b>Net assets</b>	<b>1,671,891,232</b>	<b>1,881,377</b>	<b>12,546,303</b>	<b>15,659,145</b>	<b>127,335,703</b>	<b>179,512,101</b>	<b>1,334,956,603</b>
<b>Total revenue</b>	<b>1,443,092,826</b>	<b>12,936,528</b>	<b>24,060,339</b>	<b>16,663,700</b>	<b>161,273,365</b>	<b>189,949,551</b>	<b>1,038,209,344</b>
Total contributions, gifts, and grants received	323,076,542	7,264,379	12,353,695	8,300,949	68,979,521	60,379,915	165,798,084
Contributions received from donor-advised funds	10,902,610	185,578	277,845	* 19,950	354,642	759,169	9,305,426
Contributions received from direct public support	157,337,807	5,183,257	7,379,520	5,006,668	30,784,234	31,419,614	77,564,514
Contributions received from indirect public support	31,074,073	120,352	731,304	465,770	3,048,631	2,917,828	23,790,189
Government grants	123,762,052	1,775,192	3,965,026	2,808,561	34,792,013	25,283,304	55,137,955
Program service revenue	979,766,942	3,834,470	8,623,543	6,536,133	80,576,621	114,564,603	765,631,572
Membership dues and assessments	8,991,420	588,006	790,321	541,802	2,099,001	2,303,807	2,668,482
Interest on savings and temporary cash investments	9,439,656	37,055	148,735	186,738	1,219,649	1,432,533	6,414,947
Dividends and interest from securities	26,676,716	4,141	102,667	149,262	1,537,038	2,860,669	22,022,939
Net rental income (loss)	3,017,469	11,695	111,617	96,488	584,145	502,748	1,710,775
Gross rents	6,397,488	20,328	146,644	180,279	1,073,475	1,008,794	3,967,968
Rental expenses	3,380,019	* 8,633	35,026	83,791	489,330	506,046	2,257,193
Other investment income	8,107,156	769	16,146	39,404	139,917	440,799	7,470,121
Total gain (loss) from sales of assets	51,536,819	129,323	82,083	68,679	1,601,277	3,081,308	46,574,149
Gain (loss), sales of securities	44,003,825	* -29	24,665	54,426	1,261,208	2,306,201	40,357,353
Gross amount from sales	1,120,264,422	* 68,394	293,402	753,670	14,311,424	34,794,038	1,070,043,495
Cost or other basis and sales expense	1,076,260,597	* 68,423	268,737	699,243	13,050,216	32,487,837	1,029,686,142
Gain (loss), sales of other assets	7,532,994	129,352	57,418	14,253	340,069	775,107	6,216,796
Gross amount from sales	18,635,797	443,409	336,378	130,175	1,279,335	2,011,680	14,434,820
Cost or other basis and sales expense	11,102,803	* 314,057	278,960	115,923	939,267	1,236,573	8,218,024
Net income (loss), special events and activities	3,839,512	585,330	911,232	339,562	1,268,214	408,375	326,798
Gross revenue	10,828,729	1,543,379	3,032,060	1,120,551	2,859,434	1,162,138	1,111,167
Direct expenses	6,989,218	958,050	2,120,827	780,988	1,591,220	753,764	784,368

Footnotes at end of table.

# Charities, Social Clubs, and Other Tax-Exempt Organizations, 2007

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**Table 1. Form 990 Returns of 501(c)(3) Organizations: Balance Sheet and Income Statement Items, by Asset Size, Tax Year 2007—Continued**

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

Item	Total	Asset size					
		Under \$100,000 [1]	\$100,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 under \$10,000,000	\$10,000,000 under \$50,000,000	\$50,000,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Gross profit (loss), sales of inventories	6,579,153	86,585	472,155	144,152	1,402,503	1,619,797	2,853,961
Gross sales minus returns and allowances	14,845,879	196,134	1,010,029	352,476	3,603,581	3,796,279	5,887,379
Cost of goods sold	8,266,726	109,550	537,875	208,324	2,201,078	2,176,481	3,033,418
Other revenue (loss)	22,061,440	394,774	448,144	260,531	1,865,478	2,354,997	16,737,515
<b>Total expenses [2]</b>	<b>1,314,607,945</b>	<b>12,963,357</b>	<b>22,867,910</b>	<b>15,409,559</b>	<b>152,508,241</b>	<b>176,164,986</b>	<b>934,693,892</b>
Program services	1,129,193,417	10,878,982	19,201,230	12,595,763	129,181,011	150,285,015	807,051,416
Management and general	160,637,720	1,718,989	3,098,836	2,380,343	19,645,780	22,016,496	111,777,275
Fundraising	15,784,380	282,057	552,179	405,981	3,296,410	2,984,781	8,262,972
Payments to affiliates	8,992,427	83,328	15,664	27,472	385,041	878,694	7,602,228
<b>Excess of revenue over expenses (net)</b>	<b>128,484,882</b>	<b>-26,829</b>	<b>1,192,430</b>	<b>1,254,141</b>	<b>8,765,124</b>	<b>13,784,565</b>	<b>103,515,452</b>

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

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

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

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

# Charities, Social Clubs, and Other Tax-Exempt Organizations, 2007

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**Table 2. Form 990 Returns of 501(c)(3)-(9) Organizations: Total Functional Expenditures, by Code Section, Tax Year 2007**

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

Item	Internal Revenue Code section						
	501(c)(3) [1]	501(c)(4)	501(c)(5)	501(c)(6)	501(c)(7)	501(c)(8)	501(c)(9)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>Number of returns reporting functional expenditures</b>	<b>247,922</b>	<b>19,170</b>	<b>14,612</b>	<b>24,158</b>	<b>13,815</b>	<b>5,049</b>	<b>5,611</b>
<b>Total functional expenditures [2]</b>	<b>1,305,615,513</b>	<b>80,885,110</b>	<b>18,205,256</b>	<b>35,588,624</b>	<b>11,843,849</b>	<b>13,854,309</b>	<b>128,832,266</b>
Grants paid from donor-advised funds	6,783,977	* 49	0	0	0	0	* 34
Other grants and allocations	83,986,670	2,059,790	796,847	1,039,754	79,598	296,079	1,313,996
Specific assistance to individuals	11,557,004	1,286,272	19,153	* 11,173	* 1,337	67,677	781,407
Benefits paid to or for members	8,291,896	21,840,318	1,909,306	673,703	22,887	9,376,749	113,729,823
Compensation of current officers, directors, etc.	20,485,128	513,100	1,599,828	2,263,289	183,896	112,277	170,880
Compensation of former officers, directors, etc.	1,173,613	8,963	48,859	59,030	12,207	9,741	1,200
Compensation to disqualified persons	776,487	* 28,751	* 21,679	* 17,486	* 8,889	* 4,912	* 1,021
Other salaries and wages	437,763,411	6,802,002	3,781,714	6,569,221	4,010,536	1,079,000	599,054
Pension plan contributions	19,400,635	690,948	816,319	546,663	68,389	110,523	95,561
Other employee benefits	61,020,196	1,338,391	1,072,603	1,152,681	422,038	424,834	1,304,142
Payroll taxes	30,612,900	300,884	446,560	572,796	466,831	116,947	68,033
Professional fundraising fees	963,058	63,919	31,398	28,047	7,432	* 8,996	* 836
Accounting fees	2,261,706	111,412	105,853	168,986	60,856	26,713	129,590
Legal fees	3,163,103	183,762	418,135	576,844	28,079	41,088	141,874
Supplies	111,781,569	414,312	171,175	267,333	375,941	209,090	41,493
Telephone	4,872,147	116,309	146,320	227,214	48,247	30,444	16,619
Postage and shipping	4,384,479	428,901	128,737	329,287	42,933	27,296	61,598
Occupancy	41,313,322	1,006,455	594,382	1,036,372	1,415,281	235,749	99,038
Equipment rental and maintenance	17,688,084	397,397	136,100	335,822	351,623	71,482	30,583
Printing and publications	7,430,022	494,630	237,158	840,397	93,474	46,326	46,393
Travel	11,789,532	252,975	523,749	918,703	36,399	33,550	11,692
Conferences, conventions, and meetings	5,172,638	261,751	404,965	2,447,556	86,884	50,954	22,732
Interest	22,908,820	2,377,188	61,889	167,386	302,195	39,169	25,207
Depreciation and depletion	52,741,799	1,345,972	319,877	555,938	1,099,815	156,172	64,423
Other expenses	337,293,296	38,560,654	4,412,646	14,782,942	2,618,079	1,278,539	10,075,036

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

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

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

# Charities, Social Clubs, and Other Tax-Exempt Organizations, 2007

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**Table 3. Form 990 Returns of 501(c)(3)-(9) Organizations: Balance Sheet and Income Statement Items, by Code Section, Tax Year 2007**

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

Item	Internal Revenue Code section						
	501(c)(3) [1]	501(c)(4)	501(c)(5)	501(c)(6)	501(c)(7)	501(c)(8)	501(c)(9)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>Number of returns</b>	<b>249,761</b>	<b>19,213</b>	<b>14,613</b>	<b>24,245</b>	<b>13,885</b>	<b>5,049</b>	<b>5,685</b>
<b>Total assets</b>	<b>2,680,778,205</b>	<b>104,614,805</b>	<b>32,203,539</b>	<b>65,741,951</b>	<b>24,080,673</b>	<b>103,305,806</b>	<b>173,423,925</b>
Cash	58,716,758	2,686,827	2,298,163	3,968,613	1,162,133	505,518	3,370,442
Savings and temporary cash investments	179,799,519	10,401,719	7,482,989	11,388,841	1,858,131	3,668,675	19,434,989
Accounts receivable (net)	128,524,212	6,762,619	1,112,476	4,495,963	1,311,003	214,982	9,407,713
Pledges receivable (net)	54,313,112	* 70,679	11,292	126,689	4,619	14,019	186
Grants receivable	16,343,621	223,005	24,343	110,056	844	1,009	309,338
Receivables due from officers, etc.	302,690	* 6,446	* 468	8,420	2,889	* 878	0
Receivables due from disqualified persons	139,980	* 14	0	0	357	0	0
Other notes and loans receivable	106,296,027	29,839,777	361,267	1,518,216	139,728	416,516	142,537
Inventories for sale or use	14,838,643	1,439,472	49,955	201,805	275,092	36,369	6,724
Prepaid expenses and deferred charges	21,415,931	1,398,203	167,711	831,992	197,864	39,850	336,082
Investments in publicly-traded securities	692,530,508	20,494,592	11,960,382	24,966,204	482,426	66,953,551	94,433,548
Investments in other securities	221,459,120	4,554,360	1,593,791	5,325,402	124,953	3,033,423	28,672,816
Investments in land, buildings, and equipment	35,914,118	2,780,413	439,672	553,286	1,250,456	182,643	69,793
Other investments	298,260,693	4,493,813	1,631,269	4,751,123	206,492	24,802,932	11,200,414
Land, buildings, and equipment for charitable purposes	697,094,495	12,346,180	4,484,885	4,989,614	16,664,073	2,146,540	380,016
Other assets	154,828,773	7,116,686	584,875	2,505,727	399,612	1,288,901	5,659,326
<b>Total liabilities</b>	<b>1,008,886,973</b>	<b>54,444,048</b>	<b>6,712,684</b>	<b>33,000,431</b>	<b>8,313,866</b>	<b>89,697,858</b>	<b>27,350,234</b>
Accounts payable	175,811,158	12,061,930	2,294,155	7,397,015	1,103,986	1,500,035	13,868,151
Grants payable	16,826,885	568,382	66,971	81,908	14	* 2,389	133,581
Support and revenue designated for future periods	53,006,900	2,808,295	277,606	4,783,854	936,713	64,365	425,015
Loans from officers, etc.	967,162	* 32,443	0	3,377	9,147	* 359	0
Tax-exempt bond liabilities	330,701,419	8,266,015	0	45,942	74	* 368,532	0
Mortgages and other notes payable	207,770,472	23,876,150	1,314,768	3,251,064	5,326,286	315,625	388,239
Other liabilities	223,802,978	6,830,833	2,759,184	17,437,270	937,645	87,446,552	12,535,248
<b>Net assets</b>	<b>1,671,891,232</b>	<b>50,170,758</b>	<b>25,490,856</b>	<b>32,741,520</b>	<b>15,766,807</b>	<b>13,607,948</b>	<b>146,073,690</b>
<b>Total revenue</b>	<b>1,443,092,826</b>	<b>84,641,617</b>	<b>22,700,900</b>	<b>38,675,336</b>	<b>12,186,161</b>	<b>14,781,086</b>	<b>136,450,592</b>
Total contributions, gifts, and grants received	323,076,542	5,063,417	746,878	3,208,351	130,247	236,505	593
Contributions received from donor-advised funds	10,902,610	0	0	0	0	0	0
Contributions received from direct public support	157,337,807	1,478,603	245,283	1,241,807	101,548	63,073	593
Contributions received from indirect public support	31,074,073	205,123	184,140	120,058	26,012	* 76,934	0
Government grants	123,762,052	3,379,691	317,455	1,846,487	* 2,687	* 96,499	0
Program service revenue	979,766,942	69,803,459	3,978,137	15,533,843	2,142,951	10,049,255	123,584,689
Membership dues and assessments	8,991,420	3,293,763	14,973,029	14,111,434	7,209,690	367,595	3,497,156
Interest on savings and temporary cash investments	9,439,656	708,842	355,641	742,337	85,649	105,964	1,159,836
Dividends and interest from securities	26,676,716	896,143	537,588	1,239,416	26,730	3,319,750	4,260,935
Net rental income (loss)	3,017,469	256,005	106,416	44,616	61,565	27,863	626
Gross rents	6,397,488	414,668	242,985	183,673	127,764	46,078	12,339
Rental expenses	3,380,019	158,663	136,569	139,057	66,199	18,215	11,713
Other investment income	8,107,156	1,164,875	56,964	67,884	12,694	87,328	179,409
Total gain (loss) from sales of assets	51,536,819	978,721	603,346	590,040	103,915	215,153	3,039,750
Gain (loss), sales of securities	44,003,825	852,219	193,893	424,828	32,659	62,109	2,767,010
Gross amount from sales	1,120,264,422	18,085,496	11,331,195	26,196,323	430,877	2,862,245	128,829,325
Cost or other basis and sales expense	1,076,260,597	17,233,277	11,137,302	25,771,495	398,217	2,800,136	126,062,315
Gain (loss), sales of other assets	7,532,994	126,502	409,453	165,213	71,256	153,043	272,740
Gross amount from sales	18,635,797	907,245	629,596	299,065	155,965	179,032	1,385,396
Cost or other basis and sales expense	11,102,803	780,744	220,143	133,853	84,709	25,988	1,112,656
Net income (loss), special events and activities	3,839,512	286,627	39,104	255,671	68,075	159,871	* 1,718
Gross revenue	10,828,729	1,011,371	105,362	799,002	344,469	380,078	* 15,506
Direct expenses	6,989,218	724,744	66,258	543,331	276,395	220,207	* 13,788

Footnotes at end of table.

# Charities, Social Clubs, and Other Tax-Exempt Organizations, 2007

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**Table 3. Form 990 Returns of 501(c)(3)-(9) Organizations: Balance Sheet and Income Statement Items, by Code Section, Tax Year 2007—Continued**

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

Item	Internal Revenue Code section						
	501(c)(3) [1]	501(c)(4)	501(c)(5)	501(c)(6)	501(c)(7)	501(c)(8)	501(c)(9)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Gross profit (loss), sales of inventories	6,579,153	179,428	30,608	219,538	2,030,740	137,559	* 530
Gross sales minus returns and allowances	14,845,879	553,696	91,964	395,098	3,971,530	386,053	* 13,025
Cost of goods sold	8,266,726	374,268	61,355	175,560	1,940,791	248,493	* 12,496
Other revenue (loss)	22,061,440	2,010,337	1,273,189	2,662,205	313,905	74,241	725,350
<b>Total expenses [2]</b>	<b>1,314,607,945</b>	<b>81,009,595</b>	<b>20,499,325</b>	<b>35,759,441</b>	<b>11,903,000</b>	<b>13,920,970</b>	<b>128,849,042</b>
Program services	1,129,193,417	72,813,895	[3]	[3]	[3]	[3]	[3]
Management and general	160,637,720	7,781,534	[3]	[3]	[3]	[3]	[3]
Fundraising	15,784,380	289,681	[3]	[3]	[3]	[3]	[3]
Payments to affiliates	8,992,427	124,484	2,294,069	170,816	59,151	66,661	16,776
<b>Excess of revenue over expenses (net)</b>	<b>128,484,882</b>	<b>3,632,022</b>	<b>2,201,575</b>	<b>2,915,895</b>	<b>283,161</b>	<b>860,116</b>	<b>7,601,550</b>

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

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

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

[3] Not required to be reported.

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

# Charities, Social Clubs, and Other Tax-Exempt Organizations, 2007

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**Table 4. Form 990-EZ Returns of 501(c)(3)-(9) Organizations: Selected Items, by Code Section, Tax Year 2007**

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

Item	Internal Revenue Code section						
	501(c)(3) [1]	501(c)(4)	501(c)(5)	501(c)(6)	501(c)(7)	501(c)(8)	* 501(c)(9)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>Number of returns</b>	<b>63,359</b>	<b>10,547</b>	<b>5,856</b>	<b>7,404</b>	<b>7,411</b>	<b>1,349</b>	<b>341</b>
<b>Total assets</b>	<b>2,665,327</b>	<b>508,495</b>	<b>376,362</b>	<b>306,533</b>	<b>423,764</b>	<b>115,957</b>	<b>8,773</b>
Cash, savings, and investments	2,102,679	370,761	337,596	292,197	227,171	77,418	8,773
Land and buildings (net)	308,255	103,335	* 27,402	* 4,917	168,287	* 34,748	0
Other assets	254,394	34,398	11,364	9,419	28,306	* 3,791	0
<b>Total liabilities</b>	<b>167,114</b>	<b>49,148</b>	<b>38,872</b>	<b>12,227</b>	<b>65,604</b>	<b>* 784</b>	<b>0</b>
<b>Net assets</b>	<b>2,498,213</b>	<b>459,346</b>	<b>337,490</b>	<b>294,306</b>	<b>358,160</b>	<b>115,173</b>	<b>8,773</b>
<b>Total revenue</b>	<b>2,839,312</b>	<b>405,065</b>	<b>282,627</b>	<b>370,997</b>	<b>345,292</b>	<b>59,475</b>	<b>20,613</b>
Contributions, gifts, and grants	1,465,577	97,963	12,907	59,033	23,513	6,388	0
Program service revenue	576,530	85,789	* 21,126	101,610	63,667	* 16,108	17,838
Membership dues and assessments	277,034	102,934	220,088	165,479	191,794	9,080	1,185
Investment income (loss)	46,276	14,189	7,861	5,034	13,807	2,095	261
Gain (loss) from sales of assets	6,939	* 1,176	0	* 579	* 7,620	* -118	-159
Gross amount from sales	41,790	* 4,392	0	* 579	* 14,653	* 1,470	0
Cost or other basis and sales expense	34,851	* 3,215	0	0	* 7,033	* 1,587	159
Net income (loss), special events and activities	310,116	77,707	* 4,714	20,430	19,747	19,434	0
Gross revenue	710,119	180,387	* 12,817	63,195	73,177	34,594	0
Direct expenses	400,002	102,679	* 8,104	42,765	53,430	* 15,160	0
Gross profit (loss), sales of inventories	53,955	7,939	0	* -166	4,362	* 660	0
Gross sales minus returns and allowances	173,141	20,838	* 2	* 289	18,998	* 1,325	0
Cost of goods sold	119,186	12,899	* 2	* 454	14,636	* 664	0
Other revenue (loss)	102,884	17,366	15,931	18,998	20,781	* 5,827	1,488
<b>Total expenses</b>	<b>2,619,520</b>	<b>397,886</b>	<b>256,767</b>	<b>349,079</b>	<b>321,885</b>	<b>56,094</b>	<b>28,319</b>
Grants paid	396,731	98,744	18,953	8,544	13,933	18,440	0
Benefits paid to or for members	36,859	13,993	15,142	* 8,876	* 9,917	* 98	21,547
Salaries and compensation	344,732	23,910	70,941	41,279	31,232	* 4,633	213
Professional fees	291,924	24,937	18,418	50,344	17,381	* 282	425
Occupancy, rent, and utilities	242,516	37,181	25,014	9,020	91,244	9,081	103
Printing, publications, and postage	117,216	7,965	14,471	22,041	15,644	1,963	0
Other expenses	1,189,536	191,154	93,827	208,974	142,531	21,596	6,032
<b>Excess of revenue over expenses (net)</b>	<b>219,793</b>	<b>7,179</b>	<b>25,859</b>	<b>21,918</b>	<b>23,408</b>	<b>3,382</b>	<b>-7,706</b>

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

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

NOTES: Organizations with end-of-year total assets under \$250,000 and gross receipts under \$100,000 could elect to file Forms 990-EZ rather than Forms 990. Data exclude most organizations with receipts less than \$25,000. Detail may not add to totals because of rounding.