

Australia's generosity breaks record: report

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More Australians are donating more money to charities and nonprofit organisations than ever before, and opening their wallets even wider when major disasters such as the Boxing Day tsunami strike.

The latest *Tax Deductible Giving* report by Queensland University of Technology's Centre for Philanthropy and Nonprofit Studies shows the average tax-deductible donations claimed by Australian taxpayers in 2005 were \$341, up 26.39 per cent on the previous year.

CPNS director Professor Myles McGregor-Lowndes said that after the massive outpouring of donations to tsunami relief, many organisations feared individual donors would suffer "fatigue" and donations would drop.

"In fact, the opposite was true - the *Tax Deductible Giving* report's figures show individual Australians expanded their giving as the need arose and did not cut back on their overall level of support for charities," Professor McGregor-Lowndes said.

"Some individual charities may have suffered a drop in giving, but in total the figures are up.

"Overall, giving actually increased during 2005 due to the public focus on giving and philanthropy."

Professor McGregor-Lowndes said more Australians were becoming donors with 4.3 million, or 38 per cent of, taxpayers making tax-deductible donations, up 5 per cent on a decade ago.

"Taxpayers are giving a greater percentage of their income, donating approximately 0.33 per cent of their taxable income, a trend that has been increasing over the past decade from 0.2 per cent," he said.

"The rich give a greater proportion of their income - those earning more than \$1 million in 2005 on average gave \$59,000 or 1.98 per cent of their taxable income which is actually down from 2.43 per cent in the previous year.

Professor McGregor-Lowndes said, however, that more people in the \$1million-plus bracket were making and claiming tax-deductible donations.



Professor Myles McGregor-Lowndes

"Does this mean Australia is a generous nation? Certainly we Australians are becoming more generous but with one of the fastest growing rates of millionaires in the world it could be argued giving should be higher," he said.

"A question average and wealthy Australians are starting to ask themselves is: 'Can I live on 98.5 per cent of my income and give the rest to a good cause?' It's an interesting thought and life-changing for many."

The *Giving Australia* report which measured total giving (not just reported tax-deductible gifts by individuals) estimated total giving in 2005 was \$11 billion comprising \$5.7 billion from individuals, \$2 billion from charity gambling or special events and \$3.3 billion from business. Tsunami giving was excluded from this total.

The *Tax Deductible Giving* report is compiled each year by QUT's Centre of Philanthropy and Nonprofit Studies.

** It contains a state by state analysis of tax-deductible giving. To download the *Tax Deductible Giving* report, visit:

<http://www.bus.qut.edu.au/research/cpns/publications/currentissue.jsp>

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