

Local Charities Rely on Family Businesses For Survival in Tough Times, Research Shows

Increased Pressure on Local Charities to Rely on Family Business Giving Ensures Survival During Pandemics, Inflation, Market Downturns

WASHINGTON, DISTRICT OF COLUMBIA, UNITED STATES, May 28, 2022 /EINPresswire.com/ -- The survival of America's local charities is tied directly to the success of the country's family businesses, according to new research.

It is estimated that when it comes to charitable giving family businesses give 76 percent of their charitable contributions to local charities, according to recent research

conducted by [Family Enterprise USA](#). Family Enterprise USA, based here, is a non-profit group representing America's families and family enterprises, which make up nearly 60 percent of the country's private workforce. The study was sponsored by BNY Mellon Wealth Management.

In addition, the survey revealed that when it came to national charitable giving, family businesses gave 18 percent to larger countrywide charitable groups.

"There is a direct connection between the survival of local charities and the survival of our country's family businesses," said Pat Soldano, president, Family Enterprise USA. "This research shows just how important charities rely on local business and demonstrates how when these business are hurt by negative tax policies and unnecessary regulation it hurts the local community directly," she said.

The local giving lifeline from family businesses is backed up by recent Giving USA studies, which find high net worth families annually donate on average \$29,269, while the average annual charity donation for Americans in 2020 was \$737, according to the most recent Giving USA

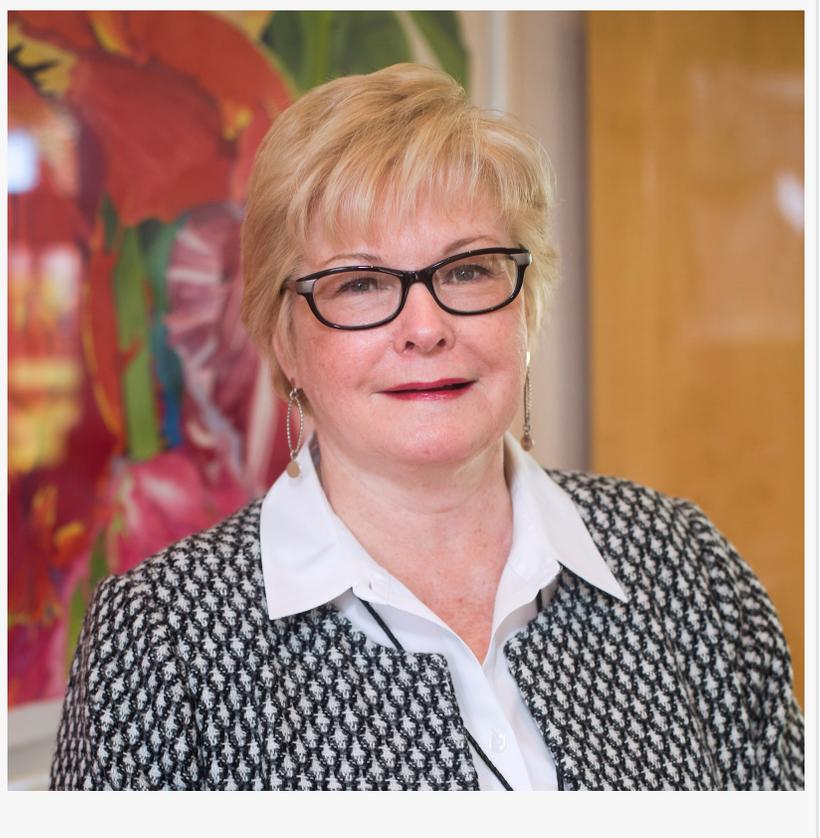


research.

Key issues affecting family enterprises, and therefore local charities, are tightly tied together, according to Soldano.

“Community charitable groups could not do their work providing food and healthcare to senior citizens if local family givers, mainly well-established family businesses, were to disappear,” said Soldano. “It’s hard to imagine what would happen to our communities if this funding were to dry up due to unnecessary taxation and regulation.”

Even as the pandemic hit America families have dug deep into their pockets for charities. In fact, Americans gave a record \$471 billion to charities in 2020, a 5.1% increase, according to Giving USA latest figures. This broke records for charitable giving despite the global pandemic.



Why is giving so strong among families and family businesses?

There are three elements somewhat unique in American society and tradition when it comes to charities, local and national, according to The Philanthropy Roundtable, a group that monitors giving.

First, comes the entrepreneurial spirit centered on the “American dream,” where success makes many individuals and companies see it as their duty to give back when they’ve “made it.” This spirit helps those less fortunate get a leg up.

Second, is social consciousness. The Philanthropy Roundtable says generosity benefits organizations like the ACLU to the local food bank to disaster relief funds. Americans have a tradition stretching back to the earliest days of the country of helping neighbors.

The third element for local charitable contribution is religion. America, according to the group, is still the most religious country in the world, and regular giving to churches, synagogues, mosques, temples, and other religious organizations is a part of many Americans’ lives.

“There are real red-flag issues we are fighting to keep local giving alive,” said Soldano, of Family Enterprise USA. “These are eliminating estate taxes, lowering burdensome regulations, and

cutting any negative legislation that hurts our country's biggest employers, the family business," she said. "Our local charities pay the ultimate price when family enterprises are driven out of business."

In the recent Family Enterprise USA survey, it was found family businesses in America consisted of 23.7 percent in manufacturing, 10.4 percent in construction/facilities, and 9.75 percent in real estate. Research shows that family enterprises make up \$7.7 trillion in annual GDP and represent 59% of the country's private workforce.

For the full details of the "FEUSA 2022 Annual Family Business Survey" can be found at www.familyenterprise.com.

About Family Enterprise USA

Family Enterprise USA promotes family business creation, growth, viability, and sustainability by advocating for family businesses and their lifetime of savings with Congress in Washington DC. FEUSA represents and celebrates all sizes, professions and industries of family-owned enterprises and multi-generational employers. FEUSA is a 501.C3 organization

Pat Soldano

Family Enterprise USA

+1 714-357-3140

pmsoldano@family-enterpriseusa.com

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