

# UTAH'S NONPROFIT SECTOR

Utah Nonprofits Association 2022 Report



UTAH IS HOME TO **10,750** NONPROFITS

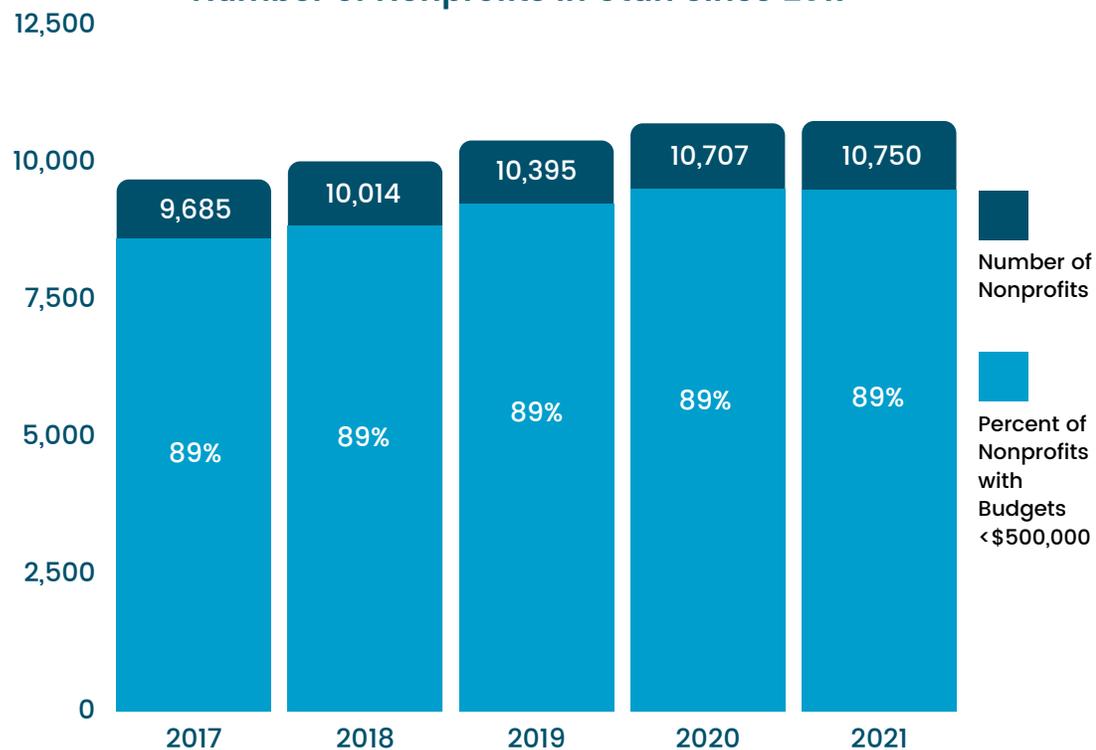
**77%** OF NONPROFITS HAVE BUDGETS **LESS THAN \$100,000**

THERE ARE AT LEAST 5 NONPROFITS IN **EVERY** COUNTY

## THE MAJORITY OF NONPROFITS IN UTAH ARE SMALL

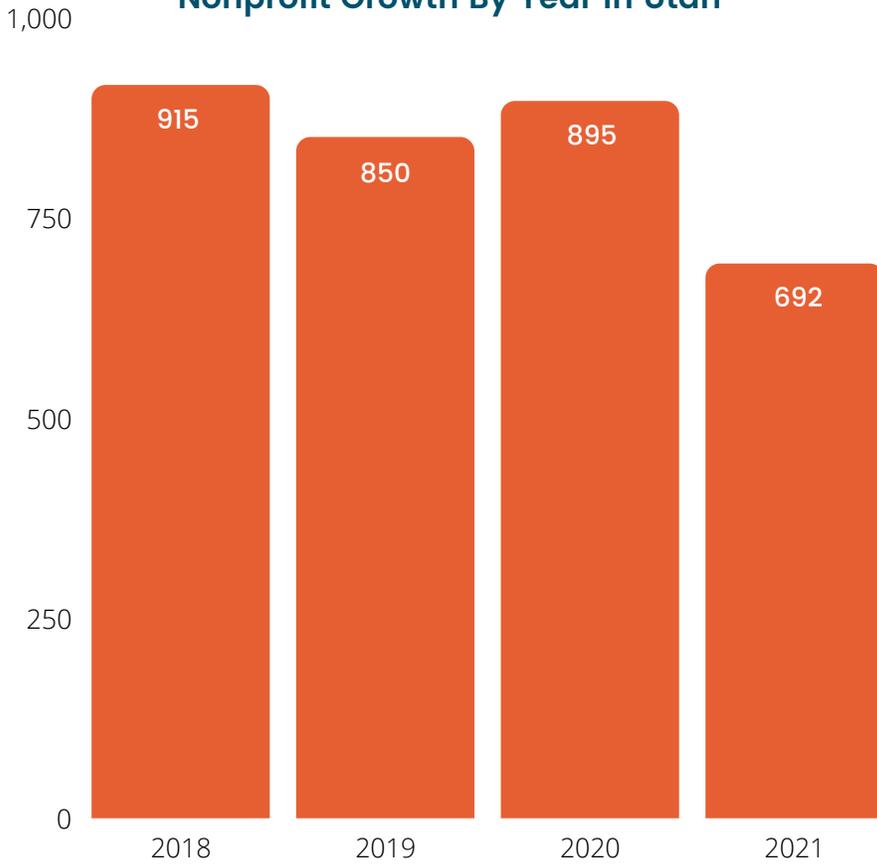
As of October 2021, there were 10,750 nonprofits in Utah. In 2014, there were only 8,392 nonprofits. Year after year, small organizations dominate the nonprofit landscape in Utah. The percent of total nonprofits with budgets less than \$500,000 has remained consistent since 2017.<sup>1</sup>

Number of Nonprofits in Utah Since 2017



1. Religious organizations and those with income less than \$50,000 are not required to report their income

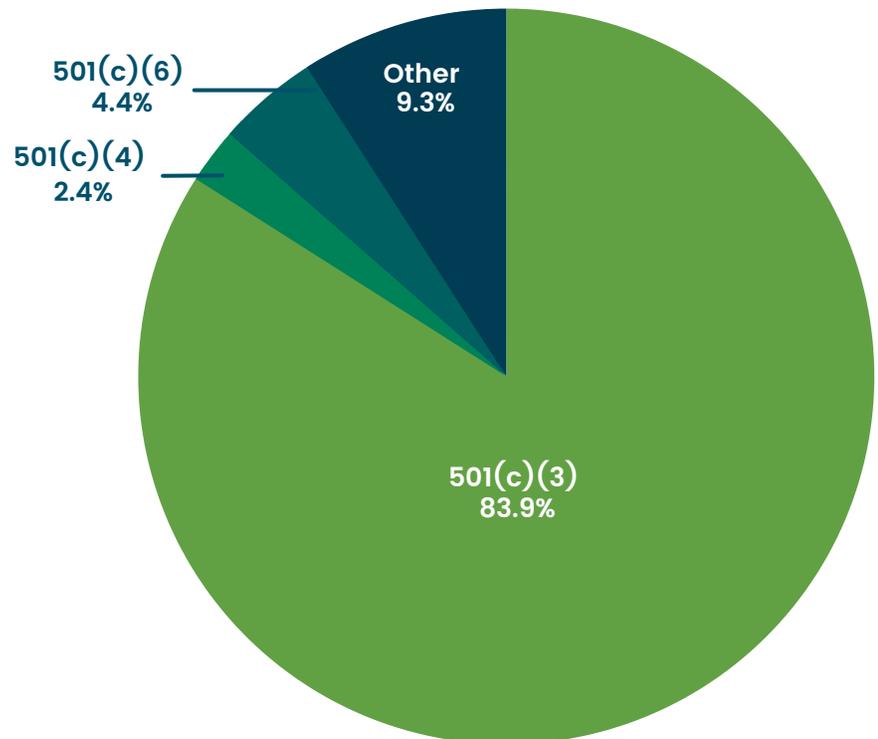
## Nonprofit Growth By Year in Utah



## NUMBER OF NEW NONPROFITS DECLINED IN 2021

The IRS reviews and revokes the tax exempt status of organizations for various reasons. Therefore, measuring sector growth by looking at the change in total number of nonprofits is not indicative of the actual number of new nonprofits. To establish a growth trend, we isolated and compared the number of purged and new nonprofits from year to year by using Employer Identification Numbers (EIN). The result showed a decline in new organizations last year.

## Utah's Nonprofits by Subcategory in 2021



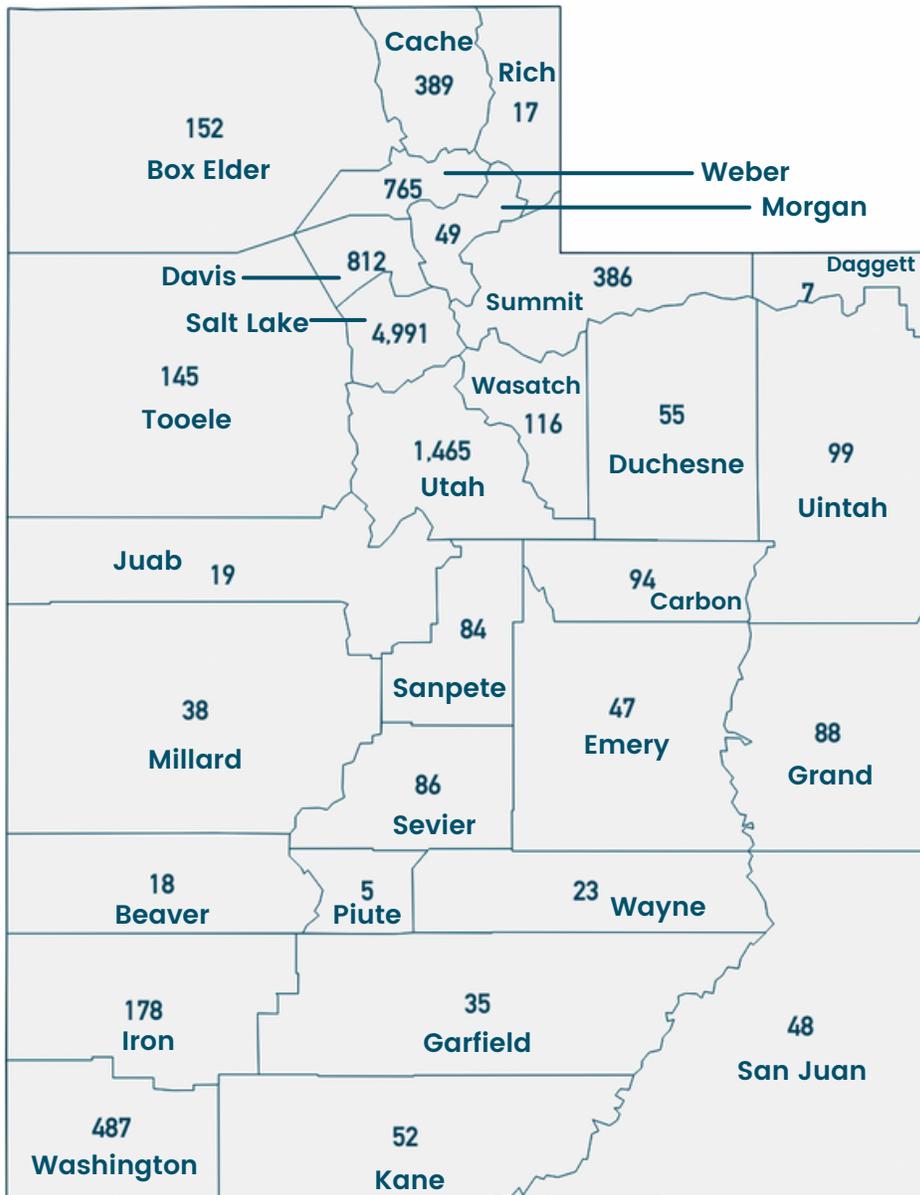
## NONPROFITS ARE DIVERSE IN DESIGNATED TYPE

501(c)(3) organizations, the most common type of nonprofit organization in Utah, are classified as charitable nonprofit organizations. The IRS classifies 501(c)(4) organizations as social welfare and political organizations and 501(c)(6) organizations as business leagues and chambers.

# NONPROFITS DO MORE WITH LESS

UNA surveyed 121 nonprofits during April 2021 to understand the scope of and impact of the pandemic on organizations in Utah. 74% reported an increase in the demand for their services. Respondents also projected a 37% decline in staffing levels for 2021 compared to 2019. Utah's nonprofits face increasing demand amid reduced capacity.

## Distribution of Nonprofits by County



## Top Service Areas of Utah's Nonprofits by Stated Mission<sup>2</sup>



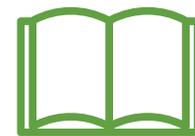
**20.7%**

Human Services



**13.1%**

Public and Societal Benefit



**10.5%**

Education

2. 28% of Utah's nonprofits are unclassified under the National Taxonomy of Exempt Entities' (NTEE) system, meaning their service area is unknown or unclear