

UTAH'S NONPROFIT SECTOR

Utah Nonprofits Association 2023 Report

UTAH IS HOME
TO **11,120**
NONPROFITS

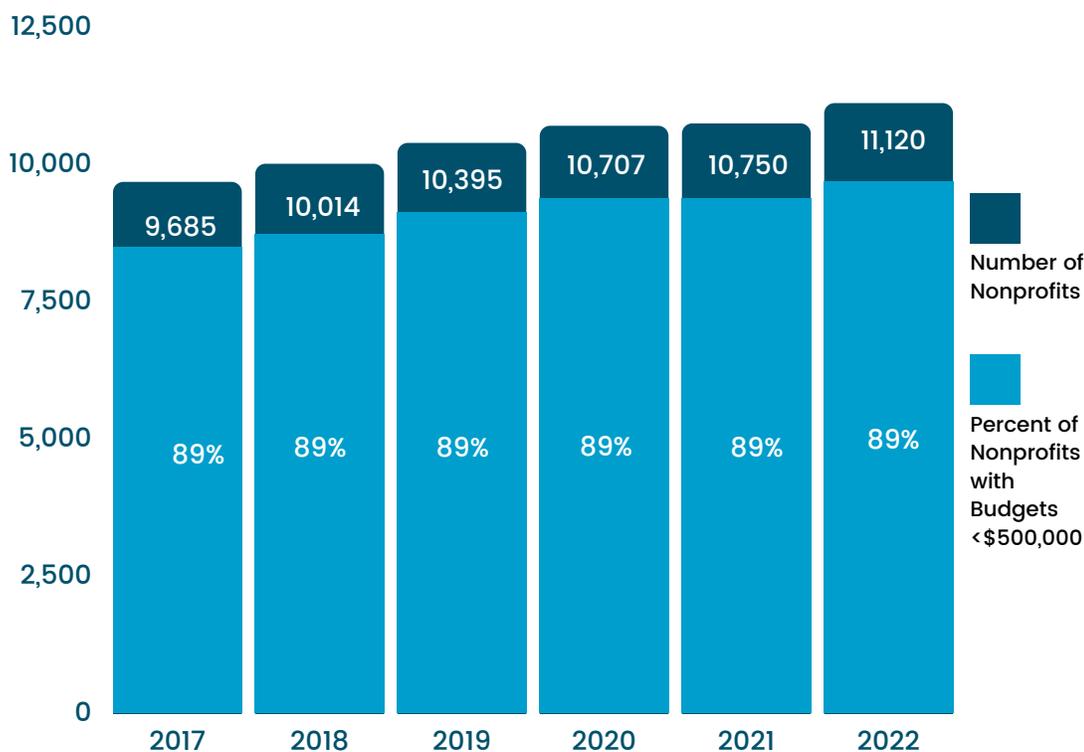
77% OF
NONPROFITS HAVE
BUDGETS **LESS**
THAN \$100,000

THERE ARE AT
LEAST 5
NONPROFITS IN
EVERY COUNTY

THE MAJORITY OF NONPROFITS IN UTAH ARE SMALL

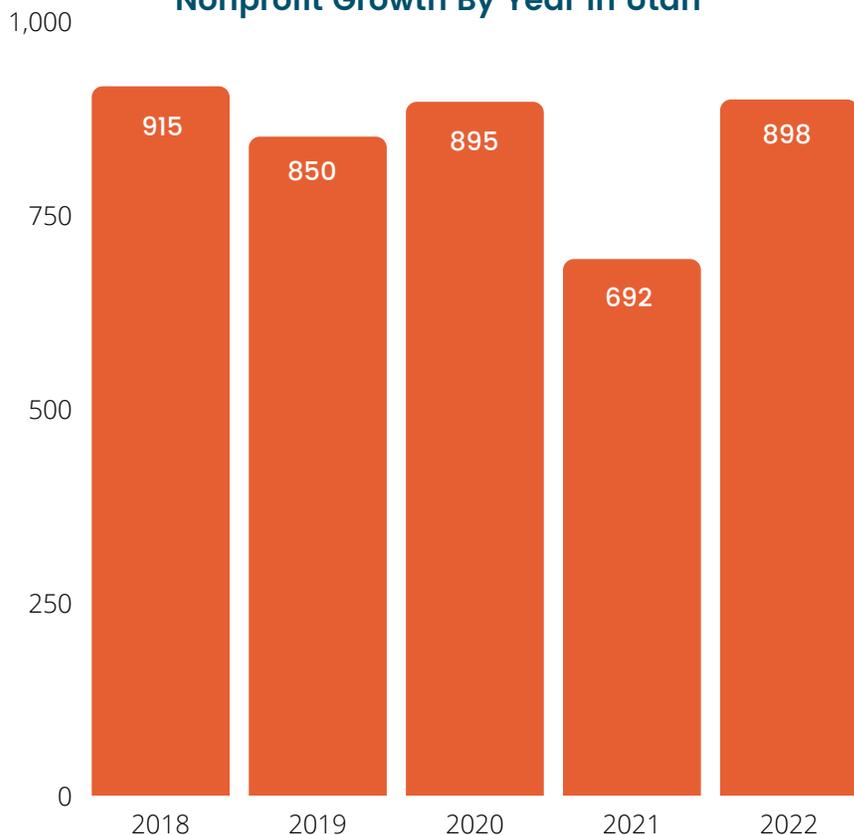
As of October 2022, there were 11,120 nonprofits in Utah. In 2014, there were only 8,392 nonprofits. Year after year, small organizations dominate the nonprofit landscape in Utah. The percent of nonprofits with budgets less than \$500,000 has remained consistent since 2017.*

Number of Nonprofits in Utah Since 2017



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

Nonprofit Growth By Year in Utah



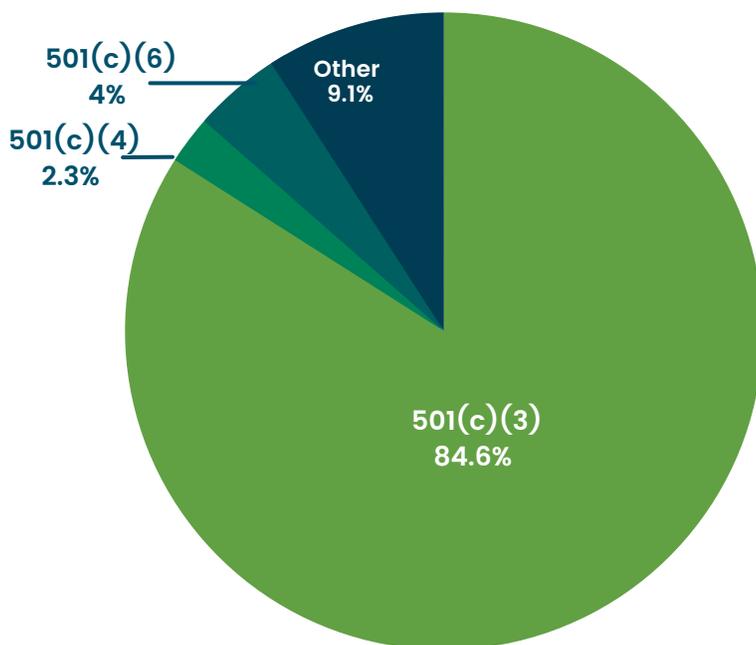
NUMBER OF NEW NONPROFITS GREW IN 2022

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 in 2021 followed by growth in 2022.

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.

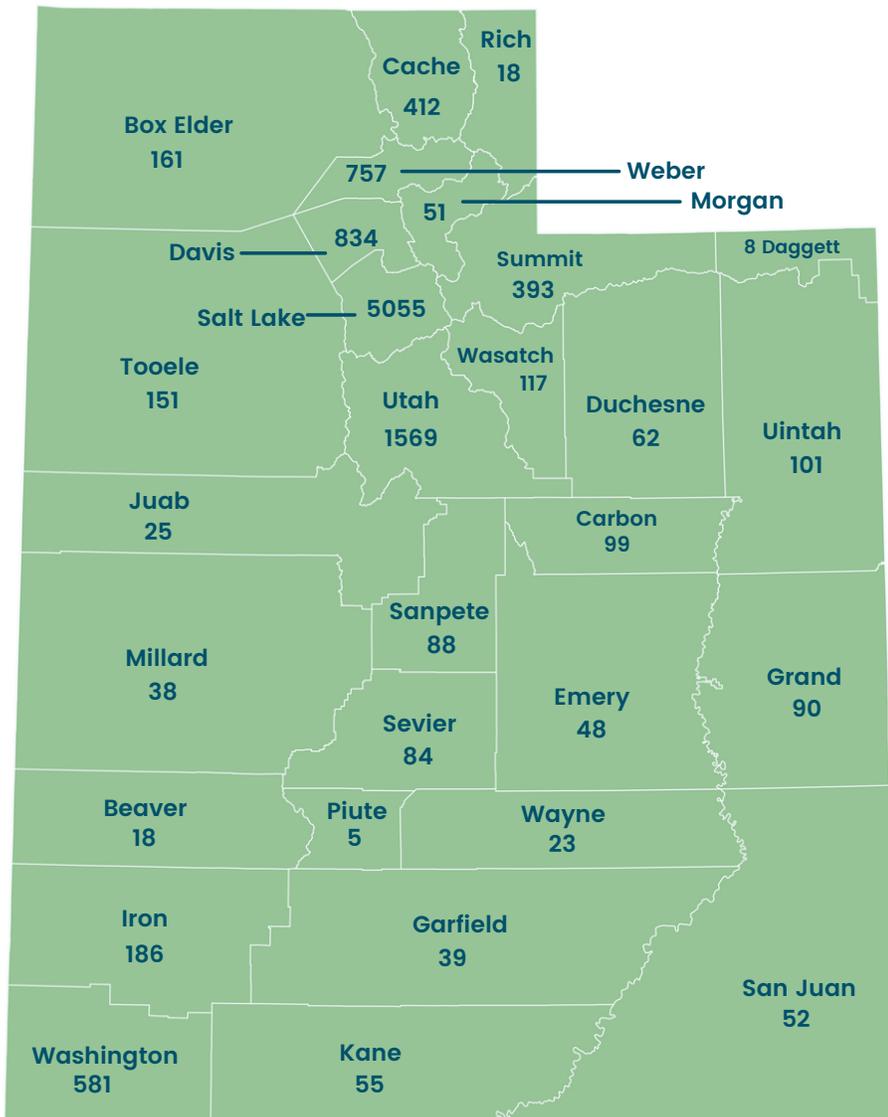
Utah's Nonprofits by Subcategory in 2022



UTAH'S NONPROFITS DO MORE WITH LESS

Utah has the lowest number of nonprofits per capita in the nation, with a majority operating on budgets under \$500K. The Association of Fundraising Professionals reports that the total number of donors fell by 7% in 2022, largely due to decline in small donors and in new donor acquisition and retention. In a recent UNA survey, Executive Directors reported that they are most concerned with funding, staffing, and macro-economic challenges, including inflation and a possible recession. The majority of Utah's nonprofits serve missions related to Education, Health & Human Services, Arts & Culture, and Philanthropy.

Distribution of Nonprofits by County

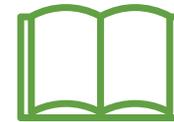


Top Service Areas of Utah's Nonprofits by Stated Mission



14.1%

Human Services



10.5%

Education



6.4%

Public and Societal Benefit

2.7% of Utah's nonprofits are unclassified under the National Taxonomy of Exempt Entities' (NTEE) system, meaning their service area is unknown or unclear