

# POTTSTOWN CITIZENS FOR Enlightened LEADERSHIP

## Season of giving?

This is the time of year when people give the most to charities. We've paid the annual household bills, and now we decide how much we have to spare for others.

There are nearly 1.2 million charitable organizations registered with the IRS, not to mention churches, which are not usually required to file for tax-exempt status.

Overall, Americans donated \$427 billion to charity in 2018, which is an enormous figure, but still less than 3 percent of our total national income.

About 53 percent of Americans give at least something to charity, which is down from 68 percent in 2002. Ironically, lower income Americans who donate give a higher percentage of their income to charity than wealthier Americans (see the chart, below right).

My wife and I belong to a group who should be giving a lot to charity: older people with a guaranteed income (pension and Social Security) and paid-off homes and other possessions. We are fortunate to be living in a time of very low inflation.

Since my wife retired eleven years ago, we've spent 46 percent of our income (tapping our savings as necessary) on charitable endeavors, but that figure includes these newspaper columns, which are either a public service or ego gratification, depending on your viewpoint.

Our donations to local churches and non-profits have a direct impact on maintaining and improving the quality of life in our town.

Although Pottstown is considered a poor town, there are plenty of residents with substantial incomes (see the chart at right).

Nearly 1,400 households have incomes of \$100,000 or more. That does not include people who have grown up in Pottstown, or have otherwise benefited from our town, but live in the suburbs.

For example, two former Pottstown superintendents of schools

have a guaranteed pension exceeding \$130,000 a year (not counting any spouse's pension) and lifetime health benefits.

They could give away half their income and what's left would still far exceed the state's median household income.

About 60 Pottstown school retirees have guaranteed pensions of \$50,000 or more, not including health benefits and Social Security.

And that's just a few people whose pensions are a public record. There are plenty of retirees who make the

same or much more.

We are constantly talking about revitalization efforts in Pottstown, attracting new businesses and looking for government grants.

But if the affluent people who already live here would invest more of their surplus income in Pottstown, we — and they — would be a lot better off.



Commentary by  
Tom Hylton

Pottstown household income	
Total households	9,333
\$100,000 to \$150,000	1,009
\$150,000 to \$200,000	270
\$200,000 or more	101
Total households above \$100,000 in income	1,380 (15%)

U.S. Census, 2017

Charitable giving	
Income	
\$0 — \$25,000	12.3%
\$25,000 — \$50,000	6.8%
\$50,000 — \$75,000	4.8%
\$75,000 — \$100,000	3.8%
\$100,000 — \$200,000	3%
\$200,000 — \$500,000	2.6%
\$500,000 — \$1,000,000	3.8%
\$1,000,000—\$2,000,000	3.2%
\$2,000,000 or more	5.6%

IRS, 2014