

Giving Australia 2016

INDIVIDUALS

Charitable bequests

How common are Wills and bequests?

Charitable bequests are money, shares, property or items committed by an individual to a charity or other nonprofit organisation (NPO) via a Will. Overall, half (49.8%) of the 6,201 adult Australian respondents to the *Giving Australia 2016 Individual giving and volunteering* survey had a Will, but of these, only 7.4% had included a charitable bequest in their Will.

Table 1: Bequestors by gender

	Respondents with a Will		Respondents with a gift to charity/NPO in their Will	
	Number	Percentage	Number	Percentage
Male	1,464	47.6%	112	7.7%
Female	1,625	52.0%	118	7.3%
Total	3,089	49.8%	230	7.4%

In general, levels of Will-making and leaving charitable bequests both rose with age. However, it was people aged 55–64, not people aged 65+, who had the highest level of including a gift in their Will.

Table 2: Bequestors by age

	Respondents with a Will		Respondents with a gift to charity/NPO in their Will	
	Number	Percentage	Number	Percentage
18–24	46 ^{##}	6.0% ^{##}	5 ^{##}	10.9% ^{##}
25–34	229	19.2%	9 ^{##}	3.9% ^{##}
35–44	450	40.8%	30 ^{##}	6.7% ^{##}
45–54	653	60.8%	50 ^{##}	7.7% ^{##}
55–64	719	76.8%	64 ^{##}	8.9% ^{##}
65+	992	88.0%	72 ^{##}	7.3% ^{##}
Total	3,089	49.8%	230	7.4%

^{##} The number of respondents is too small to achieve an acceptable confidence level, so caution is needed with these figures.

Analysis of the annual income of respondents to the *Individual giving and volunteering* survey revealed no strong relationship between income level and the likelihood of having a Will or including a charitable bequest.

Table 3: Bequestors by income

	Respondents with a Will	Respondents with a gift to charity/NPO in their Will
Nil income	31.0% ^{##}	9.4% ^{##}
\$1–\$7,799	29.9% ^{##}	6.9% ^{##}
\$7,800–\$15,599	35.9%	7.8% ^{##}
\$15,600–\$20,799	53.5%	5.3% ^{##}
\$20,800–\$25,999	57.5%	9.2% ^{##}
\$26,000–\$33,799	48.4%	9.0% ^{##}
\$33,800–\$41,599	47.4%	3.8% ^{##}
\$41,600–\$51,999	42.9%	6.9% ^{##}
\$52,000–\$64,999	47.2%	8.8% ^{##}
\$65,000–\$77,999	45.0%	6.9% ^{##}
\$78,000–\$90,999	47.8%	12.4% ^{##}
\$91,000–\$103,999	54.4%	9.5% ^{##}
\$104,000–\$155,999	53.8%	6.4% ^{##}
\$156,000+	64.0%	10.8% ^{##}
Total	49.8%	7.4%

^{##} The number of respondents is too small to achieve an acceptable confidence level, so caution is needed with these figures.

The *Giving Australia 2016 Philanthropy and philanthropists* survey did not capture data on either income or wealth. However, respondents were those with a structured approach to their giving, and assumed to be high-net-worth individuals for the purposes of analysis.

- ❖ 89.3% indicated they had a Will, compared to 49.8% of the population as a whole, as measured by the *Individual giving and volunteering* survey.
- ❖ 35.7% of those who had a Will indicated they had included a charitable bequest, compared with 7.4% of the population as a whole, as measured by the *Individual giving and volunteering* survey.



International comparisons

The [Giving Australia 2016 Literature review](#) (Chapter 6) revealed that in the UK, 7.3% of people leave a charitable bequest¹ and in the US, 5.7% of people 55 years and over have a charitable bequest in their Will.²

Reasons for leaving a charitable bequest

Perceived capacity to leave a bequest was the strongest influence on including a charitable gift in a Will. The *Philanthropy and philanthropists* survey found that of bequestors:

- ❖ 50% did not wish to direct all of their wealth to family members
- ❖ 40% indicated that people important to them would be pleased by their decision to include a charitable bequest, and
- ❖ 30% were interested in leaving a legacy.

For many, this concept of leaving a legacy reflected a desire to:

- ❖ honour those close to them
- ❖ pass on charitable values to future generations, and
- ❖ continue the support of cherished causes.

...it's also a sense of commemorating or remembering someone. So one of the gifts is kind of in recognition of what my mum went through... so there's an emotional element to it.

- Focus group, Bequestors, VIC

¹ Remember a Charity. 2015.

<http://www.rememberacharity.org.uk/about-us/>

² James III, Russell N. 2009. "Health, wealth, and charitable estate planning: A longitudinal examination of testamentary charitable giving plans." *Nonprofit and Voluntary Sector Quarterly* 38 (6): 1026-1043. doi: 10.1177/0899764008323860

Reasons why the level of bequests is low include:

- ❖ concerns about family
- ❖ reluctance to think about death, and
- ❖ wanting to see impact of their gift.

Wills are often contested. If donations are made while I am alive I can ensure that they are used for the right purpose. I have the joy of seeing that I have made a difference.

- Philanthropy and philanthropists survey respondent

Professional advisers' uncertainty about how to discuss bequests was also identified as a factor contributing to low levels of bequests. *Giving Australia 2016* focus group and interview participants suggested that encouraging influencers such as professional advisers to ask about giving, and building timely prompts into existing Will-making processes, could grow bequest-giving.

Giving Australia 2016 report series

- ❖ *Giving Australia 2016: a summary*
- ❖ *Philanthropy and philanthropists*
- ❖ *Giving and volunteering – the nonprofit perspective*
- ❖ *Business giving and volunteering*
- ❖ *Individual giving and volunteering*
- ❖ *Giving Australia 2016 Literature review summary report*
- ❖ *Giving Australia 2016 Literature review*

For more information:

[The Australian Centre for Philanthropy and Nonprofit Studies](#)
QUT | 07 3138 1020

[Centre for Social Impact Swinburne](#)

Swinburne University of Technology | 03 9214 8000

[Centre for Corporate Public Affairs](#) | 02 8272 5101

Funded by the Australian Government Department of Social Services. Go to www.dss.gov.au for more information.