

The Nonprofit Sector's Economic Contribution Across Detroit Area Districts

Beyond caring service providers, nonprofits and foundations are vital contributors to Detroit's economy that save tax dollars and improve lives.

Right here in Rep. Brenda Lawrence's District 14, more than 65,000 nonprofit employees contribute to the economic and social benefits of the community. Why is this important?

The direct spending of nonprofit organizations creates a "ripple" that includes indirect effects, that occur as local businesses increase operations to meet demand, as well as the induced effect that occurs as employees spend money in the community on their mortgages, rent, groceries, etc.

The economic multiplier is a ratio estimating the total impact resulting from a nonprofit's direct annual spending on goods, services, and wages. Total impacts are the sum of the Direct, Indirect, and Induced Effects for all nonprofits.

This all adds up to an annual contribution of \$17.8 billion to the Detroit congressional districts.

3,500+

501(C)3s IN DETROIT'S 6 CDs

246,145

TOTAL DIRECT JOBS IN DETROIT

65,171

TOTAL DIRECT JOBS IN DISTRICT 14

District	Direct Jobs
District 9	30,403
District 10	19,767
District 11	46,792
District 12	23,633
District 13	60,379
District 14	65,171
Direct Subtotal	246,145
Total Indirect/Induced	84,196
TOTAL DETROIT EMPLOYMENT	330,341

Impact Type	Employment	Labor Income	Value Added	Output
Direct	246,145	\$11,036,089,401	\$11,037,059,130	\$24,574,020,517
Indirect	46,553	\$2,617,660,794	\$3,529,431,449	\$6,911,110,795
Induced	37,643	\$1,654,147,156	\$3,243,101,407	\$5,661,110,758
Total	330,341	\$15,307,897,351	\$17,809,591,986	\$37,146,242,070

LOCAL NUGGET

The total direct effect of Detroit's nonprofit sector supports more than 246,000 jobs which is roughly equal to employment for all manufacturing sectors in the Detroit area. To learn more and see additional results from this study, visit IndependentSector.org.

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Fiscal Benefits

Total tax revenue generated in Detroit associated with the nonprofit sector is estimated at \$947,744,290 for state and local and \$3,067,726,753 for federal.

Employee compensation and proprietor income taxes include payments to social security and social programs. Taxes on production and imports include

common taxes such as sales and property taxes. Household taxes include income taxes and property taxes, among others.*

LEVEL	Employee Compensation	Proprietor Income	Tax on Production & Imports	Households	Corporations	Total
Federal	\$1,774,446,536	\$24,615,800	\$75,483,138	\$1,043,418,368	\$149,762,911	\$3,067,726,753
State	\$22,406,326	\$0	\$304,163,167	\$305,256,835	\$16,109,396	\$647,935,724
Local	\$3,283,633	\$0	\$236,522,621	\$60,002,312	\$0	\$299,808,566

Independent Sector's Value of Volunteer Time

This estimate helps charitable organizations quantify the enormous value that their volunteers provide through their time, talents, and energy. According to the Corporation for National and Community Service, nearly 63 million Americans gave 8 billion hours of volunteer service in 2016, worth an estimated \$193 billion.

\$23.67/hr

The estimated value of volunteer time in Michigan in 2016.

NOW WHAT?

Advocate



Let your elected officials, legislators, board members, donors, funders, and communities know that you are part of a sector that contributes \$17.8 billion to Detroit's GDP annually.

Activate



Use this information to begin thinking about how your work creates economic benefits beyond direct service delivery or spending by your organization and employees.

Educate



Determine your organization's economic impact on the geography you serve. Use this information to forge closer relationships with community partners and show the sector's local impact.

Independent Sector and IMPLAN are partnering to produce a first-of-its-kind study that will equip you to educate the public, donors, and government officials about the charitable sector's economic

impact in communities and Congressional Districts. For more information and to learn how you can help advance this important initiative, please contact MatthewP@IndependentSector.org.

*Note that while displayed separately, tax impacts are included with output impacts and thus should not be added to other monetary impacts. Taxes paid by corporations include profits. In our nonprofit sector analyses, these would only include indirect effects. Numbers may not sum due to rounding.