

The Stages of Giving

by Kenneth N. Dayton

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Dayton identifies nine stages of giving, based on his personal experiences with philanthropy:

1. **Minimal Response:** Giving because we were asked and only because we were asked.
2. **Involvement and Interest:** You believe in the cause and you want to make it better. It becomes meaningful and purposeful.
3. **As Much As Possible:** A major transformational breakthrough that requires thinking, a budget and priorities.
4. **Maximum Allowable:** The IRS five-year carry-forward provision gave us an opportunity to plan and to think creatively about our philanthropy. It meant we could initiate projects.
5. **Beyond the Max:** We ignored the IRS maximum and began to give what we wanted to give. The second breakthrough, we decided we would no longer let the IRS tell us how much (or how little) we could give.
6. **Percent of Wealth:** If one no longer measures giving against income or income tax deductibility, logic soon leads to using total wealth as a measure. Until we started to measure our giving against our wealth, we did not fully realize how much we could give away and still live very comfortably.
7. **Capping Wealth:** How wealthy do we want to be? This means setting a limit on your wealth and giving away everything you earn beyond that figure.
8. **Reducing the Cap:** We are not there yet. Whether we will ever have the courage and fortitude and intelligence to lower the cap as we get older we cannot say. But, we are comfortable discussing the subject.
9. **Bequests:** Long ago we decided we had transferred enough of our assets to our heirs. Accordingly, we are able to leave almost all of our assets to the nonprofit organizations we have selected.