

The Coming \$8 Trillion-Plus Retiree Giving Boom

By Ashlea Ebeling | 10/23/15 | Forbes

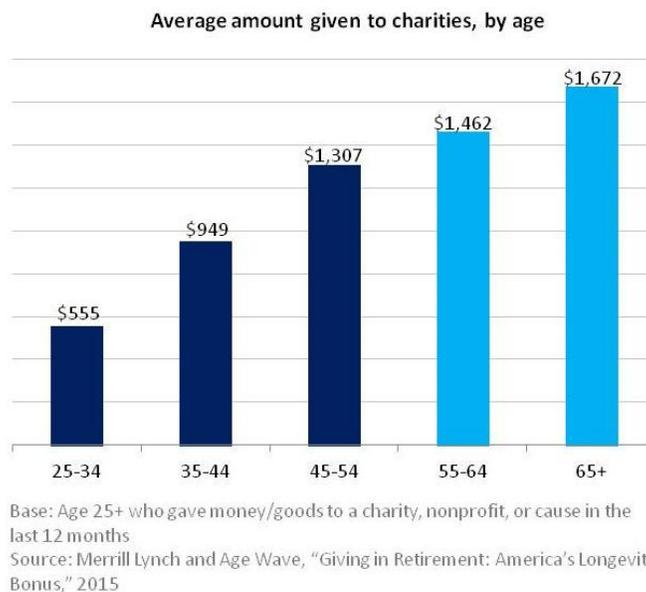
<http://www.forbes.com/sites/ashleaebeling/2015/10/23/the-coming-8-trillion-plus-retiree-giving-boom/>

Aging guru Ken Dychtwald says expected charitable giving by U.S. retirees over the next two decades could reach \$8 trillion. That's \$6.6 trillion in financial giving and \$1.4 trillion in volunteer services (calculated at \$23.63/hour). And if he can help it, retirees will ramp up their giving game, making an even bigger impact.

"I get introduced as speaking on 'the problem of aging Americans'," Dychtwald says, noting: "It seems to me there is this longevity bonus coming towards us. There is an upside to aging, and it's hiding in plain sight." Dychtwald envisions a future where retirees are giving more to their communities, sharing their wisdom and skills. "Then the entire narrative of aging in America changes," he says.

What's driving this projected surge in retiree giving over the next two decades? Baby boomers are entering retirement, swelling the numbers of retirees; they're living longer, affording them more years to give; and high rates of giving among retirees are expected to continue. Retirees have more time, more savings and more lifetime skills to share than younger adults.

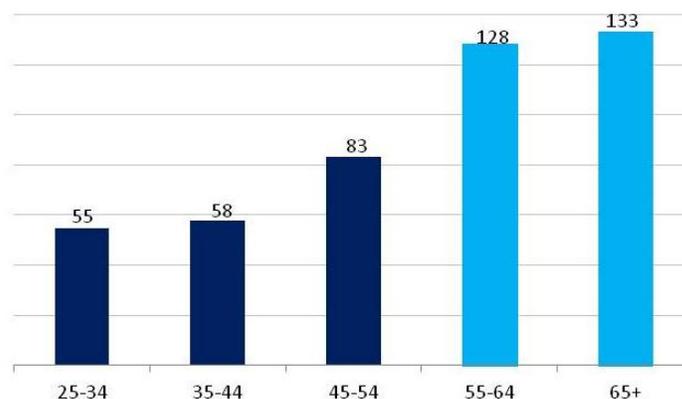
The insight comes from a new study, [Giving in Retirement: America's Longevity Bonus](#), by Dychtwald's Age Wave think tank and Bank of America Merrill Lynch.



Retirees outgive the general U.S. adult population.

The study found that [retirees outgive the general U.S. adult population](#) . Although retirees account for less than a third (31%) of the adult U.S. population age 25+ today, they contribute 42% of money given to charity and nearly half (45%) of total volunteer hours. Yet the percentage of older adults who give time is just 24% (by comparison, 30% of 35-44 year-olds give time, often related to volunteer activities related to their school-age children). “We haven’t even scratched the surface in terms of tapping into their volunteer potential,” says Dychtwald.

Average hours volunteered per year, by age



Base: Age 25+ who volunteered for a charity, nonprofit, or cause in the last 12 months
Source: Merrill Lynch and Age Wave, “Giving in Retirement: America’s Longevity Bonus,” 2015

While older adults are not the most likely to volunteer, the average number of hours they give is the highest of any age group.

Still on the fence? Here are some selfish reasons to give: Retirees who give are more likely than those who don’t to say they have a strong sense of purpose, high self-esteem, and are happy and healthy. By volunteering, they develop connections and friendships. “It gives you a reason to get up in the morning,” says Dychtwald.

The Age Wave/Merrill report has a bunch of suggestions for how to get involved. Launch an encore career at a non-profit. Take a volunteer vacation that combines charity work with a trip to an enticing travel spot. Become a mentor to youth. Start your own charity as a “philanthropreneur.” Consider adding impact investments designed to have a positive social or environmental impact to your portfolio ([here](#)’s why the founder of Honest Tea, Seth Goldman, uses ImpactAssets Giving Fund to invest his charitable dollars).

There’s also a laundry list of charitable giving techniques to consider to stretch your giving dollars through the tax code: donating appreciated stock ([here](#)’s how one couple is fighting Alzheimer’s with a gift of Tesla stock), making gifts from your retirement accounts, and setting up donor-advised funds ([here](#)’s how a Cincinnati couple are using a donor-advised fund to make charitable giving a priority in retirement), charitable gift annuities, charitable trusts ([here](#)’s how one couple is giving back to Duke University with a CLAT), and private foundations.