



**Press Release**  
**Embargoed until 2:00 pm on Thursday, May 31, 2012**

## ***Who's Got the Money and Where It's Located***

### **Overview of the Study**

Sentier Research has conducted a study that examines the distribution of household income within important demographic groupings and across detailed levels of geography for the United States. Unlike the traditional approach of measuring the size distribution of income (by levels of household income), the analysis focuses on the interplay between the number of households, mean household income, and aggregate income (the summation of *all* income received by a group under consideration). Household characteristics examined include the presence of children and marital status, age, work experience, and education of the householder and spouse. Geographical areas covered include regions, divisions, states, nearly 300 metropolitan areas, and 375 counties.

The study is based on the American Community Survey (ACS) conducted by the U.S. Census Bureau. The data were derived from the most recent three-year composite data file that contains data for survey years 2008, 2009, and 2010. All of the income amounts in the study have been expressed in terms of 2010 constant dollars (for simplicity, they are referred to as 2010 estimates). The sample size is approximately 3.5 million interviewed households.

According to Gordon Green of Sentier Research, "The ACS is unique in that its large sample size allows comparisons of household income for various household compositions and detailed levels of geography. Statistics abound on the size distribution of income, but comparatively little attention has been paid to the distribution of aggregate income. We use an integrated approach that weaves together various characteristics of households into decision-making units. This provides valuable information for business organizations, government agencies, and researchers who are interested in understanding the distribution of income in the United States. What emerges is a fascinating statistical portrait showing that income is highly concentrated among particular types of households and in specific areas of the country."

## Summary of Key Findings

### For the entire United States:

- In 2010, there were 114,593,068 households in the United States. Their mean household income was \$70,317, resulting in an aggregate income of \$8.1 trillion (all income figures are before taxes). (See Figure 1.)
- For three key household groups aggregate income was distributed as follows: married-couple households (\$5.4 trillion), single-parent family households (\$421 billion), and persons living alone (\$1.2 trillion) (See Figure 2.)
- Among married-couple households, those with middle-age married-couples (35 to 54 years old) received more than half of the aggregate income (\$2.8 trillion). The next largest income group was older-age married-couple households (55 to 64 years old) with an aggregate income of \$1.2 trillion, followed by senior-age married-couple households (65 years and older) with an aggregate income of \$780 billion and young married-couple households (under 35 years old) with aggregate income of \$657 billion.
- Among middle-age married-couple households, the age category with the largest aggregate income, those with children received about two-thirds of the aggregate income (\$1.8 trillion) and those without children received about one-third (\$911 billion).
- For middle-age married-couple households with children, those with both the husband and wife working had an aggregate income (\$1.4 trillion) that was about half of all middle-age married-couple households. For middle-age married-couple households without children, those with both the husband and wife working also had a large aggregate income (\$739 billion).
- Among the category of middle-age married-couple households with children (aggregate income of \$1.8 trillion), the level of aggregate income received depends very heavily on the work experience of both the husband and wife *and* their level of education.
  - For middle-age married-couple households with children in which both the husband and wife were working, and both had a bachelor's degree or higher, aggregate income was \$567 billion.
  - Sizeable amounts of aggregate income were received by those in which both the husband and wife were both working and only one had a bachelor's degree or higher (\$337 billion), and by those in which both the husband and wife were working and neither had a bachelor's degree or higher (\$472 billion).
- The aggregate income of single-parent family households was \$421 billion, of which almost three-fourths was received by single-parent women (\$312 billion) and slightly more than one fourth was received by single-parent men (\$109 billion).

- Households consisting of one person living alone had a considerable aggregate income (\$1.2 trillion), about 15 percent of the overall total. The amount of aggregate income for households with men living alone (\$625 billion) was slightly larger than for those with women living alone (\$605 billion.)
- Other households not elsewhere classified had an aggregate income that amounted to \$1.0 trillion. A major subgroup in this category is unmarried partner households. These households received an aggregate income of \$450 billion, more than two-fifths of the aggregate income of the group.

**For race and Hispanic origin:**

- White, not Hispanic households had an aggregate income of \$6.2 trillion, more than three-fourths of the aggregate income of all households in the nation.
- Black, not Hispanic households had an aggregate income of \$641 billion, about 8 percent of the aggregate income of all households in the nation.
- Hispanic households had an aggregate income of \$710 billion, less than 9 percent of the aggregate income of all households in the nation.

**For specific geographical areas:**

- By region:
  - Aggregate income of households in the Northeast region was \$1.7 trillion, just slightly more than one-fifth of the overall aggregate income. (See Figure 3.)
  - Households in the Midwest region had an aggregate income of \$1.7 trillion, also a little more than one-fifth of the total.
  - The aggregate income received by households in the South was about \$2.8 trillion, more than one-third of the aggregate income in the nation. The South is by far the most populous of the nation's four regions.
  - Aggregate income of households in the West region was \$1.9 trillion, almost one-fourth of the total aggregate income.
- By state:
  - Households in the top ten states, ranked by the size of their aggregate income, had an aggregate income of \$4.4 trillion, more than half of the total aggregate income in the nation (\$8.1 trillion).
  - The top five states (California, Texas, New York, Florida, and Illinois) had an aggregate income of \$3.0 trillion, more than 37 percent of the total aggregate income.

- California by itself had an aggregate income of \$1.0 trillion, almost 13 percent of the aggregate income in the nation.
- By metropolitan area:
  - Households in the top ten metropolitan areas, ranked by the size of their aggregate income, received \$1.8 trillion, more than 22 percent of the overall total.
  - The top five metropolitan areas (New York-Northeastern NJ, Chicago-Gary-Lake, IL, Los Angeles - Long Beach, CA, Washington, DC/MD/VA, and Philadelphia, PA/NJ) had an aggregate income of \$1.2 trillion, almost 15 percent of the aggregate income in the country.
- By county:
  - Households in the top ten counties, ranked by size of their aggregate income, received \$1.1 trillion, more than 13 percent of the U.S. total.
  - The top five counties (Los Angeles, CA, Cook, IL, Harris, TX, Maricopa, AZ, and Orange, CA) had an aggregate income of \$695 billion, more than 8 percent of the total.

This study is based on data collected in the American Community Survey (ACS) conducted by the U.S. Census Bureau. The ACS is an annual survey designed to replace the data collected in the Decennial Census “long form,” which was discontinued after the 2000 Census. It includes a wide range of questions covering demographic, housing, migration, and income topics.

Household income is defined as the sum of the incomes of all household members. Income refers to all sources of money income including earnings from work, Social Security, interest, dividends, cash welfare, retirement pensions, unemployment compensation, veterans’ benefits, etc. Income excludes capital gains and losses, and lump-sum payments. Household income is measured before federal and state income taxes and payroll taxes.

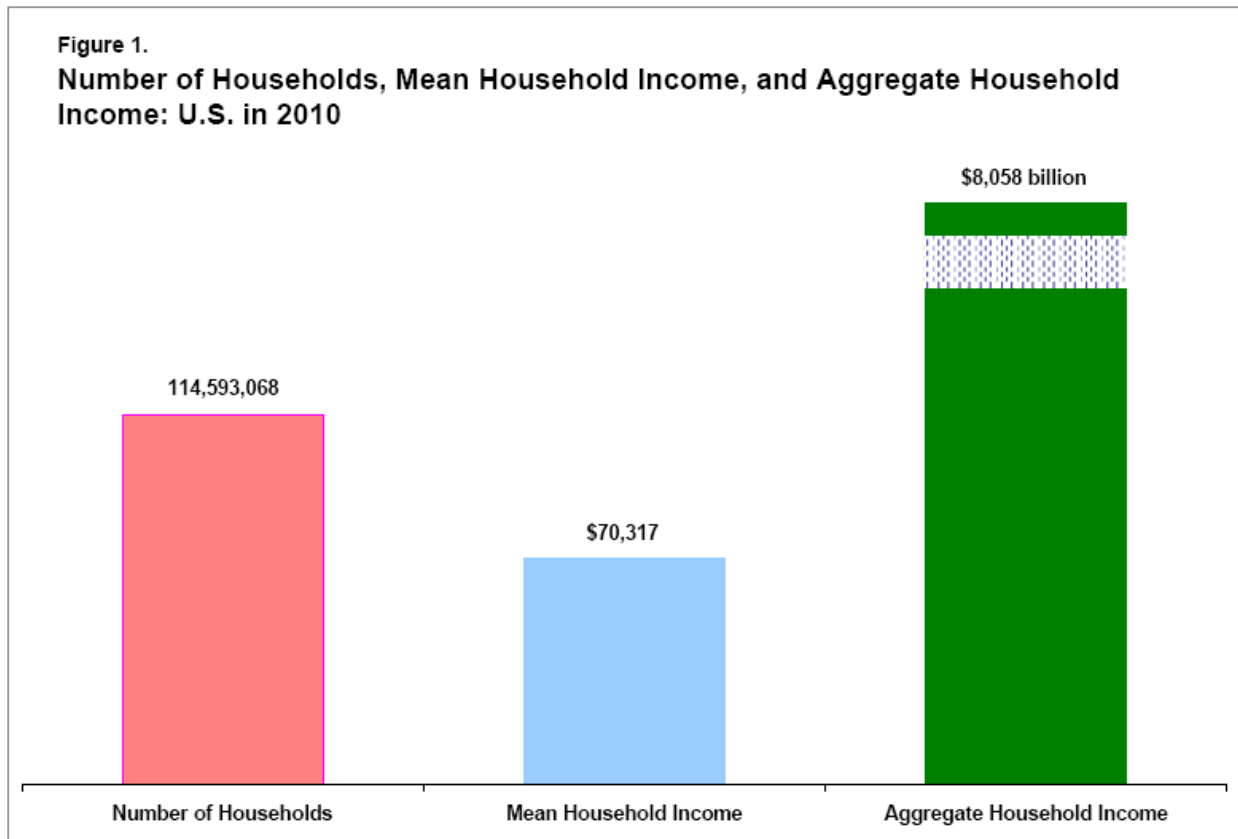
Our analysis uses the ACS public use data set made available by the U.S. Census Bureau. This data set has been created by combining the observations from three separate ACS annual surveys for the survey years of 2008, 2009, and 2010. All of the income amounts in the study have been expressed in terms of 2010 constant dollars (for simplicity, they are referred to as 2010 estimates). The size of the data file is approximately 3.5 million interviewed households. As is the case with all surveys, the estimates are subject to sampling and nonsampling errors.

Copies of the report, “*Who’s Got the Money and Where It’s Located*,” (126 pages as .pdf), are available for purchase by the public from the Sentier Research, LLC website at [www.sentierresearch.com](http://www.sentierresearch.com).

Copies of the full report will be made available to the media free of charge by requesting a copy from Gordon Green of Sentier Research at [gordonwgreen@sentierresearch.com](mailto:gordonwgreen@sentierresearch.com). It is permissible for media organizations to link directly to our website or this press release, but not to provide links to the full report.

The authors of the new report are Gordon Green and John Coder, both former officials at the U.S. Census Bureau. All media inquiries should be addressed to Gordon Green at the email address above, or by telephone on (703) 764-0249.

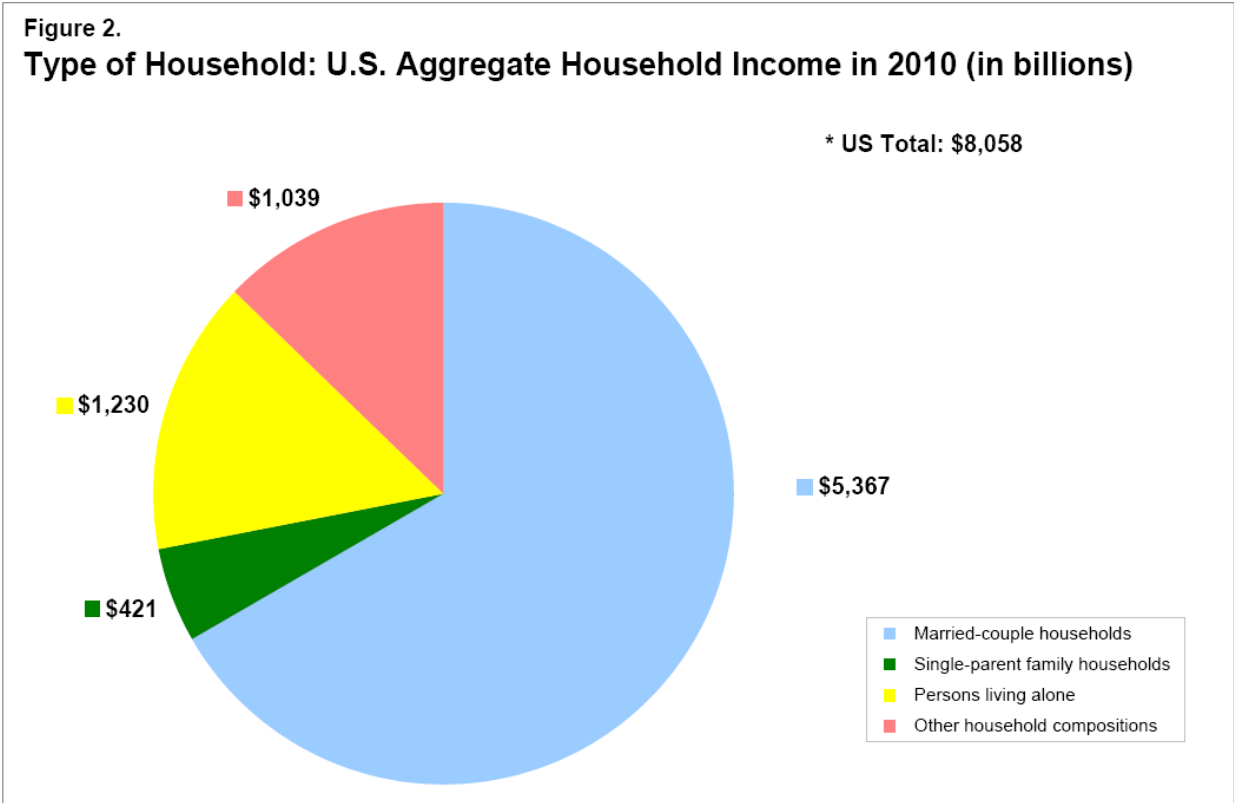
### Chart Showing Aggregate Income for the United States



Source: Sentier Research, LLC estimates of annual household income derived from the American Community Survey (ACS) conducted by the U.S. Census Bureau.

Note: The "2010" estimates are a composite of data for 2008, 2009, and 2010.

# Chart Showing Aggregate Income by Type of Household

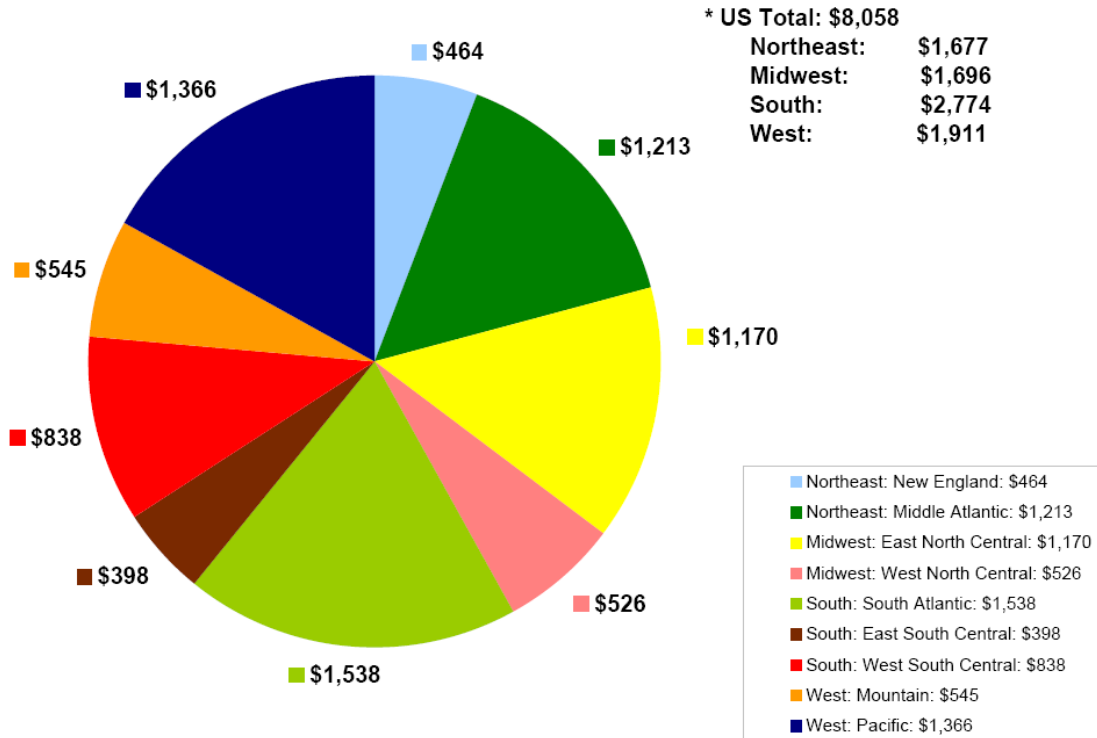


Source: Sentier Research, LLC estimates of annual household income derived from the American Community Survey (ACS) conducted by the U.S. Census Bureau.

Note: The "2010" estimates are a composite of data for 2008, 2009, and 2010.

## Chart Showing Aggregate Income for Regions and Divisions

**Figure 3.**  
**Regions and Divisions: Aggregate Household Income in 2010 (in billions)**



Source: Sentier Research, LLC estimates of annual household income derived from the American Community Survey (ACS) conducted by the U.S. Census Bureau.

Note: The "2010" estimates are a composite of data for 2008, 2009, and 2010.