

INCOME GROWTH AFFECTED BY REBATES

Real Consumer Spending Declines in July

Personal income decreased 0.7 percent in July, after increasing 0.1 percent in June. The difference reflects rebates provided by the Economic Stimulus Act of 2008.¹ Excluding the rebates, personal income grew 0.5 percent in July, after increasing 0.3 percent in June.

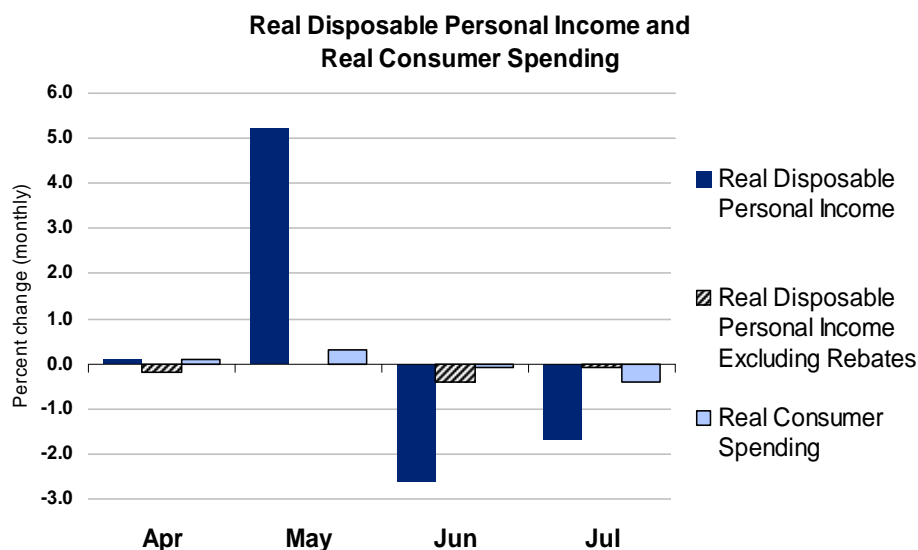
Real disposable personal income (DPI), income adjusted for inflation and taxes, fell 1.7 percent in July after falling 2.6 percent in June. Excluding rebates, real DPI decreased 0.1 percent in July after decreasing 0.4 percent in June.¹

Real consumer spending (personal consumption expenditures) decreased 0.4 percent in July after decreasing 0.1 percent in June.

PCE prices rose 0.6 percent in July after rising 0.7 percent in June. Excluding food and energy, prices rose 0.3 percent, the same as in June.

	Average growth, last 12 months	June	July
Personal Income ¹	0.3%	0.1%	-0.7%
Excluding Rebates		0.3%	0.5%
Real DPI ¹	0.1%	-2.6%	-1.7%
Excluding Rebates		-0.4%	-0.1%
Real PCE	0.1%	-0.1%	-0.4%
PCE Prices	0.4%	0.7%	0.6%

¹ Only some rebates—those reported as transfer payments—are included in personal income. All rebates are included in real DPI. For more information see [FAQ](#).



BEA data—including GDP, personal income, the balance of payments, foreign direct investment, the input-output accounts, and economic data for states, local areas, and industries—are available on the BEA Web site: www.bea.gov. [E-mail alerts](#) are also available.

NOTE: On September 29, 2008, the August estimates of Personal Income and Outlays will be released.