

This report provides a broad income picture of a cross section of the population aged 55 or older, with special emphasis on income of the population aged 65 or older. The tabulations focus on the major sources and amounts of income in 2002, both separately and combined, for those age groups. The relative importance of particular sources to total income is measured for individual units, and the share of aggregate income from particular sources is measured for the aged as a whole. Proportions of the aged below the poverty line are presented in terms of the income of the families with whom they live. Several tables describe the economic situation of the aged with varying levels of Social Security benefits and total money income. These data are a valuable resource for policymakers and researchers in government and in the private sector.

Since 1941, the Social Security Administration (SSA) has periodically surveyed the economic situation of the aged as part of its legislative directive to study the most effective methods of providing economic security. Between 1963 and 1972, three national surveys were conducted that sampled nonbeneficiaries as well as beneficiaries. In 1963 and 1968, SSA administered its own questionnaire and combined data from those surveys with Social Security record data of the survey respondents. In 1972, SSA benefit record data were combined with U.S. Census Bureau data from the March Current Population Survey (CPS).

SSA then began a series of biennial studies of the income of the aged based on the CPS data alone. The first report in the series described the income of the population aged 55 or older, and in some cases the population aged 65 or older, using 1976 data. The second report described apparent changes in the income of those age groups between 1976 and 1978.

In the interest of publishing the data in a more timely fashion, however, beginning with the 1980 report, publications in the series have consisted of tabulations only. Starting with the 1990 report, we expanded the series with a companion publication, *Income of the Aged Chartbook*, which highlights selected data in charts and tables for the population aged 65 or older.

The source of data for this series is the March supplement of the CPS, which samples a large cross section of households in the United States each year and provides detailed information annually on income and labor force participation. Comparisons of CPS estimates with more precise estimates adjusted by federal income tax records and Social Security records indicate that some sources are underreported in the CPS. Also, changes that have been made in the survey from time to time have improved the measurement of income and labor force participation but have reduced the comparability of estimates between years. Despite the shortcomings of the CPS data, they are used here because they provide the best available measures of income for detailed subgroups of the aged.

The data in this publication are presented in terms of either aged units or aged persons. An aged unit is a married couple living together or a nonmarried person. Using aged units or aged persons as the units of analysis allows one to measure incomes of the entire aged population either separately from or in combination with the income of other members of the families with whom they live. Beginning with the 2000 edition, poverty status is presented only for aged persons in terms of their family income, because that measure has emerged as the preferred measure of poverty.

---

## Preface

---

The tables focus on the income of the aged population separately, whether or not they live with other relatives. In contrast, Census Bureau publications that use CPS data classify aged persons living with a younger relative who is considered the householder as “families under 65.” Thus, a portion of the aged population cannot be accounted for within the Census Bureau’s categorization. But for the 23 percent of units aged 65 or older who lived with other family members in 2002, the income of the families with whom they lived is important information. Therefore, data on family income of aged units are presented.

Lynn Fisher and Melissa Koenig were responsible for the preparation of this report, and Jeffrey Shapiro did the programming. Staff of the Division of Information Resources edited the report and prepared the print and Web versions for publication. This report and *Income of the Aged Chartbook* are available on our Web site at <http://www.socialsecurity.gov/policy>.

For questions pertaining to the data, please call Lynn Fisher at 202-358-6308 or e-mail [inc.aged@ssa.gov](mailto:inc.aged@ssa.gov). For additional copies of this report, call 202-358-6274 or e-mail [op.publications@ssa.gov](mailto:op.publications@ssa.gov).

Edward J. DeMarco  
Associate Commissioner  
for Research, Evaluation, and Statistics

March 2005

---