# Alternative Income Estimates in the United States: 2003

Consumer Income

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#### INTRODUCTION

This report presents alternative measures of income that include estimates of taxes and values of various noncash benefits for calendar year 2003. These measures were derived from information collected in the 2004 Annual Social and Economic Supplement (ASEC) to the Current Population Survey (CPS) conducted by the U.S. Census Bureau, along with information from other agencies, such as the Centers for Medicare and Medicaid Services (CMS), the U.S. Bureau of Labor Statistics, the U.S. Department of Agriculture, the U.S. Internal Revenue Service, and the U.S. Office of Personnel Management (OPM).

Traditionally, income data in Census Bureau reports have been based on the amount of money people or households received during a calendar year. (See Income, Poverty, and Health Insurance Coverage in the United States: 2003, U.S. Census Bureau, Current Population Reports, P60-226.) This income concept (money income) is limited and does not provide a complete measure of economic well-being. For example, it does not include the effect of taxes and, therefore, does not reflect the effect of any tax law changes on economic well-being. Similarly, this concept excludes the effect of noncash benefits (such as employerprovided group health insurance, food stamps, school lunches, and housing assistance), which enhance economic well-being.

This report presents 17 alternative income measures that systematically remove or add various income components, such as deducting payroll taxes and federal and state income taxes and including the value of specific noncash benefits—food stamps, school lunches, housing subsidies, health insurance programs, and return on home equity. Alternative income definitions were first developed in the early 1980s, in

### **Source of Estimates and Statistical Accuracy**

The estimates in this report (which may be shown in text, figures, and tables) are based on data collected by the Annual Social and Economic Supplement (ASEC) to the Current Population Survey (CPS) conducted by the U.S. Census Bureau. As with all surveys, the estimates may differ from the actual values because of sampling variation or other factors. As a result, apparent differences between the estimates for two or more groups may not be statistically significant. All statements in this report have undergone statistical testing, and all comparisons are significant at the 90-percent confidence level unless otherwise noted. For further information about the source and accuracy of the estimates, go to <www.census.gov/hhes/www /p60-226sa.pdf>.

### Current Population Reports

By Robert W. Cleveland response to a Congressional request.1 After research and discussion with academic professionals, other government agencies, private sector organizations, and nonprofit and public interest organizations, the Census Bureau began publishing alternative measures in a series of technical papers beginning in 1982.2 Eleven alternative income definitions were presented in a subsequent Census Bureau report, Measuring the Effect of Benefits and Taxes on Income and Poverty: 1986, Current Population Reports, P60-164-RD1, issued in December 1988. By 1993, 17 alternative income definitions were available.

Four of the alternative income definitions are featured and discussed in detail. These four were chosen because they are complete definitions that summarize how taxes, noncash benefits including and excluding Medicaid and Medicare, and potential return on home equity affect economic well-being. The others are intermediate definitions that are included to show the effect of each of the individual components of income that comprise the four definitions that are

#### What are. . . definitions of income?

**Money Income (MI)** data are collected for all people 15 and older in the sample. Money income includes earnings, unemployment compensation, workers' compensation, Social Security, Supplemental Security Income, public assistance, veterans' payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates and trusts, educational assistance, alimony, child support, cash assistance from outside the household, and other miscellaneous sources. It is income before deductions for taxes or other expenses and does not include lump-sum payments or capital gains.

**MI-Tx** is money income *plus realized capital gains or losses*, less federal and state income taxes, and less payroll taxes.

**MI-Tx+NC-MM** is money income *plus realized capital gains or losses*, less federal and state income taxes, less payroll taxes, plus the value of employer-provided health benefits and the value of all noncash transfers except Medicare and Medicaid. Noncash transfers included here are food stamps, rent subsidies, and free and reduced-price school lunches.

**MI-Tx+NC** is money income *plus realized capital gains or losses*, less federal and state income taxes, less payroll taxes, plus the value of employer-provided health benefits and all noncash transfers examined here.

**MI-Tx+NC+HE** is money income *plus realized capital gains or losses*, less federal and state income taxes, less payroll taxes, plus the value of employer-provided health benefits and all noncash transfers examined here, plus the annual benefits of converting one's home equity into an annuity, net of property taxes.

discussed in detail. See text box "What are. . .definitions of income?" for a full description of these definitions.

### ALTERNATIVE INCOME MEASURES

Taxes and the value of noncash benefits are basic components of alternative income measures. The ASEC asks respondents whether they received certain types of noncash benefits. The respondents are not asked to report whether they pay taxes or to estimate a dollar value for every noncash benefit they received.

To compute the alternative income estimates, dollar values of taxes and noncash benefits (other than

food stamps) were simulated using statistical models. Imputed non-cash benefits included here are values of employers' contributions for health insurance, Medicare and Medicaid, rent subsidies, free and reduced-price school lunches, and return on equity in one's own home if it were turned into an annuity.<sup>3</sup> Food stamp amounts were reported in the ASEC.

The tax data used in the alternative income definitions were simulated from a newly revised tax model for both the 2002 and 2003 estimates.

<sup>&</sup>lt;sup>1</sup> U.S. Senate Statement, "Data Collection and Poverty Level," *Department of State, Justice, and Commerce, The Judiciary and Related Agencies Appropriations Bill,* 1981. U.S. Senate 96th Congress, 2nd Session, September 16, 1980: 33-34. Cited in U.S. Census Bureau, Technical Paper 56, *Estimates of Poverty Including the Value of Noncash Benefits:* 1985, U.S. Government Printing Office, Washington, DC, 1986.

<sup>&</sup>lt;sup>2</sup> For an example of the research discussion that took place while the measures were under development, see the proceedings of the "Conference on the Measurement of Noncash Benefits," Fort Magruder Inn & Conference Center, Williamsburg, VA, December 12-14, 1985. According to the Williamsburg conference's statement of purpose, "the conference was designed to provide a wide variety of academic, private sector, and government researchers, as well as representatives from public interest groups and interested Congressional committees, an opportunity to learn about the issues involved in considering noncash benefits as income and to make their own views known to the Census Bureau.'

<sup>&</sup>lt;sup>3</sup> For descriptions of how the noncash benefits were imputed in the alternative measures, see Appendices B and C of Current Population Reports, P60-186RD, Measuring the Effect of Benefits and Taxes on Income and Poverty: 1992.

Table 1.

Median Household Income Estimates Based on Alternative Income Definitions:
2002 and 2003

(Income in 2003 dollars)

		Median	income		Porcont of	change in	
	20	02	20	03		ncome	
Alternative income definitions	Estimate	90-percent confidence interval <sup>1</sup> (+/-)	Estimate	90-percent confidence interval <sup>1</sup> (+/-)	2002 to 2003	90-percent confidence interval <sup>1</sup> (+/-)	Percent of money income
MI: Money income excluding capital gains or losses	43,381	234	43,318	309	-0.1	0.7	100.0
gains (losses), less taxes	<b>38,049</b> 39,998	<b>206</b> 347	<b>38,306</b> 39,896	<b>206</b> 314	* <b>0.7</b> -0.3	<b>0.6</b> 0.9	<b>88.4</b> 92.1
(losses)	40,450	337	40,263	227	-0.5	0.8	92.9
to wage or salary income	42,422	278	42,295	266	-0.3	0.7	97.6
taxes	39,664	278	39,695	275	0.1	0.8	91.6
ing the Earned Income Credit (EIC))	36,868	242	37,274	239	*1.1	0.7	86.0
7. Definition 6 plus the EIC <sup>2</sup>	37,061	237	37,490	239	*1.2	0.7	86.5
Definition 7 less state income taxes	36,197	235	36,688	227	*1.4	0.7	84.7
cash transfers	40,024	215	40,605	230	*1.5	0.6	93.7
<ul><li>10. Definition 9 plus the value of Medicare</li><li>11. Definition 10 plus the value of regular-price</li></ul>	42,222	215	42,679	222	*1.1	0.6	98.5
school lunches	42,234	214	42,690	222	*1.1	0.6	98.6
cash transfers	42,432	214	42,876	219	*1.5	0.6	99.0
<ul> <li>13. Definition 12 plus the value of Medicaid</li> <li>14a. MI-Tx+NC-MM: Definition 13 plus the value of other means-tested government noncash transfers, less Medicare and</li> </ul>	43,013	207	43,465	217	*1.1	0.6	100.3
Medicaid	40,437	214	40,924	227	*1.2	0.6	94.5
14. MI-Tx+NC: Definition 14a plus the value of							
Medicare and Medicaid	43,155	206	43,629	215	*1.1	0.6	100.7
15. MI-Tx+NC+HE: Definition 14 plus imputed return on home equity	44,884	220	45,154	224	*0.6	0.6	104.2

<sup>\*</sup>Significantly different from zero at the 90-percent confidence level.

Note: Definition numbering reflects historical series identification.

Source: U.S. Census Bureau, Current Population Survey, 2003 and 2004 Annual Social and Economic Supplements.

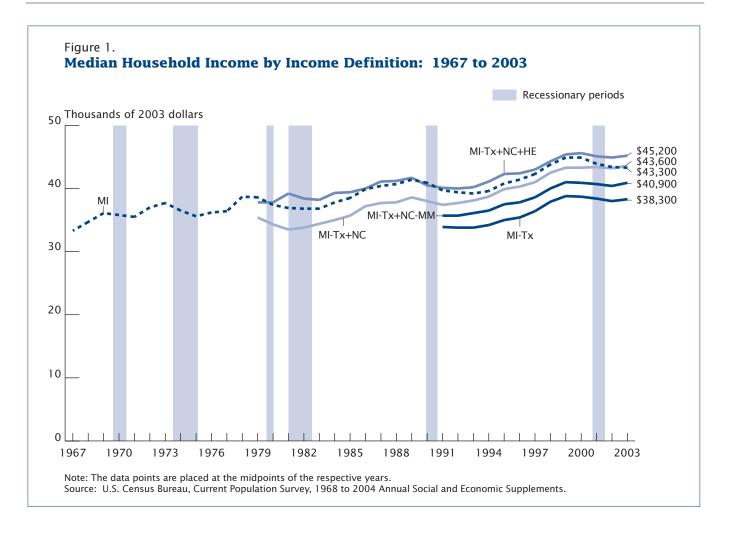
The new model refines the technique used to create tax units, uses the Internal Revenue Service's Statistics of Income public use file to assign missing tax components, and enhances state tax models. More details about the tax model revisions are presented in Appendix A. Four types of taxes were

simulated: federal individual income taxes, state individual income taxes, payroll taxes, and property taxes on owner-occupied housing. Federal, state, and payroll taxes were simulated, in part, using administrative records. Property taxes were imputed using data from the American Housing Survey.

Between 2002 and 2003, real median household income remained unchanged at \$43,300 under the traditional definition of income, which is referred to in this report as money income (MI), while income increased under 12 of the 17 alternative definitions,

<sup>&</sup>lt;sup>1</sup>A 90-percent confidence interval is a measure of an estimate's variability. The larger the confidence interval in relation to the size of the estimate, the less reliable the estimate. For more information, see "Standard Errors and Their Use" at <www.census.gov/hhes/www/p60-226sa.pdf>.

<sup>&</sup>lt;sup>2</sup>Twenty states (Arizona, Georgia, Hawaii, Illinois, Indiana, Iowa, Kansas, Kentucky, Maine, Maryland, Massachusetts, Minnesota, New Jersey, New Mexico, New York, Oklahoma, Oregon, Rhode Island, Virginia, and Wisconsin) and the District of Columbia have Earned Income Credit (EIC) or Low Income Credit (LIC) programs modeled in the state tax programs. The remaining states do not have such programs.



including the four alternative definitions featured (Table 1).4

MI-Tx (Definition 1b in Table 1) reflects income after including realized capital gains or losses and deducting income and payroll taxes. Between 2002 and 2003, real median household income under this definition increased 0.7 percent. The 2003 median household income for MI-Tx was \$38,300—88.4 percent of money income.

MI-Tx+NC-MM (Definition 14a in Table 1) reflects income after including realized capital gains or

losses, deducting income and payroll taxes, and adding the value of cash transfers and noncash transfers except Medicaid and Medicare. Real median household income under this definition increased by 1.2 percent between 2002 and 2003 to a level of \$40,900—94.5 percent of money income.

MI-Tx+NC (Definition 14 in Table 1) differs from MI-Tx+NC-MM because it includes the values of Medicare and Medicaid. Real median household income under this definition increased by 1.1 percent between 2002 and 2003 to a level of \$43,600—not different from money income.

The impact of adding an imputed return on home equity to MI-Tx+NC is shown in definition MI-Tx+NC+HE

(Definition 15 in Table 1). Real median household income under this definition increased by 0.6 percent between 2002 and 2003 to a level of \$45,200—104.2 percent of money income.

Over the longer term, the trends for median household income under each of the four alternative income definitions are similar (Figure 1).

The Census Bureau's research on taxes and noncash benefits indicates that government transfers reduce income inequality more than the tax system does. In 2003, for example, subtracting taxes and including the Earned Income Credit (EIC) lowered the Gini index (see text box "What is...? The Gini index") of income

<sup>&</sup>lt;sup>4</sup> The median income is the amount that divides the distribution into two equal groups, one having incomes above the median and the other having incomes below the median.

What is . . .? The Gini index is an income inequality measure that summarizes the dispersion of income across the entire income distribution. It ranges from 0, which indicates perfect equality (where everyone receives an equal amount), to 1, which denotes perfect inequality (where all the income is received by only one recipient or group of recipients).

inequality by 4.6 percent (from 0.498 to 0.475), while including transfers lowered the Gini index by 17.0 percent (from 0.475 to 0.394).

### **REGION**

Real median money income of households did not change between 2002 and 2003 in 3 of the 4 regions, while income in the South declined 1.5 percent (Table 2). In contrast, under the four alternative income measures analyzed here, between 2002 and 2003, none of the regions showed a decline, and increases were noted in the Midwest and the West. The real median income for households in the West showed increases for all four income definitions. Income in the Midwest increased for 3 of the 4 alternative income definitions— MI-Tx+NC-MM, MI-Tx+NC, and MI-Tx+NC+HE (Table 2).

### **RESIDENCE**

Between 2002 and 2003, real median household money income remained unchanged for households inside metropolitan areas and households outside metropolitan areas, and declined by 1.4 percent for households in central cities of metropolitan areas (Table 2).

Under the four alternative income measures, real median income showed a change between 2002 and 2003 only for households inside metropolitan areas. Under definitions MI-Tx and MI-Tx+NC+HE, these households experienced increases of about 0.8 percent. Under the other two definitions, MI-Tx+NC-MM and MI-Tx+NC, the increase was 1.4 percent.5 These increases seemed to be concentrated in the suburban part of the metropolitan areas, where income increased between 1.1 and 1.9 percent (Table 2).

### **TYPE OF HOUSEHOLD**

Real median household money income was unchanged between 2002 and 2003 for each of the household types shown in Table 2, while under the four alternative household income definitions only family households showed a change—1.0 percent increase under income definition MI-Tx, 1.4 percent increase under income definition MI-Tx+NC-MM, 1.8 percent increase under income definition MI-Tx+NC, and 1.5 percent increase under income definition MI-Tx+NC+HE.6 These increases were concentrated in married-couple family households, where real median income increased between 1.3 percent and 1.8 percent (Table 2).

### **RACE AND HISPANIC ORIGIN**

Under money income, only households whose householder reported Asian or Pacific Islander as their only race showed an increase in median household income between 2002 and 2003 (Table 2).<sup>7</sup> With the exception of Black households, all other race groups showed increases in two or more of the alternative income definitions. Black households showed no change under any of the alternative income definitions. The only changes for Hispanic-origin households were real declines in median money income and income using definition MI-Tx+NC-MM.<sup>8</sup>

### **INCOME INEQUALITY**

The Gini index of income inequality indicated no change between 2002 and 2003 in either household money income or income calculated using any of the four alternative income definitions. Under the money income measure and under the four alternative income definitions, the share of aggregate income received by the lowest income quintile, another measure of income inequality, declined between 2002 and 2003 (Table 3 and Figure 2). The only other quintile showing a change in share of aggregate income was the fourth quintile under income definition MI-Tx+NC+HE, where the share increased 1.5 percent.

<sup>&</sup>lt;sup>5</sup> The difference between the 0.8 percentage increase and the 1.4 percentage increase was not statistically significant.

<sup>&</sup>lt;sup>6</sup> The differences between the percentage increases in each of the income definitions for family households were not statistically significant.

<sup>&</sup>lt;sup>7</sup> Federal surveys now ask people to report one or more races. Therefore, two ways of defining a group such as Asian are possible. The first includes those who reported Asian and no other race; the second includes everyone who reported Asian regardless of whether they also reported another race. Data using the first concept are presented in this report. The term Pacific Islander is used for Native Hawaiian or Other Pacific Islander. In this report, "non-Hispanic White" refers to people who are not Hispanic and who reported only White as their race.

<sup>&</sup>lt;sup>8</sup> Because Hispanics may be any race, data in this report for Hispanics overlap with data for racial groups. Being Hispanic was reported by 11.8 percent of White householders who reported only one race; 2.7 percent of Black householders who reported only one race; 26.5 percent of American Indian and Alaska Native householders who reported only one race; and 10.0 percent of Native Hawaiian and Other Pacific Islander householders who reported only one race.

Table 2.

Median Household Income by Selected Demographic Characteristics and Alternative Income Definitions: 2002 and 2003

		2002¹			2003		real medi	e change in an income ss 2002)
Demographic characteristics and		Median	(dollars)		Median	(dollars)		
alternative income definitions	Number (thou- sands)	Estimate	90-percent confidence interval <sup>2</sup> (+/-)	Number (thou- sands)	Estimate	90-percent confidence interval <sup>2</sup> (+/-)	Estimate	90-percent confidence interval <sup>2</sup> (+/-)
MI (MONEY INCOME)								
All households	111,278	43,381	234	112,000	43,318	309	-0.1	0.7
Type of Residence								
Inside metropolitan areas Inside central cities. 1 million or more Under 1 million. Outside central cities. 1 million or more Under 1 million. Outside metropolitan areas.	90,075 33,543 21,133 12,409 56,532 38,913 17,619 21,203	46,294 37,708 38,617 36,328 51,879 55,447 45,229 35,448	298 365 587 582 357 688 697 623	90,613 33,717 21,146 12,571 56,896 39,112 17,784 21,387	46,060 37,174 38,523 35,391 51,737 55,354 45,568 35,112	306 359 661 604 344 494 655 592	-0.5 *-1.4 -0.2 *-2.6 -0.3 -0.2 0.8 -0.9	0.7 1.1 1.8 1.8 0.8 1.2 1.7
Region								
Northeast	21,229 25,630 40,107 24,313	46,913 44,621 40,427 46,177	579 641 501 690	21,017 25,643 40,742 24,598	46,742 44,732 39,823 46,820	646 581 443 625	-0.4 0.2 *-1.5 1.4	1.5 1.6 1.3 1.6
Race and Hispanic Origin								
All races	111,278	43,381	234	112,000	43,318	309	-0.1	0.7
White alone <sup>3</sup>	91,645 81,166	46,119 47,974	309 310	91,962 81,148	45,631 47,777	295 379	*-1.1 -0.4	0.7 0.8
Black alone <sup>4</sup>	13,465	29,691	659	13,629	29,645	635	-0.2	2.5
Asian alone <sup>5</sup>	3,917 4,164	53,832 53,489	1,550 1,317	4,040 4,250	55,699 55,823	1,800 1,547	3.5 *4.4	3.6
Hispanic origin (of any race)	11,339	33,861	812	11,693	32,997	756	*-2.6	2.2
Type of Household								
Family households	75,596 57,320 4,656	53,911 62,657 42,667	406 335 700	76,217 57,719 4,717	53,991 62,405 41,959	411 387 849	0.1 -0.4 -1.7	0.9 0.7 2.1
present  Nonfamily households  Male householder  Living alone  Female householder  Living alone	13,620 35,682 16,020 12,511 19,662 16,919	29,665 25,988 32,123 27,422 21,392 18,298	508 288 443 432 323 370	13,781 35,783 16,136 12,562 19,647 17,024	29,307 25,741 31,928 27,438 21,313 18,676	498 308 359 591 336 354	-1.2 -1.0 -0.6 0.1 -0.4 2.1	1.9 1.3 1.4 2.2 1.8 2.3
Age of Householder		•						
Under 65 years	88,619 6,611 19,055 24,069 22,623 16,260	50,644 28,466 46,368 54,747 60,373 48,284	360 766 495 695 883 719	88,951 6,610 19,159 23,222 23,137 16,824	50,171 27,053 44,779 55,044 60,242 49,215	245 665 592 661 651 850	*-0.9 *-5.0 *-3.4 0.5 -0.2 *1.9	0.7 2.8 1.3 1.4 1.5

See footnotes at end of table.

Table 2. Median Household Income by Selected Demographic Characteristics and Alternative Income Definitions: 2002 and 2003—Con.

		2002 <sup>1</sup>			2003		real medi	e change in an income ss 2002)
Demographic characteristics and		Median	(dollars)		Median	(dollars)		
alternative income definitions	Number (thou- sands)	Estimate	90-percent confidence interval <sup>2</sup> (+/-)	Number (thou- sands)	Estimate	90-percent confidence interval <sup>2</sup> (+/-)	Estimate	90-percent confidence interval <sup>2</sup> (+/-)
Age of Householder—Con.								
65 years and over	22,659 11,360 11,299	23,682 28,818 19,742	316 532 345	23,048 11,499 11,550	23,787 29,640 19,470	298 502 301	0.4 *2.9 -1.4	1.5 2.1 1.9
Size of Household								
One person Two people Three people Four people Five people Six people Seven people or more.	29,431 37,078 17,889 15,967 7,029 2,521 1,364	22,016 46,600 56,038 63,898 63,035 57,382 57,643	241 431 749 749 1,048 1,440 2,112	29,586 37,366 17,968 16,065 7,150 2,476 1,388	21,930 46,924 55,726 64,374 60,128 58,109 60,521	262 446 734 1,056 1,119 1,870 2,731	-0.4 0.7 -0.6 0.7 *-4.6 1.3 *5.0	1.3 1.1 1.5 1.7 1.9 3.4 4.9
Number of Earners								
No earners	23,347 40,078 47,853 38,261 7,224 2,369	15,754 35,596 70,961 67,046 82,047 101,109	195 338 493 394 1,119 1,528	23,932 40,769 47,299 37,917 6,998 2,384	15,661 35,977 71,496 67,348 82,464 100,000	196 247 368 423 1,020 (NA)	-0.6 *1.1 *0.8 0.5 0.5 -1.1	1.4 1.0 0.7 0.7 1.5 (NA)
Work Experience of Householder								
Total	111,278 77,866 56,307 33,412	43,381 55,014 61,385 21,472	234 392 387 247	112,000 77,597 55,952 34,403	43,318 54,989 60,852 21,476	309 352 319 255	-0.1 - *-0.9	0.7 0.8 0.7 1.3
MI-Tx (MONEY INCOME PLUS REALIZED CAPITAL GAINS (LOSSES), LESS INCOME AND PAYROLL TAXES)								
All households	111,278	38,049	205	112,000	38,306	206	*0.7	0.6
Type of Residence								
Inside metropolitan areas Inside central cities. 1 million or more Under 1 million. Outside central cities. 1 million or more Under 1 million. Outside metropolitan areas.	90,075 33,543 21,133 12,409 56,532 38,913 17,619 21,203	39,877 33,297 33,868 32,341 44,409 47,068 39,378 31,916	244 316 395 503 308 421 495 417	90,613 33,717 21,146 12,571 56,896 39,112 17,784 21,387	40,189 33,111 33,856 31,857 44,883 47,542 40,102 31,875	245 341 444 623 326 421 508 452	*0.8 -0.6 -1.5 *1.1 1 *1.8 -0.1	0.7 1.1 1.4 2.0 0.8 1.0 1.5
Region								
Northeast	21,229 25,630 40,107 24,313	40,175 38,633 35,457 40,353	486 392 321 522	21,017 25,643 40,742 24,598	40,404 38,903 35,258 41,370	507 406 344 533	0.6 0.7 -0.6 *2.5	1.4 1.2 1.1 1.5
Race and Hispanic Origin								
All races	111,278 91,645 81,166	38,049 39,872 41,199	206 228 257	112,000 91,962 81,148	38,306 39,918 41,486	205 226 257	*0.7 0.1 0.7	0.6 0.6 0.7

Table 2.

Median Household Income by Selected Demographic Characteristics and Alternative Income Definitions: 2002 and 2003—Con.

		2002¹			2003		real medi	e change in an income ss 2002)
Demographic characteristics and		Median	(dollars)		Median	(dollars)		
alternative income definitions	Number (thou- sands)	Estimate	90-percent confidence interval <sup>2</sup> (+/-)	Number (thou- sands)	Estimate	90-percent confidence interval <sup>2</sup> (+/-)	Estimate	90-percent confidence interval <sup>2</sup> (+/-)
Race and Hispanic Origin—Con.								
Black alone <sup>4</sup>	13,465	26,958	448	13,629	27,017	490	0.2	2.0
Asian alone <sup>5</sup>	3,917 4,164	45,559 45,186	1,346 1,220	4,040 4,250	47,509 47,404	1,429 1,408	*4.3	3.5 3.4
Hispanic origin (of any race)	11,339	31,356	484	11,693	30,926	436	-1.4	1.4
Type of Household								
Family households	75,596 57,320 4,656	46,888 53,033 37,728	266 301 799	76,217 57,719 4,717	47,373 53,723 37,680	273 308 890	*1.0 *1.3 -0.1	0.7 0.7 2.6
present	13,620 35,682 16,020 12,511 19,662 16,919	27,941 23,094 27,260 23,628 20,035 17,566	363 220 421 342 301 239	13,781 35,783 16,136 12,562 19,647 17,024	27,757 23,016 27,203 23,686 19,923 17,715	400 222 388 337 285 293	-0.7 -0.3 -0.2 0.2 -0.6 0.8	1.6 1.1 1.7 1.6 1.7
Age of Householder								
Under 65 years.  15 to 24 years  25 to 34 years  35 to 44 years  45 to 54 years  55 to 64 years  65 years and over  65 to 74 years  75 years and over	88,619 6,611 19,055 24,069 22,623 16,260 22,659 11,360 11,299	42,422 25,136 38,877 46,339 49,784 41,198 23,914 28,647 20,336	239 506 451 459 545 575 294 505 352	88,951 6,610 19,159 23,222 23,137 16,824 23,048 11,499 11,550	42,547 23,963 38,351 46,927 49,891 42,003 23,950 29,234 19,939	237 536 431 459 556 628 298 470 304	0.3 *-4.7 *-1.4 *1.3 0.2 *2.0 0.2 *2.1 *-2.0	0.6 2.3 1.3 1.1 1.3 1.7 1.4 2.0
Size of Household								
One person	29,431 37,078 17,889 15,967 7,029 2,521 1,364	20,107 40,787 47,771 54,398 55,171 51,544 54,105	222 338 569 596 1,052 1,498 2,095	29,586 37,366 17,968 16,065 7,150 2,476 1,388	20,140 41,238 48,026 55,374 53,628 53,498 57,318	235 341 535 655 943 1,517 2,283	0.2 *1.1 0.5 *1.8 *-2.8 *3.8 *5.9	1.3 1.0 1.3 1.3 2.0 3.4 4.7
Number of Earners								
No earners. One earner Two earners or more. Two earners Three earners. Four earners or more	23,347 40,078 47,853 38,261 7,224 2,369	16,073 30,587 58,323 55,258 67,724 82,940	205 199 281 301 757 1,402	23,932 40,769 47,299 37,917 6,998 2,384	16,045 31,192 59,569 56,260 69,046 86,175	207 204 313 329 885 1,285	-0.2 *2.0 *2.1 *1.8 *2.0 *3.9	1.5 0.8 0.6 0.7 1.4 1.9

See footnotes at end of table.

Table 2.

Median Household Income by Selected Demographic Characteristics and Alternative Income Definitions: 2002 and 2003—Con.

		2002¹			2003		real medi	e change in an income ss 2002)
Demographic characteristics and		Median	(dollars)		Median	(dollars)		
alternative income definitions	Number (thou- sands)	Estimate	90-percent confidence interval <sup>2</sup> (+/-)	Number (thou- sands)	Estimate	90-percent confidence interval <sup>2</sup> (+/-)	Estimate	90-percent confidence interval <sup>2</sup> (+/-)
Work Experience of Householder								
Total Worked Worked full-time, year-round Did not work	111,278 77,866 56,307 33,412	38,049 45,901 50,072 21,663	205 247 283 237	112,000 77,597 55,952 34,403	38,306 46,140 50,472 21,746	206 262 308 237	*0.7 0.5 *0.8 0.4	0.6 0.6 0.7 1.3
MI-Tx+NC-MM (MONEY INCOME PLUS REALIZED CAPITAL GAINS (LOSSES), LESS INCOME AND PAYROLL TAXES, PLUS VALUE OF EMPLOYER- PROVIDED HEALTH BENEFITS AND ALL NONCASH TRANS- FERS EXCEPT MEDICARE AND MEDICAID)								
All households	111,278	40,437	214	112,000	40,924	227	*1.2	0.6
Type of Residence								
Inside metropolitan areas Inside central cities.  1 million or more Under 1 million. Outside central cities.  1 million or more Under 1 million.	90,075 33,543 21,133 12,409 56,532 38,913 17,619	42,466 35,462 35,997 34,515 47,324 50,187 41,961	259 308 441 542 337 461 485	90,613 33,717 21,146 12,571 56,896 39,112 17,784	43,054 35,487 36,450 34,005 48,204 50,811 43,141	263 368 492 604 349 434 571	*1.4 0.1 1.3 -1.5 *1.9 *1.2 *2.8	0.7 1.1 1.5 1.9 0.8 1.0
Outside metropolitan areas	21,203	33,683	466	21,387	33,725	467	0.1	1.6
Region								
Northeast Midwest South West	21,229 25,630 40,107 24,313	42,922 41,494 37,288 42,977	559 432 375 537	21,017 25,643 40,742 24,598	43,476 42,156 37,128 44,245	525 428 345 535	1.3 *1.6 -0.4 *3.0	1.5 1.2 1.1 1.4
Race and Hispanic Origin								
All races	111,278	40,437	214	112,000	40,924	227	*1.2	0.6
White alone <sup>3</sup>	91,645 81,166	42,325 43,678	245 278	91,962 81,148	42,614 44,194	250 269	*0.7 *1.2	0.7 0.7
Black alone <sup>4</sup>	13,465	29,221	441	13,629	29,397	539	0.6	1.9
Asian alone <sup>5</sup>	3,917	49,090	1,271	4,040	50,980	1,364	*3.9	3.1
Other Pacific Islander <sup>6</sup>	4,164	48,620	1,282	4,250	51,036	1,362	*5.0	3.2
Hispanic origin (of any race)	11,339	33,899	447	11,693	33,277	543	*-1.8	1.4

See footnotes at end of table.

Table 2.

Median Household Income by Selected Demographic Characteristics and Alternative Income Definitions: 2002 and 2003—Con.

		2002 <sup>1</sup>			2003		real medi	e change in an income ess 2002)
Demographic characteristics and		Median	(dollars)		Median	(dollars)		
alternative income definitions	Number (thou- sands)	Estimate	90-percent confidence interval <sup>2</sup> (+/-)	Number (thou- sands)	Estimate	90-percent confidence interval <sup>2</sup> (+/-)	Estimate	90-percent confidence interval <sup>2</sup> (+/-)
Type of Household								
Family households	75,596 57,320 4,656	50,159 56,699 40,066	279 313 868	76,217 57,719 4,717	50,880 57,698 40,337	286 327 964	*1.4 *1.8 0.7	0.6 0.6 2.6
present	13,620 35,682 16,020 12,511 19,662 16,919	30,293 24,047 28,696 24,660 20,725 18,064	377 242 387 375 305 306	13,781 35,783 16,136 12,562 19,647 17,024	30,322 23,925 28,676 24,785 20,653 18,406	398 229 408 365 286 298	0.1 -0.5 -0.1 0.5 -0.3 1.9	1.5 1.1 1.6 1.7 1.6 1.9
Age of Householder								
Under 65 years.  15 to 24 years  25 to 34 years  35 to 44 years  45 to 54 years  55 to 64 years  65 years and over  65 to 74 years  75 years and over	88,619 6,611 19,055 24,069 22,623 16,260 22,659 11,360 11,299	45,588 26,937 42,012 50,121 53,283 43,580 24,135 29,083 20,463	257 530 495 496 538 633 293 520 333	88,951 6,610 19,159 23,222 23,137 16,824 23,048 11,499 11,550	45,907 25,584 41,626 51,137 53,890 44,706 24,182 29,670 20,052	257 523 472 477 579 594 293 482 311	*0.7 *-5.0 -0.9 *2.0 1.1 *2.6 0.2 *2.0 *-2.0	0.6 2.2 1.3 1.1 1.2 1.6 1.4 2.0
Size of Household								
One person Two people Three people. Four people. Five people Six people Seven people or more.	29,431 37,078 17,889 15,967 7,029 2,521 1,364	20,841 42,991 51,408 58,693 59,480 56,152 58,304	232 353 527 631 1,084 1,479 2,480	29,586 37,366 17,968 16,065 7,150 2,476 1,388	20,923 43,681 51,917 60,111 58,247 58,284 61,046	247 345 558 663 1,059 1,179 1,563	0.4 *1.6 1.0 *2.4 *-2.1 *3.8 *4.7	1.3 0.9 1.2 1.3 2.0 2.8 4.3
Number of Earners								
No earners One earner Two earners or more Two earners Three earners Four earners or more	23,347 40,078 47,853 38,261 7,224 2,369	16,494 32,906 62,676 59,333 72,604 88,373	195 219 311 340 766 1,570	23,932 40,769 47,299 37,917 6,998 2,384	16,463 33,562 64,235 60,828 74,602 92,268	194 220 332 341 1,013 1,395	-0.2 *2.0 *2.5 *2.5 *2.8 *4.4	1.3 0.8 0.6 0.7 1.4 2.0
Work Experience of Householder								
Total	111,278 77,866 56,307 33,412	40,437 49,285 53,734 22,197	214 276 310 237	112,000 77,597 55,952 34,403	40,924 49,914 54,621 22,277	227 281 347 239	*1.2 *1.3 *1.6 0.4	0.6 0.6 0.7 1.2

See footnotes at end of table.

Table 2.

Median Household Income by Selected Demographic Characteristics and Alternative Income Definitions: 2002 and 2003—Con.

		2002 <sup>1</sup>			2003		real medi	e change in an income ss 2002)
Demographic characteristics and		Median	(dollars)		Median	(dollars)		
alternative income definitions	Number (thou- sands)	Estimate	90-percent confidence interval <sup>2</sup> (+/-)	Number (thou- sands)	Estimate	90-percent confidence interval <sup>2</sup> (+/-)	Estimate	90-percent confidence interval <sup>2</sup> (+/-)
MI-Tx+NC (MONEY INCOME PLUS REALIZED CAPITAL GAINS (LOSSES), LESS INCOME AND PAYROLL TAXES, PLUS VALUE OF EMPLOYER-PROVIDED HEALTH BENEFITS AND ALL NONCASH TRANSFERS)								
All households	111,278	43,155	205	112,000	43,629	215	*1.1	0.6
Type of Residence								
Inside metropolitan areas Inside central cities.  1 million or more Under 1 million. Outside central cities.  1 million or more Under 1 million. Outside metropolitan areas.	90,075 33,543 21,133 12,409 56,532 38,913 17,619 21,203	45,055 37,995 38,692 36,864 49,788 52,579 44,644 36,815	254 333 441 538 342 441 542 451	90,613 33,717 21,146 12,571 56,896 39,112 17,784 21,387	45,679 38,023 38,888 36,562 50,693 53,214 46,296 36,745	247 341 424 544 344 446 508 466	*1.4 0.1 0.5 -0.8 *1.8 *1.2 *3.7 -0.2	0.6 1.0 1.3 1.7 0.8 1.0 1.4
Region								
Northeast	21,229 25,630 40,107 24,313	46,473 43,784 40,071 45,192	483 394 348 500	21,017 25,643 40,742 24,598	46,641 44,541 39,951 46,609	500 428 347 536	0.4 *1.7 -0.3 *3.1	1.2 1.1 1.0 1.3
Race and Hispanic Origin								
All races	111,278	43,155	205	112,000	43,629	216	*1.1	0.6
White alone <sup>3</sup>	91,645 81,166	45,014 46,376	237 254	91,962 81,148	45,308 46,911	245 261	*0.7 *1.2	0.6 0.6
Black alone <sup>4</sup>	13,465	31,415	506	13,629	31,671	492	0.8	1.8
Asian alone <sup>5</sup>	3,917 4.164	50,590 50,149	1,352 1,316	4,040 4,250	52,697 52,784	1,490 1,474	*4.2 *5.3	3.3
Hispanic origin (of any race)	11,339	35,720	516	11,693	35,495	470	-0.6	1.3
Type of Household	,555	00,.20		,555	00,.00		0.0	
Family households	75,596 57,320 4,656	52,777 58,953 42,318	257 300 707	76,217 57,719 4,717	53,708 59,985 42,801	280 308 847	*1.8 *1.7 1.1	0.6 0.6 2.1
Female householder, no husband present	13,620 35,682 16,020 12,511 19,662 16,919	32,976 26,287 30,059 26,442 23,591 21,425	429 229 358 382 289 261	13,781 35,783 16,136 12,562 19,647 17,024	32,869 26,163 30,170 26,621 23,410 21,444	419 234 382 372 263 281	-0.3 -0.5 0.4 0.7 -0.8 0.1	1.5 1.0 1.4 1.6 1.3

See footnotes at end of table.

Table 2.

Median Household Income by Selected Demographic Characteristics and Alternative Income Definitions: 2002 and 2003—Con.

		2002 <sup>1</sup>			2003		real medi	e change in an income ss 2002)
Demographic characteristics and		Median	(dollars)		Median	(dollars)		
alternative income definitions	Number (thou- sands)	Estimate	90-percent confidence interval <sup>2</sup> (+/-)	Number (thou- sands)	Estimate	90-percent confidence interval <sup>2</sup> (+/-)	Estimate	90-percent confidence interval <sup>2</sup> (+/-)
Age of Householder								
Under 65 years.  15 to 24 years  25 to 34 years  35 to 44 years  45 to 54 years  55 to 64 years  65 years and over  65 to 74 years  75 years and over	88,619 6,611 19,055 24,069 22,623 16,260 22,659 11,360 11,299	46,672 27,909 42,955 51,031 54,352 45,561 31,460 37,179 26,851	246 530 469 483 616 607 404 564 436	88,951 6,610 19,159 23,222 23,137 16,824 23,048 11,499 11,550	47,039 26,552 42,563 52,034 55,028 46,516 31,804 38,384 26,482	245 546 470 477 559 579 383 561 383	*0.8 *-4.9 -0.9 *2.0 1.2 *2.1 1.1 *3.2 -1.4	0.6 2.1 1.2 1.1 1.2 1.5 1.4 1.8
Size of Household								
One person	29,431 37,078 17,889 15,967 7,029 2,521 1,364	23,333 46,781 53,373 60,026 60,941 59,047 62,339	227 310 510 639 976 1,550 1,514	29,586 37,366 17,968 16,065 7,150 2,476 1,388	23,471 47,323 53,906 61,405 60,261 61,541 64,992	217 329 553 640 977 1,482 2,586	0.6 *1.2 1.0 *2.3 -1.1 *4.2 *4.3	1.1 0.8 1.1 1.2 1.8 3.0 4.0
Number of Earners	1,00	0=,000	,,,,,,	,,,,,,	,	_,,,,,		
No earners. One earner Two earners or more. Three earners. Four earners or more	23,347 40,078 47,853 38,261 7,224 2,369	21,118 34,661 63,568 60,256 73,675 89,407	273 217 300 335 818 1,546	23,932 40,769 47,299 37,917 6,998 2,384	21,038 35,399 65,255 61,795 75,624 93,749	309 248 342 334 880 1,574	-0.4 *2.1 *2.7 *2.6 *2.6 *4.9	1.6 0.8 0.6 0.6 1.3 2.0
Work Experience of Householder								
Total	111,278 77,866 56,307 33,412	43,155 50,428 54,572 27,563	205 276 315 291	112,000 77,597 55,952 34,403	43,629 51,100 55,514 27,703	215 271 317 313	*1.1 *1.3 *1.7 0.5	0.6 0.6 0.7 1.3
MI-Tx+NC+HE (MONEY INCOME PLUS REALIZED CAPITAL GAINS (LOSSES), LESS INCOME AND PAYROLL TAXES, PLUS VALUE OF EMPLOYER- PROVIDED HEALTH BENEFITS AND ALL NONCASH TRANS- FERS, PLUS IMPUTED RETURN TO HOME EQUITY)								
All households	111,278	44,884	220	112,000	45,154	224	*0.6	0.6
Type of Residence								
Inside metropolitan areas Inside central cities. 1 million or more Under 1 million. Outside central cities. 1 million or more Under 1 million.	90,075 33,543 21,133 12,409 56,532 38,913 17,619	46,824 39,190 39,873 37,963 51,837 54,665 46,376	261 362 439 542 355 422 569	90,613 33,717 21,146 12,571 56,896 39,112 17,784	47,231 39,132 39,888 37,722 52,528 55,187 48,150	255 350 454 609 354 441 517	*0.9 -0.1 -0.6 *1.3 *1.0 *3.8	0.6 1.0 1.3 1.7 0.8 0.9 1.4
Outside metropolitan areas	21,203	38,256	1	21,387	38,277	466	0.1	1.4

See footnotes at end of table.

Table 2.

Median Household Income by Selected Demographic Characteristics and Alternative Income Definitions: 2002 and 2003—Con.

		2002¹			2003		real medi	e change in an income ss 2002)
Demographic characteristics and		Median	(dollars)		Median	(dollars)		
alternative income definitions	Number (thou- sands)	Estimate	90-percent confidence interval <sup>2</sup> (+/-)	Number (thou- sands)	Estimate	90-percent confidence interval <sup>2</sup> (+/-)	Estimate	90-percent confidence interval <sup>2</sup> (+/-)
Region								
Northeast Midwest South West	21,229 25,630 40,107 24,313	48,137 45,319 41,446 47,472	513 416 370 528	21,017 25,643 40,742 24,598	48,103 45,970 41,471 48,650	569 431 373 571	-0.1 *1.4 0.1 *2.5	1.3 1.1 1.0 1.3
Race and Hispanic Origin								
All races  White alone <sup>3</sup> White alone, not Hispanic  Black alone <sup>4</sup>	111,278 91,645 81,166 13,465	44,884 46,877 48,426 32,216	220 246 268 486	112,000 91,962 81,148 13,629	45,154 47,000 48,744 32,500	224 248 272 514	*0.6 0.3 *0.7 0.9	0.6 0.6 0.6 1.8
Asian alone <sup>5</sup>	3,917 4,164	52,349 51,941	1,221	4,040 4,250	54,197 54,228	1,318 1,289	*3.5	2.8
Hispanic origin (of any race)	11,339	36,592	601	11,693	36,155	489	-1.2	1.4
Type of Household	,	,		,	,			
Family households	75,596 57,320 4,656	54,706 61,239 43,161	256 323 872	76,217 57,719 4,717	55,530 62,065 43,748	271 311 895	*1.5 *1.4 1.4	0.6 0.6 2.3
present.  Nonfamily households.  Male householder  Living alone.  Female householder  Living alone.	13,620 35,682 16,020 12,511 19,662 16,919	33,802 27,648 31,022 27,373 25,509 23,249	409 217 446 389 284 291	13,781 35,783 16,136 12,562 19,647 17,024	33,842 27,526 31,100 27,694 24,785 22,994	415 240 368 405 260 268	0.1 -0.4 0.3 1.2 *-2.8 -1.1	1.4 0.9 1.5 1.7 1.2
Age of Householder	,	,		,	,			
Under 65 years	88,619 6,611 19,055 24,069 22,623 16,260 22,659 11,360 11,299	47,952 28,077 43,373 51,850 56,509 48,399 34,819 40,395 29,590	256 532 483 500 612 653 399 575 458	88,951 6,610 19,159 23,222 23,137 16,824 23,048 11,499 11,550	48,255 26,600 42,975 52,782 56,987 49,394 34,680 41,413 29,035	265 536 497 479 549 717 387 683 395	*0.6 *-5.3 -0.9 *1.8 0.8 *2.1 -0.4 *2.5 *-1.9	0.6 2.1 1.3 1.1 1.2 1.6 1.3 1.8
Size of Household								
One person Two people Three people. Four people Five people Six people Seven people or more.	29,431 37,078 17,889 15,967 7,029 2,521 1,364	24,898 49,115 55,028 61,585 62,670 60,480 63,562	224 323 518 609 941 2,034 1,837	29,586 37,366 17,968 16,065 7,150 2,476 1,388	24,739 49,464 55,298 62,958 61,419 63,185 66,358	220 355 559 645 1,040 1,387 2,323	-0.6 0.7 0.5 *2.2 *-2.0 *4.5 *4.4	1.0 0.8 1.1 1.2 1.8 3.5 3.8

See footnotes at end of table.

Table 2.

Median Household Income by Selected Demographic Characteristics and Alternative Income Definitions: 2002 and 2003—Con.

	20021				2003		real medi	e change in an income ss 2002)
Demographic characteristics and		Median	(dollars)	Median (dollars)				
alternative income definitions	Number (thou- sands)	Estimate	90-percent confidence interval <sup>2</sup> (+/-)	Number (thou- sands)	Estimate	90-percent confidence interval <sup>2</sup> (+/-)	Estimate	90-percent confidence interval <sup>2</sup> (+/-)
Number of Earners								
No earners. One earner Two earners or more Two earners Three earners. Four earners or more	23,347 40,078 47,853 38,261 7,224 2,369	23,466 35,744 65,280 61,971 75,947 91,826	294 231 298 328 907 1,528	23,932 40,769 47,299 37,917 6,998 2,384	23,033 36,560 66,887 63,401 77,699 96,987	306 245 339 347 906 1675	*-1.8 *2.3 *2.5 *2.3 *2.3 *5.6	1.4 0.8 0.6 0.6 1.4 2.0
Work Experience of Householder								
Total  Worked  Worked full-time, year-round  Did not work	111,278 77,866 56,307 33,412	44,884 51,891 56,081 29,833	220 273 310 333	112,000 77,597 55,952 34,403	45,154 52,425 56,870 29,774	224 283 331 288	*0.6 *1.0 *1.4 -0.2	0.6 0.6 0.7 1.2

<sup>-</sup>Represents zero or rounds to zero. \*Statistically different from zero at the 90-percent confidence level.

(NA) Not available.

Source: U.S. Census Bureau, Current Population Survey, 2003 and 2004 Annual Social and Economic Supplements.

<sup>&</sup>lt;sup>1</sup>The 2002 estimates differ from previously released estimates due to revisions in the tax model; see Appendix A.

<sup>&</sup>lt;sup>2</sup>A 90-percent confidence interval is a measure of an estimate's variability. The larger the confidence interval in the estimate, the less reliable the estimate. For more information, see "Standard Errors and Their Use" at <www.census.gov/hhes/www/p60-226sa.pdf>.

<sup>&</sup>lt;sup>3</sup>The 2003 and 2004 CPS asked respondents to choose one or more races. White alone refers to people who reported White and did not report any other race category. The use of the single-race population does not imply that it is the preferred method of presenting or analyzing data. The Census Bureau uses a variety of approaches. Information on people who reported more than one race, such as White *and* American Indian and Alaska Native or Asian *and* Black or African American, is available from Census 2000 through American FactFinder at <a href="http://factfinder.census.gov">http://factfinder.census.gov</a>>. About 2.6 percent of people reported more than one race in Census 2000.

<sup>&</sup>lt;sup>4</sup>Black alone refers to people who reported Black and did not report any other race category.

<sup>&</sup>lt;sup>5</sup>Asian alone refers to people who reported Asian and did not report any other race category.

<sup>&</sup>lt;sup>6</sup>Asian and/or Native Hawaiian and Other Pacific Islander refers to people who reported either one or both of these categories, but did not report any other category.

Table 3.

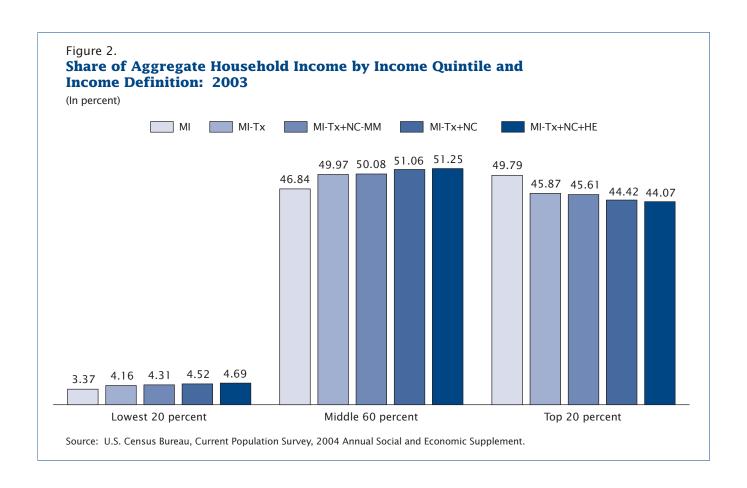
Percentage of Aggregate Income Received by Income Quintiles and Gini Index, by Alternative Income Definitions: 2002 and 2003

(For definition of Gini index, see text)

					Quir	tiles					Cini	index
Alternative income definitions	Low	est .	Sec	ond	Th	ird	Fou	urth	Higl	nest	GIIII	inuex
	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003
1.MI (Money income excluding realized capital gains (losses))	3.43 4.24	3.37* 4.16*	8.84 10.15	8.83 10.06	14.87 15.86	14.72 15.89	23.23	23.29	49.63 46.03	49.79 45.87	0.448 0.414	0.450
benefits and all noncash transfers except Medicaid and Medicare)	4.39 4.60	4.31* 4.52*	10.15 10.80	10.01 10.69	15.93 16.34	16.03 16.40	23.84	24.04 23.97	45.70 44.57	45.61 44.42	0.409 0.394	0.409 0.394
imputed return on home equity)	4.81	4.69*	10.91	10.76	16.41	16.45	23.68	24.04*	44.19	44.07	0.388	0.390

<sup>\*</sup>Difference between 2002 and 2003 statistically different from zero at the 90-percent confidence level.

Source: U.S. Census Bureau, Current Population Survey, 2003 and 2004 Annual Social and Economic Supplements.



#### CPS DATA COLLECTION

The information in this report was collected in the 50 states and the District of Columbia and does not represent residents of Puerto Rico or any other outlying areas.9 It is based on a sample of about 100.000 addresses. The results are controlled to national population estimates by age, race, sex, and Hispanic origin, and to state population estimates by age. The population controls used to prepare estimates for 1999 to 2003 are based on the results from Census 2000 that were updated annually using administrative records, such as birth and death certificates.

The CPS is a household survey primarily used to collect employment data. The sample universe for the basic CPS consists of the resident, civilian, noninstitutionalized population of the United States. People in institutions, such as prisons, long-

#### **Additional Data and Contacts**

Detailed tables, historical tables, press releases and briefings, and unpublished data are available electronically on the U.S. Census Bureau's Income Web site. The Web site may be accessed through the Census Bureau's home page at <www.census.gov> or directly at <www.census.gov/hhes/www/income.html> for income data. Technical methods have been applied to CPS microdata to avoid disclosing the identities of individuals from whom data were collected. These protected microdata are available for downloading by clicking on "Access Tools" on the Census Bureau's home page and then clicking the "DataFerrett" link.

For assistance with income data or questions, contact the Housing and Household Economic Statistics Division statistical information staff by telephone at 301-763-3242 or search your topic of interest using the Census Bureau's "Question and Answer Center" found at <a href="http://ask.census.gov">http://ask.census.gov</a>.

term care hospitals, and nursing homes, are therefore not eligible to be interviewed in the CPS. Students living in dormitories are only included in the estimates if information about them is reported in an interview at their parents' homes.

The sample universe for the ASEC is slightly larger than the basic CPS

since it includes military personnel who live in a household with at least one other civilian adult, regardless of whether they live off post or on post. All other armed forces are excluded. For further documentation about the ASEC, see <www.bls.census.gov/cps/ads/adsmain.htm>.

<sup>&</sup>lt;sup>9</sup> Outlying areas include American Samoa, Guam, the Northern Mariana Islands, and the Virgin Islands of the United States.

### APPENDIX A. OVERVIEW OF THE NEW CURRENT POPULATION SURVEY TAX MODEL

#### INTRODUCTION

In 2004, the Census Bureau implemented a new model to estimate payroll taxes and federal and state income taxes for the Annual Social and Economic Supplement (ASEC) to the Current Population Survey (CPS). These estimates are used when calculating alternative income definitions. The new model closely follows the Internal Revenue Service (IRS) 1040 Individual Income Tax Return and IRS rules on filing unit formation and on claiming dependents. While the old tax model had been updated annually to account for changes in tax rates and filing thresholds, the underlying methodology had not been revised since the model's inception in the early 1980s.

### **KEY DIFFERENCES**

The key differences between the old and new tax models involve creating tax units, imputing tax variables, simulating statutory

adjustments, and expanding the detail in state tax estimates.

### Creating tax units

The new tax model allows nonrelatives to be dependents when creating filing units from the personlevel survey data. The new model also allows single returns to have more than one exemption. Table A-1 illustrates that these changes had little impact on return-type designations, but affected taxable income because unit composition determines both the number of exemptions that may be deducted from Adjusted Gross Income (AGI) and eligibility for credits (Table A-2).

### **Imputing tax variables**

The method for imputing missing tax fields, such as capital gains and itemized deductions, changed between the old and new tax models. The new model employs a statistical match to the Statistics of Income (SOI) public use file released by the IRS, while the old

model based imputations on average values for units that varied by a limited set of demographic characteristics. The values obtained from the statistical match added variability to the tax fields. Both the old and new tax models suffer from a delay in the availability of IRS data—a 1-year lag in the averages used in the old model and a 3-year lag in the availability of an SOI public use file. To partially overcome this problem, the new tax model adjusts dollar values in the (2000) SOI data to 2002 and 2003 using published IRS data.

### Simulating statutory adjustments

For the first time, the new model simulates statutory adjustments. Specifically, the new model includes IRA contributions, self-employed health insurance deductions, and self-employed savings and pension plan deductions (Keogh, SEP, and SIMPLE). Table A-3 lists the variables imputed through the SOI statistical match.

Table A-1. **Distribution of Return Types: 2002** 

	Per	cent	Number of retu	rns (thousands)
	Old model	New model	Old model	New model
Married, filing jointly Head of household Single. Total	42.9 9.9 47.2 100.0	42.5 10.0 47.5 100.0	55,050 12,708 60,457 128,215	52,377 12,349 58,628 123,354

Table A-2. **Aggregate Taxable Income by Return Type: 2002** 

	Per	cent	Dollars (thousands)		
	Old model	New model	Old model	New model	
Single.  Married, filing jointly  Head of household  Total	26.2 69.8 4.0 100.0	27.1 68.5 4.4 100.0	1,091,145 2,906,857 168,706 4,166,707	2,666,535	

Table A-3. **Imputed Tax Variables: 2002** 

	Old model	New model
Capital gains and losses IRA deduction Self-employed health insurance deduction Keogh and self-employed SEP and SIMPLE plans Itemized deductions Childcare expenses	No No No Yes	Yes Yes Yes Yes Yes Yes

### Improving state tax estimates

State tax estimates now reflect more information specific to each state's individual income tax return and simulate more refundable and nonrefundable credit programs. Also, the new model allows the state Earned Income Credit (EIC) to be refundable, while the old model allowed an amount no greater than the estimated state tax. These changes altered the estimates in all states. To enable comparisons, Table A-4 shows aggregate state income taxes for the two models and reported individual income tax revenues by state from the Governments Division of the Census Bureau.10 Some states show large differences between the old and new tax model estimates. Nearly all of these differences are

the result of lower estimates from the new tax model, which better models each state's tax return by incorporating income exclusions and various credit programs.

### **RESULTS**

Table A-5 compares summary measures from the old and new tax models for certain variables in tax year 2002. These are weighted averages, medians, and aggregates for filing units with nonzero amounts.

The new model uses a statistical match to assign capital gains and losses to filing units. The old tax model, by design, generated gains in alignment with the IRS published results. This method failed to assign many gains at the lower end of the income distribution, and assigned excessive values to select cases at the upper end of the income distribution. Compared to the old model, the new tax model

assigned a wider range of values, particularly at the upper end of the distribution.

Table A-6 shows median household after-tax income by selected household characteristics for 2002. The most notable differences created by the new tax model were higher median household income in the West, and nationally, higher nonfamily median household income, lower median incomes for households with younger householders, higher median incomes for households with elderly householders, and lower median incomes for households with working householders.

For more information concerning the new tax model, see the working paper New Methods for Simulating CPS Taxes at <www.census.gov/hhes/www/income/oharataxmodel.pdf>.

<sup>&</sup>lt;sup>10</sup> Fiscal Year 2003 state data were used to obtain individual income tax values for tax year 2002.

Table A-4. **Aggregate State Taxes by State: 2002**(Millions of dollars)

State	New model	Old model	State reported
Alabama	2,329	2,990	2,035
Arizona	1,769	4,045	2,102
Arkansas	1,622	2,645	1,528
California	26,397	45,263	32,710
Colorado	3,296	3,717	3,236
Connecticut	3,004	1,671	3,639
Delaware	645	1,173	710
District of Columbia	1,077	1,538	929
Georgia	6,252	8,096	6,291
Hawaii	1,256	3,334	1,038
ldaho	943	1,243	844
Illinois	6,909	7,609	7,341
Indiana	4,801	4,063	3,644
lowa	2,369	3,478	1,791
Kansas	2,021	2,277	1,777
Kentucky	3,304	3,574	2,814
Louisiana	1,873	1,892	1,867
Maine	1,050	1,275	1,075
Maryland	5,083	8,174	4,682
Massachusetts	7,358	9,308	8,026
Michigan	6,809	9,078	6,520
Minnesota	5,691	8,415	5,375
Mississippi	1,128	1,449	1,020
Missouri	4,031	4,938	3,520
Montana	666	817	536
Nebraska	1,491	1,504	1,123
New Hampshire	36	47	55
New Jersey	6,602	10,978	6,735
New Mexico	977	1,293	923
New York	21,951	26,034	22,648
North Carolina	7,409	9,010	7,089
North Dakota	199	175	199
Ohio	7,445	10,207	7,916
Oklahoma	2,700	3,212	2,114
Oregon	4,132	5,118	4,024
Pennsylvania	6,846	7,908	6,662
Rhode Island	886	870	825
South Carolina	2,501	3,525	2,334
Tennessee	152	208	116
Utah	1,467	1,938	1,573
Vermont	397	482	411
Virginia	6,394	8,249	6,776
West Virginia	976	1,049	1,056
Wisconsin	5,278	7,071	5,253

Note: Seven states (Alaska, Florida, Nevada, South Dakota, Texas, Washington, and Wyoming) are not included in the table because they do not levy individual state income taxes.

Table A-5. **Tax Model Summary Measures: 2002**(In dollars)

	Average		Median		Aggregate (thousands)	
	Old model	New model	Old model	New model	Old model	New model
Capital gains	22,832	7,611	6,184	2,258	320,977,654	82,695,595
Capital losses		2,399	2,112	3,000	26,173,735	23,978,666
AGI	48,867	48,678	30,309	32,397	6,265,476,178	6,004,516,003
Itemized deductions	14,548	16,990	11,780	13,180	1,254,713,253	777,544,393
Taxable income	41,020	37,528	23,825	23,550	4,166,707,118	3,893,238,117
EIC	1,523	1,517	1,301	1,231	25,758,259	24,816,475
Federal tax after credits	7,036	6,452	2,445	2,472	767,943,297	724,473,825

AGI=Adjusted Gross Income. EIC=Earned Income Credit.

Table A-6. **Median After-tax Households Income by Selected Characteristics and Tax Model: 2002** (Households as of March 2003)

		Old tax	model	New tax	k model	
		Median	(dollars)	Median	(dollars)	
Characteristic and tax model	Number (thousands)	Estimate	90-percent confidence interval <sup>1</sup> (+/-)	Estimate	90-percent confidence interval <sup>1</sup> (+/-)	Difference (New-old)
MI-Tx (MONEY INCOME PLUS REALIZED CAPITAL GAINS (LOSSES), LESS INCOME AND PAYROLL TAXES)						
All households	111,278	37,131	197	37,197	201	66
Type of Residence						
Inside metropolitan areas. Inside central cities. 1 million or more Under 1 million. Outside central cities 1 million or more Under 1 million. Outside metropolitan areas.	90,075 33,543 21,133 12,409 56,532 38,913 17,619 21,203	38,947 32,523 33,175 31,491 43,359 45,988 38,509 31,042	234 324 408 492 313 413 479 444	38,984 32,551 33,109 31,617 43,414 46,014 38,496 31,201	239 309 387 492 301 411 484 408	37 28 -66 126 55 26 -13 159
Region						
Northeast. Midwest. South. West.	21,229 25,630 40,107 24,313	39,330 37,644 34,745 38,977	454 413 331 497	39,275 37,768 34,663 39,449	475 383 314 510	-55 124 -82 472
Race and Hispanic Origin						
All races	111,278	37,130	196	37,197	201	66
White alone <sup>2</sup> ····································	91,645 81,166	38,913 40,250	226 253	38,979 40,276	223 251	66 26
Black alone <sup>3</sup>	13,465	26,350	410	26,354	438	4
Asian alone <sup>4</sup>	3,917 4,164	44,102 43,805	1,256 1,195	44,539 44,174	1,316 1,193	437 369
Hispanic origin (of any race)	11,339	30,553	472	30,654	473	101
Type of Household						
Family households  Married-couple families  Male householder, no wife present  Female householder, no husband present.  Nonfamily households  Male householder  Living alone  Female householder.  Living alone	75,596 57,320 4,656 13,620 35,682 16,020 12,511 19,662 16,919	45,614 51,559 37,104 27,304 22,264 26,534 22,986 19,062 16,798	250 294 730 339 227 364 377 290 225	45,838 51,845 36,883 27,315 22,577 26,649 23,099 19,586 17,173	260 294 781 355 215 411 334 294 234	224 286 -221 11 313 115 113 524 375
Age of Householder						
Under 65 years  15 to 24 years  25 to 34 years  35 to 44 years  45 to 54 years  55 to 64 years  65 years and over  65 to 74 years  75 years and over	88,619 6,611 19,055 24,069 22,623 16,260 22,659 11,360 11,299	41,615 25,131 38,317 45,619 48,829 40,190 22,783 27,461 19,180	235 497 438 429 548 551 291 449 326	41,472 24,573 38,006 45,301 48,669 40,275 23,378 28,005 19,881	234 495 441 449 533 563 288 494 344	-143 -558 -311 -318 -160 85 595 544 701

See footnotes at end of table.

Table A-6.

Median After-tax Households Income by Selected Characteristics and Tax Model: 2002

(Households as of March 2003)

		Old tax	model	New tax	c model	
		Median	(dollars)	Median		
Characteristic and tax model	Number (thousands)	Estimate	90-percent confidence interval <sup>1</sup> (+/-)	Estimate	90-percent confidence interval <sup>1</sup> (+/-)	Difference (New-old)
Size of Household						
One person. Two people Three people Four people Five people Six people. Seven people or more	29,431 37,078 17,889 15,967 7,029 2,521 1,364	19,211 39,566 46,553 53,177 53,701 50,459 52,562	217 334 497 645 952 1,352 1,948	19,657 39,874 46,701 53,180 53,935 50,390 52,893	217 331 556 582 1,028 1,464 2,048	446 308 148 3 234 -69 331
Number of Earners						
No earners One earner Two earners or more Two earners Three earners Four earners or more	23,347 40,078 47,853 38,261 7,224 2,369	15,334 29,990 57,277 54,382 65,939 80,799	196 209 270 344 770 1,528	15,713 29,902 57,017 54,020 66,207 81,082	201 194 275 294 740 1,370	379 -88 -260 -362 268 283
Work Experience of Householder						
Total	111,278 77,866 56,307 33,412	37,131 45,082 49,249 20,632	197 245 285 240	37,197 44,873 48,951 21,178	201 242 276 232	66 -209 -298 546

<sup>&</sup>lt;sup>1</sup>A 90-percent confidence interval is a measure of an estimate's variability. The larger the confidence interval in relation to the size of the estimate, the less reliable the estimate. For more information, see "Standard Errors and Their Use" at <www.census.gov/hhes/www/p60-226sa.pdf>.

Source: U.S. Census Bureau, Current Population Survey, 2003 Annual Social and Economic Supplements.

<sup>&</sup>lt;sup>2</sup>The 2003 CPS asked respondents to choose one or more races. White alone refers to people who reported White and did not report any other race category. The use of the single-race population does not imply that it is the preferred method of presenting or analyzing data. The Census Bureau uses a variety of approaches. Information on people who reported more than one race, such as White **and** American Indian and Alaska Native or Asian **and** Black or African American, is available from Census 2000 through American FactFinder at <a href="http://factfinder.census.gov">http://factfinder.census.gov</a>. About 2.6 percent of people reported more than one race in Census 2000.

<sup>&</sup>lt;sup>3</sup>Black alone refers to people who reported Black and did not report any other race category.

<sup>&</sup>lt;sup>4</sup>Asian alone refers to people who reported Asian and did not report any other race category.

<sup>&</sup>lt;sup>5</sup>Asian and/or Native Hawaiian and Other Pacific Islander refers to people who reported either one or both of these categories, but did not report any other category.

### APPENDIX B. HISTORICAL ESTIMATES OF INCOME

Table B-1.

Median Household Income for Selected Definitions of Income, by Race and Hispanic Origin of Householder: 1979 to 2003

(Income in 2003 CPI-U-RS adjusted dollars. See text for comparability issues regarding comparison of data for racial groups using single and multiple race reporting methods. For meaning of symbols, see text)

Race and Hispanic origin of householder and year	Total money income (MI)	(MI-Tx) <sup>1</sup>	(MI-Tx+NC-MM) <sup>2</sup>	(MI-Tx+NC) <sup>3</sup>	(MI-Tx+NC+HE)
ALL RACES					
2003	43,318	38,306	40,924	43,629	45,15
0025	43,381	38,049	40,437	43,155	44,88
001	43,882	38,422	40,665	43,369	45,12
0006	44,853	38,748	40,908	43,285	45,63
999 <sup>7</sup>	44,922	38,842	40,970	43,328	45,35
998	43,825	37,862	40,037	42,459	44,30
997	42,294	36,367	38,554	40,985	43,00
996	41,431	35,394	37,756	40,295	42,44
995 <sup>8</sup>	40,845	35,024	37,494	39,922	42,26
994 <sup>9</sup>	39,613	34,173	36,508	38,740	41.11
99310	39.165	33,808	36,056	38,104	40,23
	33,103	33,000	30,030	30,104	40,20
992 <sup>11</sup>	39,364	33,752	35,741	37,741	40,02
991	39,679	33,877	35,654	37,443	40,12
990	40,865	(NA)	(NA)	37,960	40,52
989	41,411	(NA)	(NA)	38,556	41,66
988	40,678	(NA)	(NA)	37,796	41,19
987 <sup>12</sup>	40,357	(NA)	(NA)	37,696	41,06
986	39,868	(NA)	(NA)	37,197	40,02
985 <sup>13</sup>	38,510	(NA)	(NA)	35,709	39,41
984	37,767	(NA)	(NA)	35,049	39,26
983 <sup>14</sup>	36,826	(NA)	(NA)	34,359	38,20
965	30,020	(IVA)	(NA)	34,339	30,20
982	36,811	(NA)	(NA)	33,831	38,39
981	36,868	(NA)	(NA)	33,505	39,19
980	37,447	(NA)	(NA)	34,290	37,80
979 <sup>15</sup>	38,649	(NA)	(NA)	35,435	37,77
/HITE ALONE <sup>16</sup>		` '	` '		- ,
-	45.004	00.010	40.044	45.000	47.00
003	45,631	39,918	42,614	45,308	47,00
002 <sup>5</sup>	46,119	39,872	42,325	45,014	46,87
/HITE <sup>17</sup>					
001	46,261	39,885	42,163	44,864	46,67
0006	46,910	40,297	42,509	44,911	47,32
999 <sup>7</sup>	46,720	40,441	42,547	44,930	47,11
998	46,110	39,751	41,959	44,274	46,23
997	44,542	38,000	40,239	42,586	44,76
996	43,379	36,984	39,481	41,927	44,23
9958	42,871	36,589	39,148	41,472	44,06
994 <sup>9</sup>	41,779	35,752	38,058	40,191	42,72
993 <sup>10</sup>	41,320	35,559	37,839	39,920	42,12
	41,320	33,339	37,839	39,920	42,12
992 <sup>11</sup>	41,385	35,436	37,560	39,517	41,93
991	41,580	35,408	37,303	39,083	41,93
990	42,622	(NA)	(NA)	39,451	42,19
989	43,560	(NA)	(NA)	40,142	43,44
988	43,003	(NA)	(NA)	39,534	43,08
987 <sup>12</sup>	42,520	(NA)	(NA)	39,443	43,06
986	41,914	(NA)	(NA)	38,835	41,84
985 <sup>13</sup>	40,614	(NA)	(NA)	37,245	41,23
984	· · · · · · · · · · · · · · · · · · ·	` '	` ' /		41,07
	39,843	(NA)	(NA)	36,588	
983 <sup>14</sup>	38,608	(NA)	(NA)	35,817	39,79
982	38,537	(NA)	(NA)	35,185	39,97
981	38,954	(NA)	(NA)	34,881	40,91
980	39,506	(NA)	(NA)	35,641	39,34
979 <sup>15</sup>	40,523	(NA)	(NA)	36,792	39,24
VHITE ALONE, NOT HISPANIC	<i>,</i>	` '	` '	·	-,
003	A7 777	11 196	44 104	46 011	48,74
0025	47,777 47,974	41,486	44,194	46,911	,
VIV.C	47,974	41,199	43,678	46,376	48,42

See footnotes at end of table.

Table B-1.

Median Household Income for Selected Definitions of Income, by Race and Hispanic Origin of Householder: 1979 to 2003—Con.

(Income in 2003 CPI-U-RS adjusted dollars. See text for comparability issues regarding comparison of data for racial groups using single and multiple race reporting methods. For meaning of symbols, see text)

Race and Hispanic origin of householder and year	Total money income (MI)	(MI-Tx) <sup>1</sup>	(MI-Tx+NC-MM) <sup>2</sup>	(MI-Tx+NC) <sup>3</sup>	(MI-Tx+NC+HE) <sup>4</sup>
WHITE ALONE, NOT HISPANIC—Con.					
2001	48,119	41,176	43,495	46,206	48,111
20006	48,734	41,543	43,803	46,169	48,699
1999 <sup>7</sup>	48,742	41,809	43,902	46,296	48,673
BLACK ALONE OR IN COMBINATION					
	00.000	07.005	00.444	04.750	00 504
2003	29,689 29,845	27,095 27.082	29,444   29,337	31,758 31,540	32,591 32,339
	23,043	27,002	23,337	31,540	02,000
BLACK ALONE <sup>18</sup>					
2003	29,645 29,691	27,017 26,958	29,397 29,221	31,671 31,415	32,500 32,216
BLACK <sup>17</sup>					
2001	30,625	27,222	29,407	31,713	32,622
20006	31,690	27,917	30,053	32,052	33,211
1999 <sup>7</sup>	30,808	27,438	29,533	31,836	33,045
1998	28,572	25,769	27,810	30,108	31,062
1997	28,630	25,485	27,616	29,494	30,562
1996	27,411	24,693	26,918	29,142	30,196
1995 <sup>8</sup>	26,842	24,220	26,516	28,673	29,722
1994 <sup>9</sup>	25,816	23,136	25,460	27,436	28,811
1993 <sup>10</sup>	24,487	22,021	24,261	26,099	27,117
1992 <sup>11</sup>	24,098	21,716	23,796	25,580	26,727
1991	24,702	22,266	24,226	26,221	27,397
1990	25,596	(NA)	(NA)	27,169	28,388
1989	26,869	(NA)	(NA)	28,521	29,800
1988	28,023	(NA)	(NA)	29,745	31,080
1987 <sup>12</sup>	29,043	(NA)	(NA)	30,829	32,211
1986	30,033	(NA)	(NA)	31,879	33,309
1985 <sup>13</sup>	30,581	(NA)	(NA)	32,461	33,917
1984	31,600	(NA)	(NA)	33,543	35,048
	32,861	(NA)	(NA)	34,881	36,446
1982	21,841	(NA)	(NA)	22,775	25,624
1981	23,133	(NA)	(NA)	24,123	27,140
1980	25,306	(NA)	(NA)	26,388	29,689
1979 <sup>15</sup>	28,100	(NA)	(NA)	29,302	32,967
ASIAN ALONE OR IN COMBINATION					
2003	55,262	47,126	50,644	52,333	53,820
2002 <sup>5</sup>	53,483	45,249	48,823	50,294	52,058
ASIAN ALONE <sup>19</sup>					
2003	55,699	47,509	50,980	52,697	54,197
2002 <sup>5</sup>	53,832	45,559	49,090	50,590	52,349
ASIAN AND PACIFIC ISLANDER <sup>17</sup>					
2001	55,736	46,399	49,393	51,057	52,807
2000	57,292	47,694	50,772	52,482	54,281
1999 <sup>7</sup>	59,204	49,286	52,466	54,233	56,092
1998	52,562	43,548	46,528	47,720	49,748
1997	53,302	44,161	47,183	48,392	50,448
1996	54,440	45,104	48,190	49,426	51,526
19958	55,902	46,315	49,484	50,752	52,909
1994 <sup>9</sup>	57,260 58,465	47,440 48,439	50,686 51,753	51,985 53,080	54,194 55,335
1992 <sup>11</sup>	48,570	39,789	42,436	43,681	46,072
1991	49,788	39,071	41,118	42,651	45,019
1990	51,589	(NA)	(NA)	(NA)	(NA)
1989	54,154	\ " "	(NA)	(NA)	(NA)

See footnotes at end of table.

Table B-1.

## Median Household Income for Selected Definitions of Income, by Race and Hispanic Origin of Householder: 1979 to 2003—Con.

(Income in 2003 CPI-U-RS adjusted dollars. See text for comparability issues regarding comparison of data for racial groups using single and multiple race reporting methods. For meaning of symbols, see text)

Race and Hispanic origin of householder and year	Total money income (MI)	(MI-Tx) <sup>1</sup>	(MI-Tx+NC-MM) <sup>2</sup>	(MI-Tx+NC) <sup>3</sup>	(MI-Tx+NC+HE) <sup>4</sup>
ASIAN AND PACIFIC ISLANDER <sup>17</sup> —Con.					
1988	56,480	(NA)	(NA)	(NA)	(NA)
1987 <sup>12</sup>	58,537	(NA)	(NA)	(NA)	(NA)
HISPANIC (OF ANY RACE)					
2003	32,997	30,926	33,277	35,495	36,155
2002 <sup>5</sup>	33,861	31,356	33,899	35,720	36,592
2001	34,400	31,308	33,426	35,739	36,704
2000 <sup>6</sup>	35,360	32,182	34,044	35,958	37,119
1999 <sup>7</sup>	36,540	33,256	33,034	34,835	35,643
1998	31,929	28,996	31,069	32,699	33,570
1997	32,379	29,404	31,507	33,159	34,043
1996	33,070	30,032	32,180	33,867	34,770
1995 <sup>8</sup>	33,958	30,838	33,043	34,777	35,703
1994 <sup>9</sup>	34,783	31,587	33,846	35,621	36,570
1993 <sup>10</sup>	35,515	32,252	34,559	36,371	37,341
1992 <sup>11</sup>	29,035	26,018	28,062	29,739	30,906
1991	29,763	26,679	28,776	30,484	31,680
1990	30,839	(NA)	(NA)	31,587	32,826
1989	32,373	(NA)	(NA)	33,158	34,459
1988	33,763	(NA)	(NA)	34,582	35,939
1987 <sup>12</sup>	34,993	(NA)	(NA)	35,841	37,247
1986	36,185	(NA)	(NA)	37,062	38,516
1985 <sup>13</sup>	36,846	(NA)	(NA)	37,739	39,220
1984	38,074	(NA)	(NA)	38,997	40,527
1983 <sup>14</sup>	39,593	(NA)	(NA)	40,553	42,144
1982	27,699	(NA)	(NA)	27,531	29,650
1981	29,338	(NA)	(NA)	29,160	31,404
1980	32,093	(NA)	(NA)	31,898	34,353
1979 <sup>15</sup>	35,637	(NA)	(NA)	35,421	38,147

### (NA) Not available.

<sup>1</sup>Money income less taxes

<sup>2</sup>Money income, less taxes, plus value of noncash transfers, less Medicare and Medicaid.

Money income, less taxes, plus value of noncash transfers.

Money income, less taxes, plus value of noncash transfers.

Money income, less taxes, plus value of noncash transfers.

Implementation of new tax model.

SImplementation of new tax model.

Implementation of a 28,000-household sample expansion.
Implementation of Census 2000-based population controls.

Full implementation of 1990 census-based sample design and metropolitan definitions, 7,000-household sample reduction, revised race edits.
Introduction of 1990 census sample design.

Data collection method changed from paper and pencil to computer-assisted interviewing. In addition, the March 1994 income supplement was revised to allow for the coding of different income amounts on selected questionnaire items. Limits either increased or decreased in the following categories: earnings limits increased to \$999,999; social security limits increased to \$49,999; Supplemental Security Income and public assistance limits increased to \$24,999; veterans' benefits limits increased to \$99,999; child support and alimony limits decreased to \$49,999.

benefits limits increased to \$99,999; child support and alimony limits decreased to \$49,999.

11 Implementation of 1990 census population controls.

12 Implementation of a new March CPS processing system.

13 Recording of amounts for earnings from longest job increased to \$299,999. Full implementation of 1980 census-based sample design.

14 Implementation of Hispanic population weight controls and introduction of 1980 census-based sample design.

15 Implementation of 1980 census population controls. Questionnaire expanded to show 27 possible values from 51 possible sources of income.

16 The 2003 and 2004 CPS asked respondents to choose more than one race. White alone refers to people who reported White and did not report any other race category. The use of this single-race population does not imply that it is the preferred method of presenting or analyzing data. The Census Bureau uses a variety of approaches. Information on people who reported more than one race, such as White and American Indian and Alaska Native or Asian and Black or African American, is available from Census 2000 through American FactFinder. About 2.6 percent of people reported more than one race in Census 2000.

17 For 2001 and earlier years, the CPS allowed respondents to report only one race group. The reference race groups for 2001 and earlier income data are White, non-Hispanic White, Black, and Asian and Pacific Islander.

18 Black or African American alone refers to people who reported Black or African American and did not report any other race category.

19 Asian alone refers to people who reported Asian and did not report any other race category.

20 Census Bureau, Current Population Survey, 1980 to 2004 Angual Social and Economic Supplements.

Source: U.S. Census Bureau, Current Population Survey, 1980 to 2004 Annual Social and Economic Supplements.

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