

Number of Households, Average Income, and Income Shares for All Households, by Comprehensive Household Income Quintile, 1979-2020

Table with 11 columns: Year, Lowest Quintile, Second Quintile, Middle Quintile, Fourth Quintile, Highest Quintile, All Quintiles, 81st-90th Percentiles, 91st-95th Percentiles, 96th-99th Percentiles, Top 1%. Rows show data from 1979 to 2020 under the heading 'Number of Households (Millions)'.

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Source: Congressional Budget Office, The Distribution of Household Income in 2020, November 2023, https://www.cbo.gov/publication/59650

Notes: 1. Between 0.05 and 0.05 percent, households are distributed in income quintiles by income before taxes and transfers. Numbers in the data may not add up to totals because of rounding.

Comprehensive household income equals pretax cash income plus income from other sources. Pretax cash income is the sum of wages, salaries, self-employment income, rents, taxable and nontaxable interest, dividends, realized capital gains, cash transfer payments, and retirement benefits plus taxes paid by businesses (corporate income taxes and the employer's share of Social Security, Medicare, and federal unemployment insurance payroll taxes) and employee contributions to 401(k) retirement plans. Other sources of income include all in-kind benefits (Medicare, Medicaid, employer-paid health insurance premiums, food stamps, school lunches and breakfasts, housing assistance, and energy assistance).

Income categories are defined by ranking all people by their comprehensive household income adjusted for household size—that is, divided by the square root of the household's size. A household consists of the people who share a housing unit, regardless of their relationships. Quintiles, or fifths, contain equal numbers of people. Households with negative income (business or investment losses larger than other income) are excluded from the lowest income category but are included in totals.