

Number of Households, Average Income, and Income Shares for Elderly Headed Households, by Comprehensive Household Income Quintile, 1979-2017

Table with columns: Year, Lowest Quintile, Second Quintile, Middle Quintile, Fourth Quintile, Highest Quintile, All Quintiles, 91st-95th Percentiles, 91st-95th Percentiles, 95th-99th Percentiles, Top 1%. Rows from 1979 to 2017.

Average Before-Tax Income (\$17 dollars)

Table showing Average Before-Tax Income in \$17 dollars for each year from 1979 to 2017, broken down by quintile and all quintiles.

Average After-Tax Income (\$14 dollars)

Table showing Average After-Tax Income in \$14 dollars for each year from 1979 to 2017, broken down by quintile and all quintiles.

Share of Before-Tax Income (Percent)

Table showing the Share of Before-Tax Income in Percent for each year from 1979 to 2017, broken down by quintile and all quintiles.

Share of After-Tax Income (Percent)

Table showing the Share of After-Tax Income in Percent for each year from 1979 to 2017, broken down by quintile and all quintiles.

Source: Congressional Budget Office, https://www.cbo.gov/publications/56875

Notes: Effective tax rates are calculated by dividing taxes by comprehensive household income. * = between .05 and 0.05 percent. An elderly childless household is headed by a person age 65 or older with no member under age 18. Households are distributed in income quintiles by income before taxes and transfers.

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, taxes and nontaxable income, dividends, realized capital gains, cash transfer payments, and retirement benefits plus taxes paid by business (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, denote 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.

Individual income taxes are attributed directly to households paying those taxes. Social insurance, or payroll, taxes are attributed to households paying those taxes directly or paying them indirectly through their employers. Corporate income taxes are attributed to households according to their share of capital income. Federal excise taxes are attributed to them according to their consumption of the taxed good or service.