

Dynamics of Economic Well-Being: Fluctuations in the U.S. Income Distribution, 2004–2007

Household Economic Studies

Issued March 2011

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Between 2004 and 2007, the (real) median household income in the United States increased 3.2 percent, as measured by data available from the Current Population Survey's (CPS) Annual Social and Economic Supplement (ASEC). This statistic compares a cross-section of households in 2004 with another cross-section of households in 2007, but does not provide a picture of what happened to the same households over time. Medians, like those available from the CPS-ASEC, can conceal fluctuations in annual household income. In order to examine changes in the annual (real) income of the same households between 2004 and 2007, this report uses the longitudinal data available from the 2004 panel of the Survey of Income and Program Participation (SIPP) (Text Box: Household Income).¹

Income quintiles were constructed for 2004 and 2007 using data collected in the 2004 SIPP panel (Text Box: Constructing Income Quintiles). Longitudinal data make it possible to identify and analyze factors that may contribute to an increase or a decrease in household income (Text Box: What Makes the SIPP a Longitudinal Survey?).²

¹ The data for this report were collected between February 2004 and January 2008 from households interviewed in all 12 waves of the 2004 SIPP panel. The population represented (that is, the population universe) is the civilian noninstitutionalized population living in the United States. See the "Source of Data" section for more details. All income amounts are adjusted to reflect 2007 dollars, unless indicated otherwise.

² This report is an update of "Dynamics of Economic Well-Being: Fluctuations in the U.S. Income Distribution, 2001–2003," *Current Population Reports*,

Household Income

The SIPP collects more detailed data than any other national survey on general income sources and amounts; program eligibility, access and participation; transfer income; and in-kind benefits. Monthly income data is collected from individuals aged 15 years and older on wages and salaries, cash benefits from social insurance and welfare programs, and returns from property, assets, and holdings. This individual-level data is aggregated up to the household level to produce monthly total household income, which is in turn aggregated up to the calendar year level to produce annual total household income. A complete description of the type and sources of income collected in the 2004 SIPP panel is available through the SIPP homepage at <www.sipp.census.gov/sipp/core_content/2004/2004.html>.

P70-112, U.S. Census Bureau, November 2007; and "Dynamics of Economic Well-Being: Movements in the U.S. Income Distribution, 1996–1999," *Current Population Reports, P70-95*, U.S. Census Bureau, July 2004. This report focuses on household income rather than family or individual income. Several notable studies that have similarly used household income to investigate mobility are D'Ambrosio, D., "Household Characteristics and the Distribution of Income in Italy," *Review of Income and Wealth*, Series 47, No. 1, 2001, pp. 43–64; and Jarvis, S. and S. P. Jenkins, "Low Income Dynamics in 1990s Britain," *Fiscal Studies*, 1997, Vol. 18, No. 2, pp. 123–42.

Current Population Reports

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HIGHLIGHTS

- Among U.S. households, 68.1 percent in the top quintile and 67.4 percent in the bottom quintile were in these same quintiles in 2004 and 2007.³
- Among U.S. households, between 42.7 percent and 47.6 percent of households in the middle three quintiles were in these same quintiles in 2004 and 2007.
- Approximately 12.3 million U.S. households (11.5 percent) experienced changes in their annual income between 2004 and 2007 that resulted in their moving either up or down two or more quintiles in the income distribution.
- Of these 12.3 million households, approximately 2.3 million households in the bottom quintile and 2.0 million households in the second quintile experienced the largest percentage of gains in annual household income between 2004 and 2007.
- Of these 12.3 million households, 5.0 million households that started in the top and fourth quintiles experienced a decline of two or more quintiles between 2004 and 2007.
- Householders who had lower levels of education were more likely to remain in or move into a lower quintile compared with householders who had higher levels of education.

³ The estimates in this report (which may be shown in text, figures, and tables) are based on responses from a sample of the population and may differ from the actual values because of sampling variability and other factors. As a result, apparent differences between the estimates for two or more groups may not be statistically significant. All comparative statements have undergone statistical testing and are significant at the 90 percent confidence level unless otherwise noted.

Constructing Income Quintiles

Quintiles for 2004 and 2007 were formed by summing the household sampling weights for each household reference person in all 12 waves of the 2004 SIPP panel. Based on each household's sampling weight and the sum of all sampling weights, the percentage of the total population represented by each reference person was computed. Households were then ranked by the value of their income for the respective year. The percentage of the total population was then cumulated over the ranked sample from the poorest to the richest households. Quintiles were created by assigning households with cumulated sampling weights below 0.2 to the first quintile, those with cumulated sampling weights from 0.2 to below 0.4 to the second quintile, etc. Using this procedure, households representing 20 percent of the total population based on the sampling weights are contained in each quintile. Because of the complex weighting procedures, the weighted number of households in each quintile varies a small amount.

What Makes the SIPP a Longitudinal Survey?

A longitudinal survey captures changes for the same individuals over a period of time. The period covered by the 12 waves of the 2004 SIPP panel consists of 48 months (12 interviews conducted from February 2004 to January 2008). Demographic and economic characteristics for the same households, families, and individuals were gathered during each interview, while special topics varied from interview to interview. In Wave 1, the 2004 SIPP panel began with a sample of about 62,700 housing units, and interviews were obtained for about 43,700 of the eligible housing units. Due to budget constraints, a sample reduction of about 50 percent was made at Wave 9 of the 2004 SIPP panel, decreasing the sample size from approximately 48,900 to 22,880 designated housing units. More information on the SIPP and the consequences of the Wave 9 sample cut can be found at www.sipp.census.gov/sipp/.

- Householders who were not married were more likely to remain in or move into a lower quintile compared with householders who were married.
- Younger householders (aged 15 to 24) were more likely than others to move down from the top and the fourth quintiles, while older householders (aged 65 and older) were most likely to remain in the bottom and the second quintiles.

METHODOLOGY

While no measure of economic well-being is all-encompassing, income is the measure most commonly used because it affects the goods and services a household can buy.⁴

⁴ While income is the standard metric used in assessing income inequality and mobility, consumption expenditures are also used to discuss these issues. For a recent detailed discussion, see Fisher, Jonathan D., and David S. Johnson, "Consumption Mobility in the United States: Evidence from Two Panel Data Sets," *Topics in Economic Analysis & Policy*, 2005, Vol. 6, No. 1, Article 16, www.bepress.com/bejeap/topics/vol/iss1/art16.

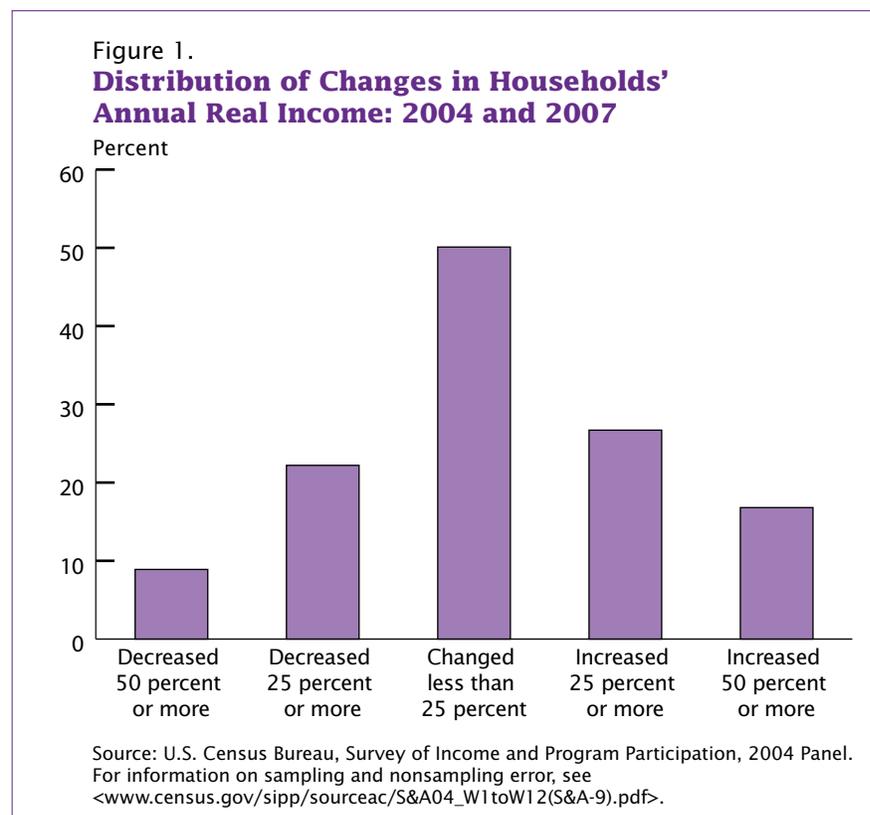
Household income can change with a strong or weak economy, as well as with the occurrence of life events such as the birth or adoption of a child, completion of education, marriage, divorce or separation, or the death of a spouse. The estimates in this report are based on a sample of U.S. households that were interviewed in all 12 waves of the 2004 SIPP panel and represent 106 million households.⁵ This report focuses on their ranked household income by quintiles in calendar years 2004 and 2007 and the householder's demographic characteristics in 2004.⁶

VARIABILITY OF HOUSEHOLD INCOME: 2004–2007

Fluctuations in income (also known as income mobility) can result in a household's moving to another position in the income distribution. Out of 106 million households, 50.1 percent (± 0.86 percent) experienced either an increase or decrease of less than 25 percent in their income between 2004 and

⁵ To be included in the analysis, a householder had to have a self or proxy interview in every month of the panel and have a positive panel weight.

⁶ Householder refers to the person in whose name the home is owned or rented. If a married couple owns the home jointly, either spouse may be listed as the householder. Since only one person in each household is designated as the householder, the number of households is equal to the number of householders. This report uses the characteristics of the householder to describe the household. If members of the sample move to a new address, attempts are made to locate them and continue to interview them every 4 months. However, failure to successfully interview individuals who left a household because of divorce or separation after the beginning of the panel will produce a shortfall compared with the true number of vital events that occurred during the life of the panel. If an individual left a household because of divorce or separation later in the panel, a longitudinal weight was not assigned to that individual for any interview period in the panel, thus limiting their usefulness in a longitudinal analysis. A more complete and detailed explanation of the SIPP's procedures for attempting to follow sample members who move and create new households is available online in the "SIPP Users' Guide at <www.census.gov/sipp/>.



2007 (Figure 1).⁷ During this time, more households experienced an increase of 25 percent or more in their income, rather than a decline of 25 percent or more. Specifically, 26.7 percent (± 0.76 percent) of households experienced an increase in income of 25 percent or more, while 22.2 percent (± 0.71 percent) experienced a decline of 25 percent or more. In addition, 16.8 percent (± 0.64 percent) of households experienced an increase of 50 percent or more in income between 2004 and 2007, while 8.9 percent (± 0.49 percent)

⁷ All household incomes are adjusted to the last year of the respective panel using the Consumer Price Index for Urban Consumers Research Series (CPI-U-RS). The adjustment is based on the percent change in prices between earlier years and the last year of the panel, and is computed by dividing the annual average Consumer Price Index (CPI) for the last year of the panel by the annual average for the earlier years. For more information on CPI, see <www.bls.gov/cpi/cpirsdc.htm>. The value in parentheses can be subtracted from and added to the presented point estimate to get a 90 percent confidence interval around the provided estimate.

experienced a decline of 50 percent or more in income during this time.⁸ The following discussion provides more details on household income mobility relative to the household's position in the income distribution in 2004 and 2007.

INTERQUINTILE MOVEMENTS: 2004–2007

A majority of households in the top (67.8 percent) and bottom (69.1 percent) quintiles did not experience movement across the quintiles between 2004 and 2007.⁹ In comparison, 49.2 percent that started in the second quintile,

⁸ A similar discussion regarding differences in household income, between 2004–2005, can be found in "Recent Trends in the Variability of Individual Earnings and Household Income," Congressional Budget Office (CBO) paper, June 2008, Figure 4, p. 9. This paper focused only on householders between the ages of 25–55, while the current report includes all householders and focuses on the differences in income between 2004 and 2007.

⁹ These percentages are not statistically different. The data used to construct Figure 2 can be found in the bottom portion of Appendix Table A-1.

44.4 percent that started in the middle quintile, and 46.5 percent that started in the fourth quintile in 2004 remained in their respective quintile in 2007 (Figure 2).¹⁰

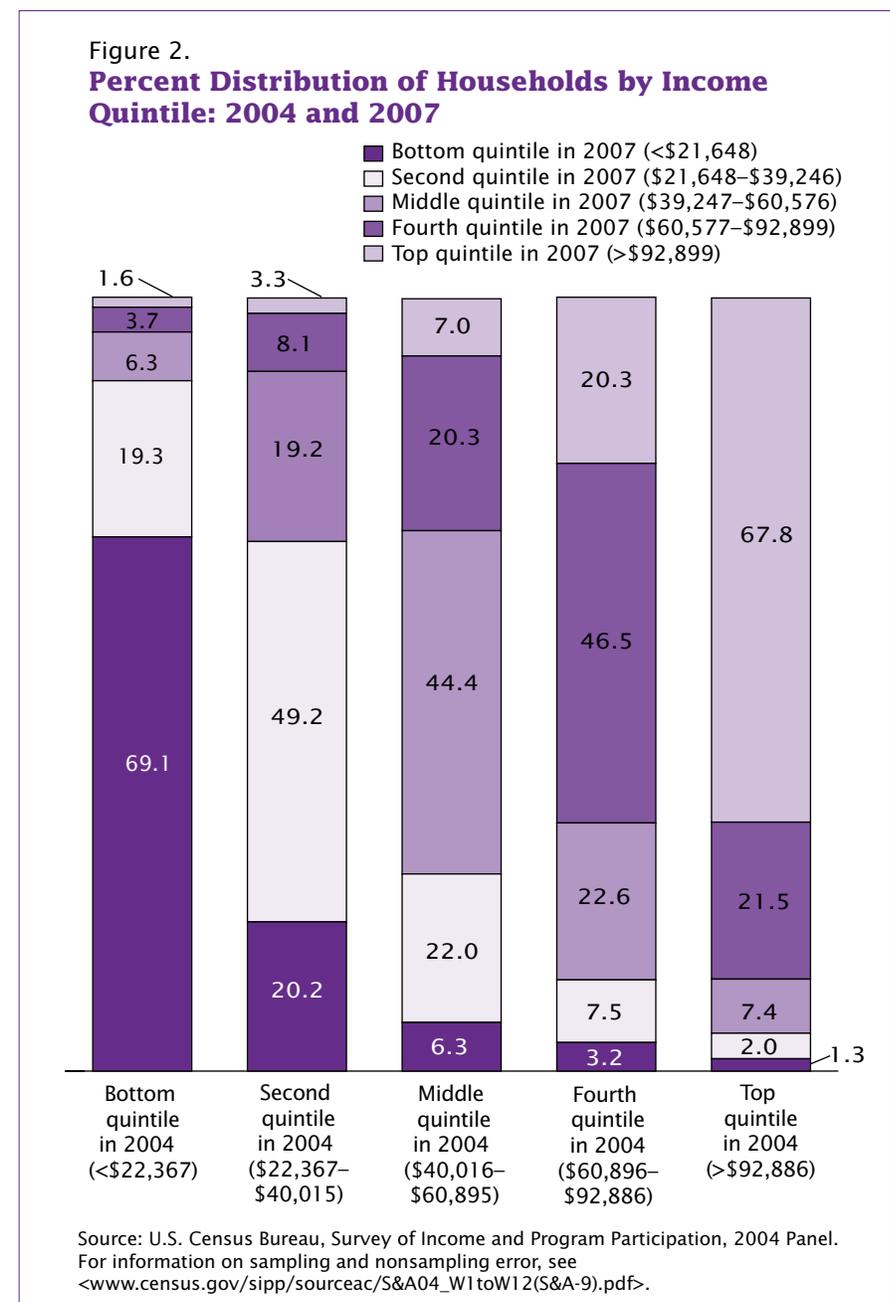
Between 2004 and 2007, 30.6 percent of households that started in the second quintile moved up to a higher quintile, while 20.2 percent experienced a drop in income, moving them into the bottom quintile. Of households that started in the middle quintile, 27.3 percent moved up and 28.3 percent moved down.¹¹ Of households that started in the fourth quintile, 20.3 percent moved up to the top quintile, while 33.3 percent moved down.

Overall, 55.4 percent of households remained in the same quintile between 2004 and 2007, with the remaining 44.6 percent of households experiencing either an upward or downward movement across the income distribution (Table 1).¹² Similarly, data from the 2001 SIPP panel indicated that 56.0 percent of households remained in the same quintile between 2001 and 2003, while 44.0 percent experienced either an upward or downward movement in the income distribution. In comparison, data from the 1996 SIPP panel showed that 52.0 percent of households remained in the same quintile between 1996 and 1999, while 48.0 percent of households experienced an upward or

¹⁰ These percentages are not statistically different.

¹¹ These percentages are not statistically different.

¹² Table 1 reports the percent of households moving (or transitioning) among the quintiles between 2004 and 2007. Summing the percentages on the diagonal gives the total percent of households that remained in the same quintile in 2004 and 2007. It should be noted in this discussion that the duration of the 2004 SIPP panel was 4 years, the 2001 SIPP panel was 3 years, and the 1996 SIPP panel was 4 years.



downward movement within the income distribution.¹³

To evaluate household income mobility, Schorrocks' index was computed for the following 3-year periods: 2004–2006 from the 2004 SIPP panel; 2001–2003 from the

¹³ The proportions observed between 2004 and 2007, and 2001 and 2003 are not statistically different. However, the proportions observed between 1996 and 1999 are statistically different from those observed between 2004 and 2007, and 2001 and 2003.

2001 SIPP panel; and 1997–1999 from the 1996 SIPP panel.¹⁴ Overall mobility for the three time periods was small, but statistically significant, with the indices ranging from

¹⁴ Schorrocks' index is a metric that can range in value between 0 and 1 and is used to evaluate movement within a distribution. The index is constructed from the diagonal elements of the transition matrix, with higher estimates indicating greater mobility exhibited across the distribution. Information on the construction and use of this index can be found in: Schorrocks, A. F., "The Measurement of Mobility," *Econometrica*, September 1978, Vol. 46, No. 5, pp. 1013–24.

Table 1.

Percent Distribution of All Households by Income Quintiles: 2004 and 2007

(Number of households: 106,385,000. Incomes for 2004 were adjusted to 2007 dollars using the CPI-U-RS)

2004	2007									
	Bottom quintile (<\$21,648)		Second quintile (\$21,648–\$39,246)		Middle quintile (\$39,247–\$60,576)		Fourth quintile (\$60,577–\$92,899)		Top quintile (>\$92,899)	
	Percent	Margin of error (±) ¹	Percent	Margin of error (±) ¹	Percent	Margin of error (±) ¹	Percent	Margin of error (±) ¹	Percent	Margin of error (±) ¹
Bottom quintile (<\$22,367)	13.8	0.59	4.1	0.34	1.3	0.19	0.6	0.14	0.3	0.09
Second quintile (\$22,367–\$40,015)	3.9	0.33	9.8	0.51	4.4	0.35	1.5	0.21	0.4	0.11
Middle quintile (\$40,016–\$60,895)	1.3	0.19	3.8	0.33	8.9	0.49	4.5	0.36	1.5	0.21
Fourth quintile (\$60,896–\$92,886)	0.7	0.15	1.6	0.22	4.1	0.34	9.3	0.50	4.3	0.35
Top quintile (>\$92,886)	0.3	0.10	0.7	0.14	1.4	0.20	4.1	0.34	13.6	0.59

¹ The margin of error can be subtracted from and added to the point estimate to get the 90 percent confidence interval around the estimate.

Note: The estimates in this table are based on responses from a sample of the population and may differ from the actual values because of sampling variability and other factors. As a result, apparent differences between the estimates for two or more groups may not be statistically significant.

Source: U.S. Census Bureau, Survey of Income and Program Participation, 2004 Panel. For information on sampling and nonsampling error, see <www.census.gov/sipp/sourceac/S&A04_W1toW12(S&A-9).pdf>.

0.244 for 2004–2006 to 0.337 for 1997–1999. There were differences across some of the three time periods. For example, the difference in the indices for the time periods 2004–2006 and 2001–2003 was statistically significant, suggesting that households in the early years of this decade experienced more movement across the income distribution relative to households in the middle years of the decade. However, the difference in the index values between the time periods 2004–2006 and 1997–1999 was not statistically significant.¹⁵

CHANGES OF TWO OR MORE QUINTILES: 2004–2007

In 2004, about 42.6 million U.S. households comprised the bottom and second quintiles and experienced a change in income that moved them up two or more

quintiles by 2007. By comparison, about the same number of households comprised the fourth and top quintiles in 2004 and experienced a change in income that moved them down two or more quintiles by 2007. Between 2004 and 2007, the largest percentage gains in income occurred for approximately 4.3 million households that moved up two or more quintiles from the bottom and second quintiles of the income distribution (Table 2). In the bottom quintile, 2.3 million households experienced, on average, a four-fold increase in income, from \$14,778 to \$74,773 between 2004 and 2007. Similarly, 2.0 million households in the second quintile experienced, on average, just under a two-fold increase in income, from \$32,473 to \$92,444 between 2004 and 2007.

Between 2004 and 2007, 5.0 million households (2.5 million from the fourth and 2.5 million from the top quintiles) experienced a change in income that moved them down two or more quintiles. More specifically, those households in the fourth quintile experienced, on average, declines of \$47,256, while

those households that were in the top quintile experienced average declines of \$95,268.

For the 21 million households in the middle quintile in 2004, 1.6 million households experienced a change in income that moved them to the top quintile (Table 2). These households experienced, on average, nearly a two-fold increase in income in 2007—the largest gain in income (\$81,367) compared to that experienced by households from the bottom and second quintiles that moved up two or more quintiles. By comparison, the 1.3 million households that started in the middle quintile in 2004 and moved to the bottom quintile in 2007 experienced an average drop in income of \$36,228—the smallest decline in income when compared to households that started in the fourth and the top quintiles and moved down two or more quintiles.

INTRAQUINTILE MOVEMENTS: 2004–2007

Between 2004 and 2007, 55.4 percent of households stayed in the same quintile, and a majority of these households experienced a

¹⁵ The estimated margin of error for Schorrocks' index was 0.0102 for 2004–2006, 0.007 for 2001–2003, and 0.1248 for 1997–1999. The estimated difference between the Schorrocks' indices for 2004–2006 and 2001–2003 was statistically different based on a *t*-test, while the difference between 2004–2006 and 1997–1999 was not statistically different. Similarly, as was previously reported in P70-112 (page 5), the difference between 2001–2003 and 1997–1999 was not statistically different.

Table 2.

Households That Moved Two or More Income Quintiles: 2004 and 2007

(Numbers in thousands. Number of households: 106,385,000. Incomes for 2004 were adjusted to 2007 dollars using the CPI-U-RS)

Quintile in 2004	Households	Margin of error (\pm) ¹	Percent of households in 2004 quintile	Margin of error (\pm) ¹	Average household income (2007 dollars)					
					2004		2007		Change from 2004 to 2007	
					Income	Margin of error (\pm) ¹	Income	Margin of error (\pm) ¹	Income	Margin of error (\pm) ¹
MOVED UP TWO OR MORE QUINTILES										
Bottom quintile (<\$22,367)	2,268	252	10.7	1.18	\$14,778	\$637	\$74,773	\$16,703	\$59,995	\$16,715
Second quintile (\$22,367–\$40,015)	2,023	239	9.5	1.13	\$32,473	\$603	\$92,444	\$10,543	\$59,972	\$10,713
Middle quintile (\$40,016–\$60,895)	1,578	214	7.4	1.01	\$51,807	\$847	\$133,175	\$9,400	\$81,367	\$9,718
MOVED DOWN TWO OR MORE QUINTILES										
Middle quintile (\$40,016–\$60,895)	1,342	198	6.3	0.93	\$48,922	\$882	\$12,694	\$1,029	–\$36,228	\$1,342
Fourth quintile (\$60,896–\$92,886)	2,509	263	11.8	1.24	\$73,502	\$1,073	\$26,247	\$1,113	–\$47,256	\$1,787
Top quintile (>\$92,886)	2,523	264	11.9	1.24	\$136,338	\$11,560	\$41,070	\$1,803	–\$95,268	\$11,701

¹ The margin of error can be subtracted from and added to the point estimate to get the 90 percent confidence interval around the estimate.

Note: The estimates in this table are based on responses from a sample of the population and may differ from the actual values because of sampling variability and other factors. As a result, apparent differences between the estimates for two or more groups may not be statistically significant.

Source: U.S. Census Bureau, Survey of Income and Program Participation, 2004 Panel. For information on sampling and nonsampling error, see <[www.census.gov/sipp/sourceac/S&A04_W1toW12\(S&A-9\).pdf](http://www.census.gov/sipp/sourceac/S&A04_W1toW12(S&A-9).pdf)>.

change in (real) income of at least 10 percent (Table 3).¹⁶ Out of 16.6 million households that had an increase in income, those remaining in the bottom and top quintiles had the largest proportion of households experiencing gains in their income, as well as the largest gains in their 2007 income relative to their 2004 income. Specifically, 20.0 percent of households that remained in the bottom quintile experienced an average increase of \$5,286, and 23.2 percent of households that remained in the top quintile experienced an average increase of \$76,263.

¹⁶ A change in (real) household income of 10 percent or more is a threshold commonly found in the literature addressing the issue of income dynamics. Specific references to see are Hisnanick, J. J., "The Dynamics of Low Income and Persistent Poverty Among U.S. Families," *Journal of Income Distribution*, 2007, Vol. 16, Iss. 1, pp. 115–32; Jarvis, S. and S. P. Jenkins, "Low Income Dynamics in 1990s Britain," *Fiscal Studies*, 1997, Vol. 18, No. 2, pp. 123–42; and Duncan, G. J. et al., "Poverty Dynamics in Eight Countries," *Journal of Population Economics*, 1993, Vol. 6, pp. 215–34.

Of the remaining households that experienced at least a 10 percent increase in their income by 2007, 12.2 percent from the second quintile experienced a \$6,726 increase, 10.9 percent from the middle quintile experienced a \$9,148 increase, and 11.6 percent from the fourth quintile experienced a \$13,990 increase when compared to their 2004 income.

Out of 15.6 million households that remained in the same quintile and experienced a decrease in income of at least 10 percent, once again, those remaining in the bottom and top quintiles had the largest proportion of households experiencing a drop in their income, as well as the largest decline in their 2007 income relative to their 2004 income. Between 2004 and 2007, 23.1 percent of households that remained in the bottom quintile and 18.1 percent of households that remained in the top quintile

experienced an average decline of \$5,684 and \$80,316 relative to their 2004 incomes, respectively. Of the remaining households, 14.2 percent from the second quintile experienced an average decline of \$7,031, 8.8 percent from the middle quintile experienced an averaged decline of \$9,655, and 8.9 percent from the fourth quintile experienced an average decline of \$14,216.

Similar trends were observed in the 2001 SIPP panel.¹⁷ Fifty-six percent of all households were in the same quintile in 2001 and 2003, with the majority experiencing a change in income of at least 10 percent. Comparable to what was observed for households in the 2004 SIPP panel,

¹⁷ Intraquintile changes in income of at least 10 percent in the U.S. income distribution were not discussed for households in the 1996 SIPP panel, see "Dynamics of Economic Well-Being: Movements in the U.S. Income Distribution, 1996–1999," *Current Population Report, P70-95*, U.S. Census Bureau, July 2004.

Table 3.

Households That Experienced a Change in Income of 10 Percent or More and Remained in the Same Income Quintile: 2004 and 2007

(Numbers in thousands. Number of households: 106,385,000. Incomes for 2004 were adjusted to 2007 dollars using the CPI-U-RS)

Quintile in 2004	Households	Margin of error (\pm) ¹	Percent of households in 2004 quintile	Margin of error (\pm) ¹	Average household income (2007 dollars)					
					2004		2007		Change from 2004 to 2007	
					Income	Margin of error (\pm) ¹	Income	Margin of error (\pm) ¹	Income	Margin of error (\pm) ¹
INCOME INCREASED 10 PERCENT OR MORE										
Bottom quintile (<\$22,367)	4,248	312	20.0	1.53	\$9,376	\$353	\$14,662	\$385	\$5,286	\$316
Second quintile (\$22,367–\$40,015)	2,576	278	12.1	1.25	\$27,402	\$358	\$34,128	\$378	\$6,726	\$309
Middle quintile (\$40,016–\$60,895)	2,320	271	10.9	1.20	\$45,261	\$395	\$54,409	\$442	\$9,148	\$358
Fourth quintile (\$60,896–\$92,886)	2,467	290	11.6	1.23	\$68,559	\$641	\$82,549	\$843	\$13,990	\$760
Top quintile (>\$92,886)	4,944	402	23.2	1.62	\$104,629	\$5,199	\$216,892	\$16,457	\$76,263	\$12,793
INCOME DECREASED 10 PERCENT OR MORE										
Bottom quintile (<\$22,367)	4,920	308	23.1	1.62	\$15,304	\$376	\$9,620	\$391	–\$5,684	\$323
Second quintile (\$22,367–\$40,015)	3,030	271	14.2	1.34	\$33,471	\$432	\$26,440	\$334	–\$7,031	\$335
Middle quintile (\$40,016–\$60,895)	1,883	233	8.8	1.09	\$53,735	\$614	\$44,080	\$457	–\$9,655	\$465
Fourth quintile (\$60,896–\$92,886)	1,893	238	8.9	1.09	\$82,079	\$979	\$67,863	\$723	–\$14,216	\$762
Top quintile (>\$92,886)	3,861	368	18.1	1.48	\$219,592	\$19,029	\$139,277	\$5,342	–\$80,316	\$16,873

¹ The margin of error can be subtracted from and added to the point estimate to get the 90 percent confidence interval around the estimate.

Note: The estimates in this table are based on responses from a sample of the population and may differ from the actual values because of sampling variability and other factors. As a result, apparent differences between the estimates for two or more groups may not be statistically significant.

Source: U.S. Census Bureau, Survey of Income and Program Participation, 2004 Panel. For information on sampling and nonsampling error, see <[www.census.gov/sipp/sourceac/S&A04_W1toW12\(S&A-9\).pdf](http://www.census.gov/sipp/sourceac/S&A04_W1toW12(S&A-9).pdf)>.

those in the bottom and top income quintiles in 2001 and 2003 experienced the largest percentage gains, as well as declines. For example, 21.7 percent of households in the bottom quintile in 2001 and 2003 experienced an average increase in income of \$4,300, while 22.8 percent of households in the bottom quintile averaged a decrease in income of \$4,773. Similarly, 26.4 percent of households in the top quintile in 2001 and 2003 experienced an average increase in income of \$93,914, while 18.2 percent of households that remained in this quintile averaged a decline of \$53,665 in income.

EQUIVALENCE ADJUSTED HOUSEHOLD INCOME: 2004–2007

The previous discussion used household income, which assumes that either or both the consumption and expenditure behavior of a single-person household are the same as those of a larger household, such as one consisting of two adults and five children. In the following section, household income is equivalence adjusted by household size and composition. Under such an adjustment, if two households have the same annual income, the household where more people share the income is not as well off as the household composed of fewer people.

To further evaluate income mobility among U.S. households, income was adjusted using a 3-parameter equivalence scale, which accounts for the differing needs of adults and children within a household, as well as the economies of scale of living in a large household. The 3-parameter scale adjusts income to account for differences in household composition, such as the number of adults and children present. (Betson 1995).¹⁸ For the following discussion, monthly household income was equivalence adjusted

¹⁸ Betson, David, "Poor Old Folks: Have Our Methods of Poverty Measurement Blinded Us to Who is Poor?," University of Notre Dame, *Poverty Measurement Working Paper*, U.S. Census Bureau, 1995, available at <www.census.gov/hhes/povmeas/publications/wp-who_are_the_poor.html>.

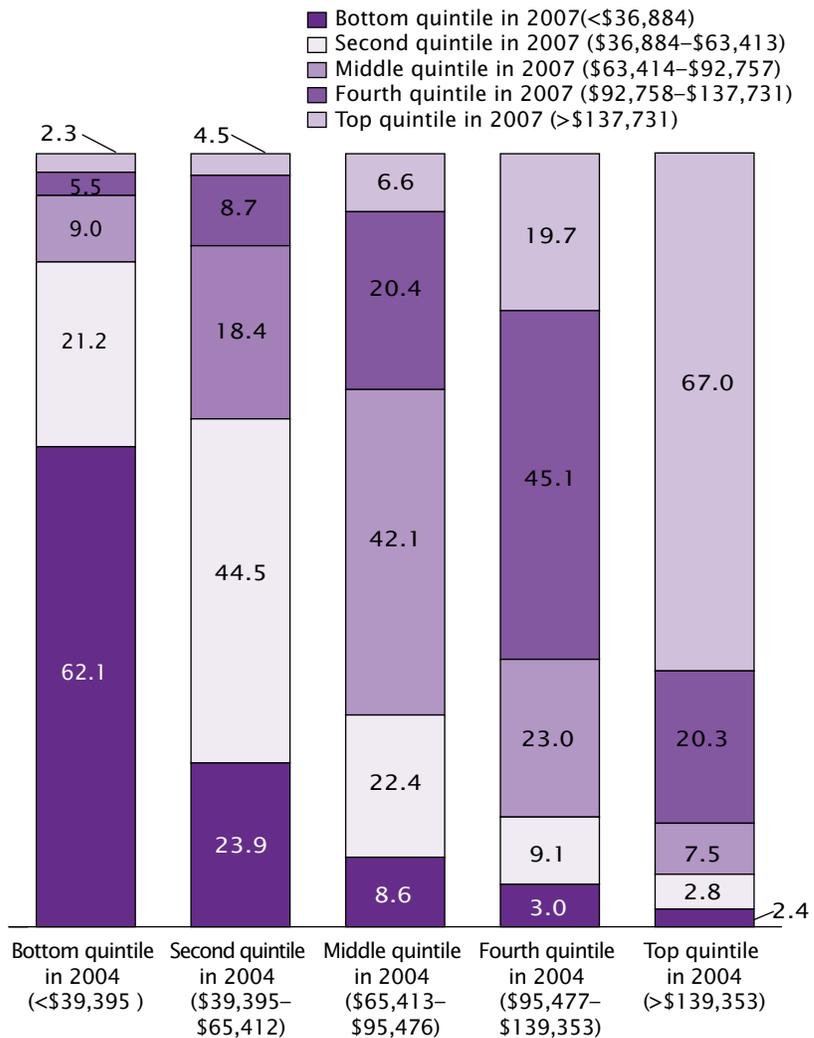
and each household member was allocated this adjusted amount, which was then used to assess annual income mobility between 2004 and 2007.¹⁹

Out of 271 million people, a majority in the top and bottom quintiles of the equivalence adjusted income distribution experienced the least movement across the quintiles between 2004 and 2007. Sixty-seven percent of household members starting in the top quintile and 62.1 percent of household members starting in the bottom quintile in 2004 remained in these respective quintiles in 2007. In contrast, 44.5 percent of household members remained in the second quintile, 42.1 percent remained in the middle quintile, and 45.1 percent remained in the fourth quintile between 2004 and 2007 (Figure 3).

In 2004, about 54.2 million people had an equivalence adjusted income of less than \$39,395, placing them in the bottom quintile of the income distribution. In 2007, 14.0 percent experienced a change in their equivalence adjusted household income that resulted in them moving up two or more quintiles (Appendix Table A-2). Similarly, 12.0 percent in the second quintile in 2004 experienced a change in their equivalence adjusted income that resulted in them moving up two or more quintiles in 2007.

Figure 3.

Percent Distribution of Equivalence Adjusted Households Income by Quintile: 2004 and 2007



Source: U.S. Census Bureau, Survey of Income and Program Participation, 2004 Panel. For information on sampling and nonsampling error, see <[www.census.gov/sipp/sourceac/S&A04_W1toW12\(S&A-9\).pdf](http://www.census.gov/sipp/sourceac/S&A04_W1toW12(S&A-9).pdf)>.

Approximately 13.3 percent of people with an equivalence adjusted income that placed them in the top quintile in 2004, and 14.2 percent with an equivalence adjusted income that placed them in the fourth quintile in 2004 experienced a change in income that resulted in them moving down two or more quintiles in 2007. In addition, between 2004 and 2007, 16.6 percent of people with an equivalence adjusted income that placed them in the middle quintile experienced a change in income that

resulted in them moving to either the bottom or top quintile. More specifically, 7.5 percent of 54.2 million people in the middle quintile in 2004 experienced an increase in their equivalence adjusted income that resulted in them being in the top income quintile in 2007, while 8.6 percent that were in the middle quintile in 2004 experienced a decline in their equivalence adjusted income that moved them to the bottom quintile in 2007.

¹⁹ The 3-parameter scale fixes the ratio of the scale for households with either two adults or one adult and no children under age 18 at a constant value of 1.41. For a single parent household, the scale adds the number of adults to 0.8 for the first child under 18 years old, plus 0.5 times all other children under the age 18, raised to the power of 0.7. For all other households, the formula $(A + 0.5 * C)^{0.7}$ is used where A is the number of adults in the household and C is the number of children under 18 years old in the household. Monthly household income was adjusted by these scales, which were based on the number of individuals in the household for that month. Appendix Table A-2 presents the equivalence adjusted household income mobility for 2004–2007.

Table 4.

The Share of Household Income by Quintile: 2004 and 2007

(Numbers in thousands. Number of households: 106,385,000. Incomes for 2004 were adjusted to 2007 dollars using the CPI-U-RS)

Panel and quintile	Share of total household income		Number of households		Total household income for quintile	Average household income for quintile	
	Percent	Margin of error (\pm) ¹	Estimate ²	Margin of error (\pm) ¹		Estimate ³	Margin of error (\pm) ¹
2004 PANEL							
2004 Total	100.0	(X)	106,385	(X)	\$6,851,125,855	\$64,400	\$12,500
Bottom quintile (<\$22,367)	4.2	0.38	21,277	684	\$289,558,579	\$13,600	\$219
Second quintile (\$22,367–\$40,015)	9.6	0.56	21,277	684	\$657,867,276	\$30,900	\$204
Middle quintile (\$40,016–\$60,895)	15.5	0.69	21,277	684	\$1,063,000,000	\$50,000	\$229
Fourth quintile (\$60,896–\$92,886)	23.3	0.81	21,277	684	\$1,593,300,000	\$74,800	\$326
Top quintile (>\$92,886)	47.4	0.96	21,277	684	\$3,247,400,000	\$152,600	\$4,113
2007 PANEL							
2007 Total	100.00	(X)	106,385	(X)	\$6,921,017,093	\$65,100	\$13,000
Bottom quintile (<\$21,648)	4.0	0.37	21,277	684	\$275,367,248	\$12,900	\$204
Second quintile (\$21,648–\$39,246)	9.4	0.56	21,277	684	\$647,749,845	\$30,500	\$199
Middle quintile (\$39,247–\$60,576)	15.2	0.69	21,277	684	\$1,051,900,000	\$49,400	\$244
Fourth quintile (\$60,577–\$92,899)	23.2	0.81	21,277	684	\$1,603,400,000	\$75,400	\$331
Top quintile (>\$92,899)	48.3	0.96	21,277	684	\$3,342,600,000	\$157,000	\$4,707

(X) Not applicable.

¹ The margin of error can be subtracted from and added to the point estimate to get the 90 percent confidence interval around the estimate.² Estimate was rounded to the nearest 1,000.³ Estimate was rounded to the nearest 100.

Note: The estimates in this table are based on responses from a sample of the population and may differ from the actual values because of sampling variability and other factors. As a result, apparent differences between the estimates for two or more groups may not be statistically significant.

Source: U.S. Census Bureau, Survey of Income and Program Participation, 2004 Panel. For information on sampling and nonsampling error, see <[www.census.gov/sipp/sourceac/S&A04_W1toW12\(S&A-9\).pdf](http://www.census.gov/sipp/sourceac/S&A04_W1toW12(S&A-9).pdf)>.

In this section, the focus was on the income mobility of individuals in the household, rather than just households. Household members were assigned an equivalence-adjusted income amount based upon their household's size and composition. Between 2004 and 2007, adjusting income by household composition suggests more mobility for individuals in the lower quintiles of the income distribution. For example, 62.1 percent of individuals in the bottom quintile remained in that quintile in 2007 when looking at their equivalence adjusted income (Figure 3). In contrast, 69.1 percent of households in the bottom quintile in 2004

remained in that quintile in 2007 when looking at household income (Figure 2).

THE SHARE OF HOUSEHOLD INCOME BY QUINTILE: 2004–2007

The value of total household income increased \$69.9 billion (from \$6.85 trillion to \$6.92 trillion) between 2004 and 2007, while the proportion of income (share) attributable to the households in the quintiles remained statistically unchanged between 2004 and 2007 (Table 4). The increase in the value of household income can be explained by the increase

experienced by households in the fourth and top quintiles, which offset the declines experienced by households in the other three quintiles. Between 2004 and 2007, only the change in average annual income experienced by households in the bottom and middle quintiles were different.²⁰

²⁰ A common measure to assess the dispersion of income is the Gini coefficient, which can range in value between 0 and 1, with a lower value indicating a more equal distribution and a higher value indicating a more unequal distribution. The Gini coefficients, as well as other selected measures of income inequality, based upon annual estimates of personal, family, and household income and earnings from the 2004 SIPP panel are available at <www.census.gov/hhes/www/income/annual-income.html>.

For purposes of comparison, the share of household income by quintile for the last 3 years of the 1996 SIPP panel, 1997–1999, the 3 years of the 2001 SIPP panel, 2001–2003, and the first 3 years of the 2004 SIPP panel, 2004–2006, are discussed. Several notable changes occurred in the economy between 1997 and 2006. In the later part of the 1990s, the economy was showing signs of slowing down relative to the robust growth that occurred during the earlier part of the decade.²¹ Similarly, at the start of 2000, households were facing a recession which was followed by a recovery that resulted in moderate economic growth, but minimal growth in median household income.²² By looking at these 3-year periods within the 1996, 2001, and 2004 SIPP panels, insight is provided into how households' incomes were impacted by these changes in the economy.

As reported in the 2004 SIPP panel, between 2004 and 2006 total household income increased from \$6.7 trillion to \$6.8 trillion (Table 5). The \$58.8 billion increase experienced by households in the top quintile accounted for the majority of the increase in value of total household income. Changes in the incomes of households in the fourth, middle, second, and bottom quintile accounted for 23.8 percent, 9.1 percent, 15.0 percent, and 11.6 percent of the overall increase in the value of total household income, respectively. While all quintiles contributed to the increase in value of total household income between 2004 and

2006, average household income and the shares of total household income by quintile remained statistically unchanged.

Between 2001 and 2003, total household income increased from \$5.7 trillion to \$6.1 trillion, due mostly to the increase experienced by households in the top quintile (Table 5). Similarly, 9.4 percent was attributable to the increase experienced by households in the fourth quintile, and 4.2 percent was attributable to the increase experienced by households in the middle quintile. While the shares of total household income received by the bottom, second, middle, and fourth quintiles remained statistically unchanged between 2001 and 2003, only the top quintile experienced a significant increase in the share of total household income.

Between 1997 and 1999 total household income increased \$166 billion from \$4.7 trillion, to \$4.9 trillion with \$81.7 billion attributable to the increase experienced by households in the top quintile (Table 5). Changes in the incomes of households in the fourth, middle, second, and bottom quintile accounted for 24.9 percent, 17.0 percent, 7.4 percent, and 1.6 percent of the increase in the value of total household income, respectively. Once again, while all quintiles contributed to the increase in total household income, the share of total household income and average household income by quintile remained statistically unchanged between 1997 and 1999.

MOVEMENTS IN THE BOTTOM AND TOP 5TH PERCENTILES: 2004–2007

As previously discussed, households that remained in the top and bottom quintiles in 2004 and 2007 experienced the largest percentage

gains and decreases in income compared with those that remained in the second, middle, and fourth quintiles. For households that remained in the bottom and the top 5th percentiles for 2004 and 2007, similar results were observed (Table 6).²³

Out of 2.4 million households that were in the bottom 5th percentile for 2004 and 2007, more households experienced a decrease in income than an increase. More specifically, 917,000 households experienced, on average, a 45.4 percent increase (\$2,265) in income, while 1.4 million households experienced, on average, a 27.8 percent drop (–\$1,901) in income. In contrast, of those households in the top 5th percentile for 2004 and 2007, more households experienced an increase rather than a decrease in income. Out of 2.8 million households that were in the top 5th percentile for 2004 and 2007, 1.6 million experienced, on average, a 34.1 percent increase (\$117,860) in income, while 1.2 million households that remained in this percentile experienced, on average, a 32.0 percent drop in income (–\$107,485).

A similar trend was observed for households in the 2001 SIPP panel that remained in the bottom and top 5th percentile of the income distribution for 2001 and 2003.²⁴ The proportion of households in

²³ This information is based on a separate analysis of those households that remained in the bottom and top 5th income percentiles in both 2004 and 2007. This analysis was done because while there is a lower bound of zero at the bottom of the income distribution there is no upper bound at the top, which allows for evaluating income mobility in the top of the income distribution.

²⁴ Changes in income for households that remained in the 5th and 95th percentile of the U.S. income distribution were not discussed for households in the P70 report that used the 1996 SIPP panel. See "Dynamics of Economic Well-Being: Movements in the U.S. Income Distribution, 1996–1999," *Current Population Reports*, P70-95, U.S. Census Bureau, July 2004.

²¹ Blinder, Alan S. and Janet L. Yellen, "The Fabulous Decade: Macroeconomic Lessons for the 1990s," *A Century Foundation Book*, Brookings Institution Press, Washington, DC, 2001.

²² "Economic Report of the President," U.S. Council of Economic Advisors, 2007, Appendix B, Tables 2, 42, and 60, available at <<http://w3.access.gpo.gov/usbudget/fy2006/erp/html>>.

Table 5.

The Share of Household Income by Quintile: 2004 and 2006, 2001 and 2003, and 1997 and 1999

(Numbers in thousands)

Panel and quintile	Share of total household income		Number of households		Total household income for quintile	Average household income for quintile	
	Percent	Margin of error (\pm) ¹	Estimate ²	Margin of error (\pm) ¹		Estimate ³	Margin of error (\pm) ¹
2004 PANEL							
2004 Total	100.00	(X)	106,400	(X)	\$6,671,596,041	\$62,700	\$12,500
Bottom quintile (<\$22,367)	4.3	0.39	21,277	712	\$285,221,503	\$13,200	\$213
Second quintile (\$22,367–\$40,015)	9.6	0.56	21,277	712	\$643,011,238	\$30,100	\$198
Middle quintile (\$40,016–\$60,895)	15.5	0.69	21,277	712	\$1,036,743,600	\$48,600	\$223
Fourth quintile (\$60,896–\$92,886)	23.2	0.81	21,277	712	\$1,549,912,100	\$72,800	\$317
Top quintile (>\$92,886)	47.3	0.96	21,277	712	\$3,156,707,600	\$148,300	\$3,999
2006 Total	100.00	(X)	106,400	(X)	\$6,763,858,496	\$63,600	\$13,000
Bottom quintile (<\$23,289)	4.2	0.39	21,277	712	\$286,266,196	\$13,461	\$233
Second quintile (\$23,289–\$39,936)	9.6	0.56	21,277	712	\$648,492,300	\$30,466	\$188
Middle quintile (\$39,937–\$60,297)	15.3	0.69	21,277	712	\$1,037,600,000	\$48,752	\$228
Fourth quintile (\$60,298–\$91,607)	23.3	0.81	21,277	712	\$1,576,000,000	\$74,059	\$351
Top quintile (>\$91,607)	47.5	0.96	21,277	712	\$3,215,500,000	\$151,055	\$3,928
2001 PANEL							
2001 Total	100.0	(X)	104,500	(X)	\$5,674,426,710	\$54,300	\$27,600
Bottom quintile (<\$19,918)	4.5	0.30	20,900	59	\$252,754,230	\$12,100	\$4,100
Second quintile (\$19,918–\$34,433)	10.0	0.44	20,900	59	\$567,346,870	\$27,100	\$8,700
Middle quintile (\$34,434–\$52,321)	15.8	0.53	20,900	59	\$897,972,510	\$43,000	\$11,000
Fourth quintile (\$52,322–\$79,062)	23.7	0.62	20,900	59	\$1,347,292,500	\$64,500	\$13,500
Top quintile (>\$79,062)	46.0	0.73	20,900	59	\$2,609,060,600	\$124,800	\$18,700
2003 Total	100.00	(X)	104,500	(X)	\$6,053,934,190	\$57,900	\$28,500
Bottom quintile (<\$19,591)	4.0	0.29	20,900	59	\$244,732,150	\$11,700	\$5,700
Second quintile (\$19,591–\$34,694)	9.4	0.42	20,900	59	\$566,689,800	\$27,100	\$8,700
Middle quintile (\$34,695–\$53,515)	15.1	0.52	20,900	59	\$914,060,340	\$43,700	\$11,100
Fourth quintile (\$53,516–\$81,486)	22.8	0.61	20,900	59	\$1,382,999,400	\$66,200	\$13,600
Top quintile (>\$81,486)	48.7	0.73	20,900	59	\$2,945,452,500	\$140,900	\$19,900
1996 PANEL							
1997 Total	100.00	(X)	93,500	(X)	\$4,689,523,060	\$50,200	\$40,400
Bottom quintile (<\$18,608)	4.5	0.30	18,700	51	\$212,478,000	\$11,400	\$3,300
Second quintile (\$18,608–\$32,327)	10.1	0.43	18,700	51	\$475,599,080	\$25,400	\$3,000
Middle quintile (\$32,328–\$48,295)	16.0	0.53	18,700	51	\$749,437,480	\$40,100	\$3,500
Fourth quintile (\$48,296–\$72,027)	23.6	0.61	18,700	51	\$1,105,107,600	\$59,100	\$5,200
Top quintile (>\$72,027)	45.8	0.71	18,700	51	\$2,146,900,900	\$114,800	\$67,700
1999 Total	100.00	(X)	93,500	(X)	\$4,855,720,480	\$51,900	\$39,900
Bottom quintile (<\$18,914)	4.4	0.29	18,700	51	\$215,083,190	\$11,500	\$3,300
Second quintile (\$18,914–\$33,309)	10.1	0.43	18,700	51	\$487,901,860	\$26,100	\$3,100
Middle quintile (\$33,310–\$50,177)	16.0	0.53	18,700	51	\$777,700,530	\$41,600	\$3,700
Fourth quintile (\$50,178–\$74,606)	23.6	0.61	18,700	51	\$1,146,465,600	\$61,300	\$5,300
Top quintile (>\$74,606)	45.9	0.71	18,700	51	\$2,228,569,300	\$119,200	\$63,800

(X) Not applicable.

¹ The margin of error can be subtracted from and added to the point estimate to get the 90 percent confidence interval around the estimate.² Estimate was rounded to the nearest 1,000.³ Estimate was rounded to the nearest 100.

Note: Incomes for 2001 were adjusted to 2003 dollars and incomes for 1997 were adjusted to 1999 dollars using the CPI-U-RS. The estimates in this table are based on responses from a sample of the population and may differ from the actual values because of sampling variability and other factors. As a result, apparent differences between the estimates for two or more groups may not be statistically significant.

Source: U.S. Census Bureau, Survey of Income and Program Participation, 2004, 2001, and 1996 Panels. For information on sampling and nonsampling error, see <www.census.gov/sipp/source.html>.

Table 6.

Households That Experienced a Change in Income and Remained in the 5th and 95th Percentiles: 2004 and 2007

(Numbers in thousands. Number of households: 5th percentile—2.4 million; 95th percentile—2.8 million. Incomes for 2004 were adjusted to 2007 dollars using the CPI-U-RS)

2007 outcome	Number of households		Percent of households in percentile		Average household income					
					2004		2007		Change from 2004 to 2007	
	Number	Margin of error (\pm) ¹	Percent	Margin of error (\pm) ¹	Amount	Margin of error (\pm) ¹	Amount	Margin of error (\pm) ¹	Amount	Margin of error (\pm) ¹
5TH PERCENTILE IN 2004 AND 2007										
Income increased	917	167	38.6	5.59	\$4,987	\$473	\$7,252	\$320	\$2,265	\$378
Income decreased	1,404	199	59.1	4.40	\$6,841	\$395	\$4,940	\$446	-\$1,901	\$268
95TH PERCENTILE IN 2004 AND 2007										
Income increased	1,584	223	56.1	5.22	\$227,739	\$14,370	\$345,598	\$45,902	\$117,860	\$37,207
Income decreased	1,241	204	43.9	5.22	\$336,176	\$44,883	\$228,691	\$12,393	-\$107,485	\$42,055

¹ The margin of error can be subtracted from and added to the point estimate to get the 90 percent confidence interval around the estimate.

Note: The estimates in this table are based on responses from a sample of the population and may differ from the actual values because of sampling variability and other factors. As a result, apparent differences between the estimates for two or more groups may not be statistically significant.

Source: U.S. Census Bureau, Survey of Income and Program Participation, 2004 Panel. For information on sampling and nonsampling error, see <[www.census.gov/sipp/sourceac/S&A04_W1toW12\(S&A-9\).pdf](http://www.census.gov/sipp/sourceac/S&A04_W1toW12(S&A-9).pdf)>.

the bottom and top 5th percentiles in 2001 and 2003 that experienced gains or decreases in income were not statistically different from the proportion of households in the bottom and top 5th percentile in 2004 and 2007 that experienced either an increase or decrease in income.

MOVEMENTS IN THE MIDDLE OF THE DISTRIBUTION: 2004–2007

A majority of households in the top and bottom quintiles experienced the least movement across the quintiles between 2004 and 2007, while those in the second, middle, and fourth quintiles experienced considerable movement within and across the quintiles (Figure 2). Between 2004 and 2007, the share of income received by households in the top quintile remained statistically unchanged—47.4 percent and 48.3 percent, respectively. Similarly, the share of income received by households in the bottom quintile was also statistically unchanged—4.3 percent and 4.2 percent in 2004 and 2007 (Table 4).

In comparison, half of all households had an income that placed them between the 25th and 75th percentiles of the income distribution. While statistically unchanged, these households maintained a 38.6 percent and 40.7 percent share of income in 2004 and 2007 (Table 7). This section focuses on these households, paying particular attention to their movement within and among the five deciles between the 25th and 75th percentiles.²⁵ Moreover, the following section complements the discussion and recommendations provided in the 2010 U.S. Department of Commerce report—“Middle Class in America.”²⁶

Between 2004 and 2007, 53.2 million households had an income that placed them between the 25th and 75th percentiles of the income distribution—commonly referred to

²⁵ For purposes of analysis, this range of the household income distribution can be divided into five deciles.

²⁶ U.S. Department of Commerce, Economic and Statistics Administration, “Middle Class in America,” prepared for the Office of the Vice President of the United States, Middle Class Task Force, January 2010.

as the middle class. These households experienced an increase in the value of total income of \$169.3 billion, while their share of income remained unchanged. Households between the 25th and 35th and the 35th and 45th percentiles experienced increases in their incomes that contributed 17.2 percent and 11.4 percent, respectively, of the overall increase in the value of total income experienced by households in this middle income group. In comparison, the increases in income experienced by households between the 45th and 55th percentile, the 55th and 65th percentile, and the 65th and 75th percentile accounted for 3.8 percent, 4.7 percent, and 2.3 percent of the \$169.3 billion increase.

Approximately 10 million households between 2004 and 2007 experienced a change in income that resulted in them moving up or down two or more deciles, yet still remaining in the middle income group (Table 8). Out of this total, 5.0 million households experienced an average increase of \$25,259

Table 7.

The Share of Income for Households in the Middle of the Income Distribution, the 25th and 75th Deciles: 2004 and 2007

Panel and decile	Share of total household income		Number of households		Total household income for decile	Average household income for decile	
	Percent	Margin of error (\pm) ¹	Estimate ²	Margin of error (\pm) ¹	Estimate ³	Estimate ⁴	Margin of error (\pm) ¹
2004 PANEL							
2004 Distribution Total . . .	(X)	(X)	(X)	(X)	\$6,851,130,000	(X)	(X)
2004 Group Total	38.6	0.93	53,200	(X)	\$2,643,942,263	\$51,300	\$377
25th but less than 35th percentile (\$26,845–\$34,980)	4.7	0.40	10,640	584	\$318,661,334	\$30,000	\$104
35th but less than 45th percentile (\$34,981–\$44,987)	6.0	0.45	10,640	584	\$413,687,940	\$38,900	\$163
45th but less than 55th percentile (\$44,988–\$54,927)	7.5	0.50	10,640	584	\$514,677,969	\$48,400	\$166
55th but less than 65th percentile (\$54,928–\$67,052)	9.2	0.55	10,640	584	\$628,733,022	\$59,100	\$199
65th but less than 75th percentile (\$67,053–\$82,113)	11.2	0.60	10,640	584	\$768,181,998	\$72,100	\$239
2007 PANEL							
2007 Distribution Total . . .	(X)	(X)	(X)	(X)	\$6,921,020,000	(X)	(X)
2007 Group Total	40.7	0.94	53,200	(X)	\$2,813,225,074	\$52,900	\$393
25th but less than 35th percentile (\$25,964–\$34,861)	5.4	0.43	10,640	584	\$373,418,125	\$35,119	\$1,169
35th but less than 45th percentile (\$34,862–\$44,229)	6.7	0.48	10,640	584	\$461,013,715	\$43,326	\$1,293
45th but less than 55th percentile (\$44,230–\$54,751)	7.7	0.51	10,640	584	\$534,058,645	\$50,145	\$1,169
55th but less than 65th percentile (\$54,752–\$67,509)	9.5	0.56	10,640	584	\$658,544,634	\$61,899	\$2,710
65th but less than 75th percentile (\$67,510–\$83,314)	11.4	0.61	10,640	584	\$786,189,955	\$73,906	\$2,511

(X) Not applicable.

¹ The margin of error can be subtracted from and added to the point estimate to get the 90 percent confidence interval around the estimate.² Estimate was rounded to the nearest 10,000.³ Estimate was rounded to the nearest 1,000.⁴ Estimate was rounded to the nearest 100.

Note: The estimates in this table are based on responses from a sample of the population and may differ from the actual values because of sampling variability and other factors. As a result, apparent differences between the estimates for two or more groups may not be statistically significant.

Source: U.S. Census Bureau, Survey of Income and Program Participation, 2004 Panel. For information on sampling and nonsampling error, see <[www.census.gov/sipp/sourceac/S&A04_W1toW12\(S&A-9\).pdf](http://www.census.gov/sipp/sourceac/S&A04_W1toW12(S&A-9).pdf)>.

that moved them up two or more deciles by 2007. In contrast, 4.8 million households experienced an average decline of \$25,849 that resulted in them moving down two or more deciles in 2007. Of those households that experienced an increase by 2007, 21.8 percent were in the 25th to 35th decile in 2004 and experienced an average increase of \$25,681; 16.1 percent were in the 35th to 45th decile in 2004 and experienced an average increase of \$24,870; and 9.5 percent were in the 45th to 55th decile and experienced an

average increase of \$24,951. In comparison, of those households that experienced a decrease in income by 2007, 9.4 percent were in the 45th to 55th decile and experienced an average decline of \$19,044; 15.3 percent were in the 55th to 65th decile and experienced an average decline of \$23,087; and 20.5 percent were in the 65th to 75th decile and experienced a decline of \$31,022.

For the 53.2 million households in this middle income group in 2004, 25.9 percent experienced a change in income that moved them out of

this group by 2007. Between 2004 and 2007, 7.3 million households experienced an average increase of \$55,518, which placed them at or above the 75th percentile, while 6.5 million households experienced an average decline of \$24,183, placing them below the 25th percentile. Similarly, 6.8 million households had incomes that placed them below the 25th percentile in 2004 and experienced an average increase of \$22,088 that resulted in them moving into the middle income group in 2007, while 6.9 million households had

Table 8.

Income Dynamics for Households in the Middle of the Income Distribution: 2004 and 2007

(Numbers in thousands. Number of households: 53,200,000. Incomes for 2004 were adjusted to 2007 dollars using the CPI-U-RS)

Decile in 2004	Households	Margin of error (\pm) ¹	Per cent of households in 2004 decile	Margin of error (\pm) ¹	Average household income (2007 dollars)					
					2004		2007		Change from 2004 to 2007	
					Income	Margin of error (\pm) ¹	Income	Margin of error (\pm) ¹	Income	Margin of error (\pm) ¹
MOVED UP TWO OR MORE DECILES IN 2007										
Total	5,038	420	15.8	0.04	\$38,211	\$660	\$63,470	\$1,009	\$25,259	\$739
25th but less than 35th percentile (\$26,845–\$34,980)	2,318	300	21.8	2.24	\$31,151	\$268	\$56,832	\$1,306	\$25,681	\$1,314
35th but less than 45th percentile (\$34,981–\$44,987)	1,712	231	16.1	1.92	\$40,602	\$349	\$65,473	\$1,121	\$24,870	\$1,173
45th but less than 55th percentile (\$44,988–\$54,927)	1,008	191	9.5	1.48	\$50,381	\$461	\$75,332	\$823	\$24,951	\$958
MOVED DOWN TWO OR MORE DECILES IN 2007										
Total	4,802	366	15.0	1.51	\$64,164	\$985	\$38,315	\$689	–\$25,849	\$764
45th but less than 55th percentile (\$44,988–\$54,927)	998	204	9.4	1.23	\$49,709	\$573	\$30,666	\$449	–\$19,044	\$739
55th but less than 65th percentile (\$54,928–\$67,052)	1,624	221	15.3	1.52	\$60,347	\$474	\$37,260	\$645	–\$23,087	\$809
65th but less than 75th percentile (\$67,053–\$82,113)	2,180	282	20.5	1.71	\$73,623	\$586	\$42,602	\$1,000	–\$31,022	\$1,195
MOVED OUT OF THE MIDDLE RANGE OF THE DISTRIBUTION										
Below the 25th percentile	6,477	467	12.2	0.79	\$41,413	\$885	\$17,229	\$459	–\$24,183	\$999
Above the 75th percentile	7,274	474	13.7	0.83	\$63,058	\$952	\$118,576	\$4,637	\$55,518	\$4,660
MOVED INTO THE MIDDLE RANGE OF THE DISTRIBUTION										
From below the 25th percentile . . .	6,802	472	25.6	1.50	\$18,514	\$432	\$40,602	\$927	\$22,088	\$1,140
From above the 75th percentile . . .	6,924	482	26.0	1.51	\$117,708	\$4,743	\$62,059	\$957	–\$55,649	\$4,794

¹ The margin of error can be subtracted from and added to the point estimate to get the 90 percent confidence interval around the estimate.

Note: The estimates in this table are based on responses from a sample of the population and may differ from the actual values because of sampling variability and other factors. As a result, apparent differences between the estimates for two or more groups may not be statistically significant.

Source: U.S. Census Bureau, Survey of Income and Program Participation, 2004 Panel. For information on sampling and nonsampling error, see <[www.census.gov/sipp/sourceac/S&A04_W1toW12\(S&A-9\).pdf](http://www.census.gov/sipp/sourceac/S&A04_W1toW12(S&A-9).pdf)>.

an income that placed them at or above the 75th percentile and experienced an average decline of \$55,649 that resulted in them moving into the middle of the distribution in 2007 (bottom portion of Table 8). This reflects a good deal of mobility within the middle of the income distribution, with numerous households moving into and out of this group.

In addition to households that moved among and beyond the five deciles spanning the 25th and the

75th percentiles between 2004 and 2007, 3.4 million households in this middle income group experienced a change in income of 10 percent or more, but still remained in their respective income deciles between 2004 and 2007 (Table 9). Out of the 1.8 million households with an increase of 10 percent or more, those between the 25th and 35th and the 65th and 75th percentiles experienced the least and most gains in income. Specifically, 4.3 percent of households between the 25th and 35th

percentiles averaged an increase of \$4,772, and 3.7 percent of those between the 65th and 75th percentiles averaged an increase of \$10,127.

Out of the 1.6 million households that experienced a decline of 10 percent or more, yet still remained in their respective deciles, the smallest and largest declines between 2004 and 2007, once again, were experienced by households with incomes between the 25th and 35th percentiles and

Table 9.

Households That Experienced a Change in Income of 10 percent or More and Remained in the Same Income Percentile: 2004 and 2007

(Numbers in thousands. Number of households: 14,346,000. Incomes for 2004 were adjusted to 2007 dollars using the CPI-U-RS)

Decile in 2004	Households	Margin of error (±) ¹	Percent of households in 2004 decile	Margin of error (±) ¹	Average household income (2007 dollars)					
					2004		2007		Change from 2004 to 2007	
					Income	Margin of error (±) ¹	Income	Margin of error (±) ¹	Income	Margin of error (±) ¹
INCOME INCREASED 10 PERCENT OR MORE										
Total	1,794	209	3.4	0.31	\$46,413	\$2,230	\$53,205	\$2,513	\$6,792	\$353
25th but less than 35th percentile (\$26,845–\$34,980)	457	129	4.3	2.08	\$28,391	\$309	\$33,163	\$400	\$4,772	\$375
35th but less than 45th percentile (\$34,981–\$44,987)	379	109	3.6	1.93	\$36,775	\$304	\$42,108	\$416	\$5,406	\$371
45th but less than 55th percentile (\$44,988–\$54,927)	331	108	3.1	1.84	\$46,906	\$519	\$53,193	\$534	\$6,287	\$386
55th but less than 65th percentile (\$54,928–\$67,052)	228	82	2.1	1.52	\$57,303	\$683	\$65,359	\$537	\$8,056	\$503
65th but less than 75th percentile (\$67,053–\$82,113)	398	122	3.7	1.98	\$69,635	\$586	\$79,762	\$569	\$10,127	\$584
INCOME DECREASED 10 PERCENT OR MORE										
Total	1,575	224	3.0	0.42	\$47,168	\$2,126	\$40,805	\$1,867	–\$6,363	\$319
25th but less than 35th percentile (\$26,845–\$34,980)	617	124	20.7	4.16	\$32,916	\$302	\$28,040	\$313	–\$4,876	\$289
35th but less than 45th percentile (\$34,981–\$44,987)	349	106	12.1	3.40	\$42,544	\$526	\$36,759	\$482	–\$5,784	\$382
45th but less than 55th percentile (\$44,988–\$54,927)	240	101	8.6	2.98	\$52,591	\$677	\$45,805	\$561	–\$6,787	\$558
55th but less than 65th percentile (\$54,928–\$67,052)	191	70	6.7	2.63	\$64,981	\$510	\$56,691	\$534	–\$8,289	\$540
65th but less than 75th percentile (\$67,053–\$82,113)	177	77	6.2	2.52	\$79,418	\$637	\$69,380	\$712	–\$10,038	\$634

¹ The margin of error can be subtracted from and added to the point estimate to get the 90 percent confidence interval around the estimate.

Note: The estimates in this table are based on responses from a sample of the population and may differ from the actual values because of sampling variability and other factors. As a result, apparent differences between the estimates for two or more groups may not be statistically significant.

Source: U.S. Census Bureau, Survey of Income and Program Participation, 2004 Panel. For information on sampling and nonsampling error, see <[www.census.gov/sipp/sourceac/S&A04_W1toW12\(S&A-9\).pdf](http://www.census.gov/sipp/sourceac/S&A04_W1toW12(S&A-9).pdf)>.

65th and 75th percentiles. Those with incomes between the 25th and 35th percentiles experienced an average decline of \$4,867, and those with incomes between the 65th and 75th percentiles experienced an average decline of \$10,038. Among the remaining households that experienced a 10 percent or more decline in income between 2004 and 2007, households with incomes between the 35th and the 45th percentiles averaged a decline of \$5,784, those with incomes between the 45th

and the 55th percentiles averaged a decline of \$6,787, and those with incomes between the 55th and the 65th percentiles averaged a decline of \$8,289.

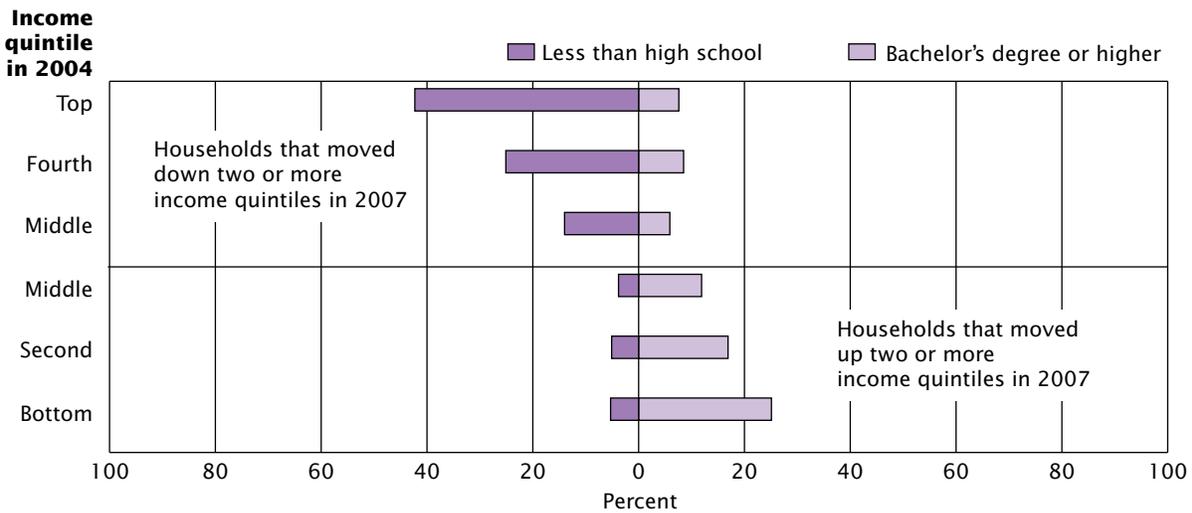
HOUSEHOLD DEMOGRAPHIC CHARACTERISTICS

The previous analysis focused on households' movement among and within the income quintiles. The following discussion compares households that remained in the same quintile with those that moved up or down one or

more quintiles between 2004 and 2007. Comparisons were done using characteristics collected in the survey's first interview—the householder's educational attainment, marital status, age, and race and ethnicity.²⁷ Factors commonly associated with household income mobility include changes in the householder's level of educational attainment, marital status, and age,

²⁷ See footnote 6 for the definition of householder. The remaining discussion in this report uses the characteristics of the householder to describe the household.

Figure 4.
Percent of Households That Moved Across Income Quintiles Between 2004 and 2007 by Educational Attainment of the Householder



Source: U.S. Census Bureau, Survey of Income and Program Participation, 2004 Panel. For information on sampling and nonsampling error, see <[www.census.gov/sipp/sourceac/S&A04_W1toW12\(S&A-9\).pdf](http://www.census.gov/sipp/sourceac/S&A04_W1toW12(S&A-9).pdf)>.

which is often used as a proxy for work experience.²⁸

The percentages in Figures 4 through 9 are based on the total number of householders in each quintile in 2004, which are categorized by their quintile status in 2007 (Appendix Tables A-3 through A-6 provide complete data).²⁹ For example, the first line

²⁸ Changes in the level of educational attainment, marital status, and increased work experience are the most common factors used to analyze household income mobility. Other less obvious factors can also affect household income mobility, such as changes in household composition. This could include adult children moving into or out of their parents' household, parents moving into or out of their adult children's household, unrelated people moving into or out of a household, or the birth or adoption of a child.

²⁹ Appendix Tables A-7 through A-11 present demographic data in a different way than Appendix Tables A-3 through A-6. The percentages in Appendix Tables A-7 through A-11 are based on the total number of householders in each quintile category in 2007 relative to their quintile status in 2004—meaning that a subset of householders in each quintile in 2004 is counted for each quintile category in 2007. For example, the first column in Appendix Table A-7 shows that of householders in the bottom quintile in 2004 who remained in the bottom quintile in 2007, 5.3 percent were 15–24 years, 9.9 percent were 25–34 years, etc. In other words, the column

in Appendix Table A-3 shows that of all householders with less than a high school education in the top quintile in 2004, 42.3 percent moved down two or more quintiles in 2007, 23.6 percent moved down one quintile in 2007, and 34.1 percent stayed in the same quintile in 2007. In other words, the row values in Appendix Tables A-3 through A-6 sum to 100 percent.

EDUCATIONAL ATTAINMENT

Householders with lower levels of education were more likely to move down to a lower income quintile and less likely to move up to a higher income quintile than householders with higher levels of education. The most notable differences regarding patterns of movement among income quintiles between 2004 and 2007 were for householders with less than a high

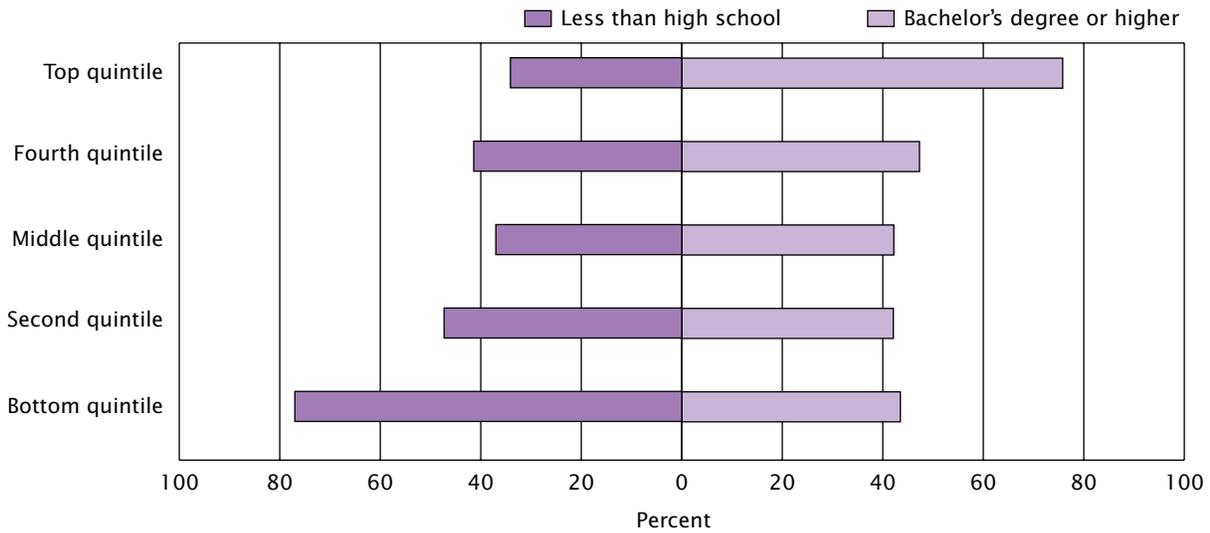
school education and householders with a bachelor's degree or higher. values for each characteristic in Appendix Tables A-7 through A-11 sum to 100 percent. In addition, Appendix Tables A-7 through A-11 contain more refined categorizations for some characteristics.

school education and householders with a bachelor's degree or higher.

Forty-two percent of householders with less than a high school education in the top quintile in 2004 experienced a change in income that resulted in moving down two or more quintiles in 2007, while 7.6 percent of those with a bachelor's degree or higher experienced such a change (Figure 4). Similarly, of householders with less than a high school education in the fourth quintile in 2004, 25.1 percent experienced a change in income that resulted in moving down two or more quintiles in 2007 in comparison with 8.5 percent of householders with a bachelor's degree or higher.

Data for comparable households from the 2001 and 1996 SIPP panels follow a similar pattern. For instance, among householders with less than a high school education in 2001, 23.0 percent in the top quintile and 18.3 percent in the fourth quintile experienced a change in

Figure 5.
**Percent of Households in the Same Income Quintile for 2004 and 2007
 by Educational Attainment of the Householder**



Source: U.S. Census Bureau, Survey of Income and Program Participation, 2004 Panel. For information on sampling and nonsampling error, see <[www.census.gov/sipp/sourceac/S&A04_W1toW12\(S&A-9\).pdf](http://www.census.gov/sipp/sourceac/S&A04_W1toW12(S&A-9).pdf)>.

household income that resulted in moving down two or more quintiles in 2003. In comparison, among householders with a bachelor's degree or higher in 2001, 8.7 percent in the top quintile and 7.5 percent in the fourth quintile experienced a change in household income that resulted in moving down two or more quintiles.³⁰

On the other end of the income distribution, householders with a bachelor's degree or higher were more likely to experience an increase in income. For example, those with a bachelor's degree or higher in the bottom quintile in 2004 were more than three times as likely to experience an increase in income that resulted in moving up two or more quintiles in 2007 compared with those with less than a high school education. Of householders with a bachelor's degree or higher in the bottom quintile in

³⁰ Data for comparisons from 2001 and 2003 are published in the previous Census Bureau report on this topic cited in footnote 2.

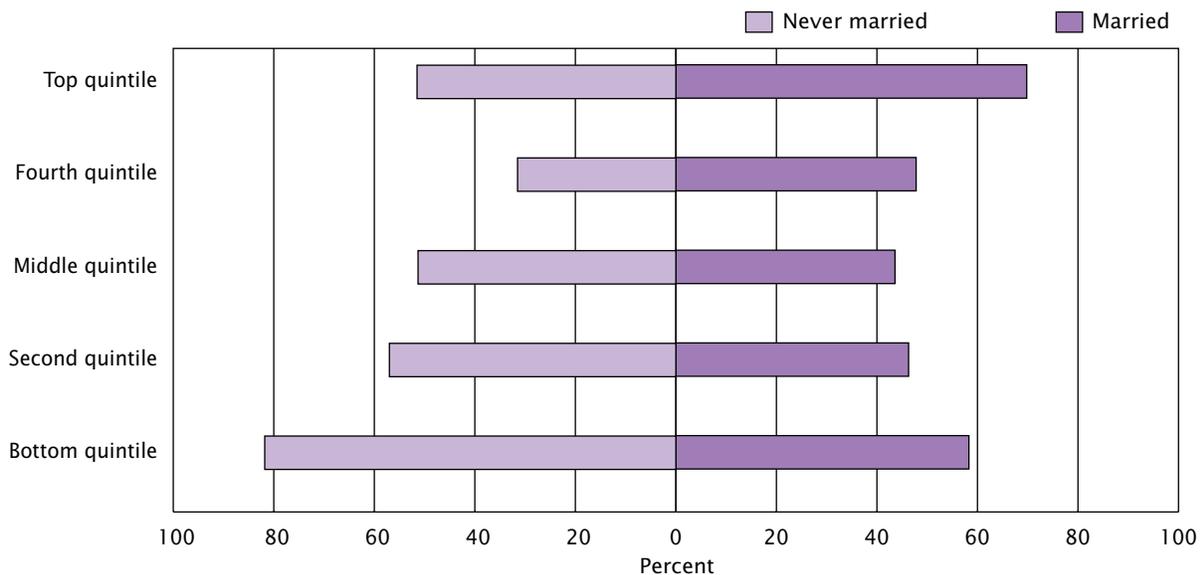
How Changes in Educational Attainment Affect Household Income

Between 2004 and 2007, 12.4 percent of householders experienced an increase in their level of educational attainment, which could result in an increase in household income. Individuals with higher levels of educational attainment are, on average, paid higher wages and salaries. To see how changes in educational attainment affect household income, educational attainment in the first and last months of the 2004 SIPP panel was examined for those households that experienced a change in income. Changes expected to increase household income include transitioning from some college or an associate's degree to a bachelor's degree, as well as transitioning from a bachelor's degree to a postgraduate degree. Nearly 15 percent of householders who moved up at least two quintiles from the bottom, the second, or the middle quintile experienced a change in educational attainment between 2004 and 2007. Householders who moved up at least two quintiles from the bottom quintile experienced the largest change in educational attainment in percentage terms, with 6.2 percent transitioning from some college or an associate's degree to a bachelor's degree.

2004, 25.1 percent experienced a change in income that shifted them up two or more quintiles in 2007. In comparison, 5.3 percent of householders with less than a high school education in the bottom

quintile in 2004 experienced a change in income that shifted them up two or more quintiles in 2007. Data for comparable householders from the 2001 and 1996 SIPP panels follow a similar pattern.

Figure 6.
**Percent of Households in the Same Income Quintile for 2004 and 2007
 by Marital Status of the Householder**



Source: U.S. Census Bureau, Survey of Income and Program Participation, 2004 Panel. For information on sampling and nonsampling error, see <[www.census.gov/sipp/sourceac/S&A04_W1toW12\(S&A-9\).pdf](http://www.census.gov/sipp/sourceac/S&A04_W1toW12(S&A-9).pdf)>.

Additional notable findings are observed when looking at households in the bottom and the top quintiles. Between 2004 and 2007, 77.0 percent of householders with less than a high school education in the bottom quintile in 2004 were also in the bottom quintile in 2007 (Figure 5). At the other end of the income distribution, 75.8 percent of householders with a bachelor's degree or higher in the top quintile in 2004 were also in the top quintile in 2007.

Similar results were found for comparable households in the 2001 and 1996 SIPP panels. For example, 79.2 percent of householders with less than a high school education in the bottom quintile in 2001 were also in the bottom quintile in 2003, while 74.9 percent of householders with a bachelor's degree or higher in the top quintile in 2001 were also in the top quintile in 2003.

Some changes occurred in the distribution of households that

remained in the bottom quintile across the 1996, 2001, and 2004 SIPP panels. For example, the proportion of householders with less than a college degree that remained in the bottom quintile was comparable between the 2004 and 2001 SIPP panels, but smaller in the 1996 SIPP panel. One notable difference is for householders with a high school degree. In the 2004 and 2001 SIPP panels, 74.0 percent and 72.2 percent of those with a high school degree in the bottom quintile in 2004 and 2001 were also in the bottom quintile in 2007 and 2003. In contrast, 57.0 percent of householders with a high school degree in the bottom quintile in 1996 were also in the bottom quintile in 1999.

MARITAL STATUS

Unmarried householders were less likely to remain in a higher income quintile and more likely to remain in a lower income quintile than married householders.

The most notable differences regarding patterns of movement among quintiles between 2004 and 2007 were for never married and married households.

Of never married householders in the top and the fourth quintiles in 2004, 51.5 percent and 31.5 percent, respectively, remained in the same quintile in 2007 (Figure 6). By comparison, of married householders in the top and the fourth quintiles in 2004, 69.8 percent and 47.8 percent, respectively, remained in the same quintile in 2007.

Data for comparable households from the 2001 and 1996 SIPP panels follow a different pattern, where the most notable differences were between widowed and married households. For instance, of widowed householders in the top and the fourth quintiles in 2001, 50.9 percent and 35.1 percent, respectively, remained in the same quintile in 2003. In comparison, of

married householders in the top and the fourth quintiles in 2001, 69.7 percent and 48.5 percent, respectively, remained in the same quintile in 2003.

On the other end of the income distribution, of never married householders in the bottom and second quintiles in 2004, 81.8 percent and 57.0 percent, respectively, remained in the same quintile in 2007. In comparison, of married householders in the bottom and second quintiles in 2004, 58.3 percent and 46.3 percent remained in the same quintile in 2007.

Data for comparable households from the 2001 and 1996 SIPP panels follow a different pattern, where the most notable differences were between widowed and married households.

A few across-quintile differences appeared for households that remained in the same quintile between 2004 and 2007. As with educational attainment, notable differences occurred between the bottom and the top quintiles. While 81.8 percent of never married households remained in the bottom quintile between 2004 and 2007, 51.5 percent remained in the top quintile. In comparison, while 58.3 percent of married households remained in the bottom quintile between 2004 and 2007, 69.8 percent remained in the top quintile.

Some changes occurred in the distribution of households that remained in the bottom and top quintiles across the 1996, 2001, and 2004 SIPP panels. Between 2004 and 2007, never married householders in the bottom quintile became more likely to remain relative to comparable householders in the 2001 and 1996 SIPP panels, while never married householders in the top quintile became less likely to remain relative to comparable householders in the 2001

How Changes in Marital Status Affect Household Income

Between 2004 and 2007, 12.5 percent of householders experienced a change in marital status, which could either increase or decrease household income. For example, if two working adults marry, their household income becomes the combined total of the two individual incomes. Alternatively, when a spouse dies, the household income may be reduced by the amount of pension, social security, and/or earned income attributable to the deceased spouse. To see how changes in marital status affect household income, marital status in the first and last months of the 2004 SIPP panel was examined for those households that experienced a change in income. Of households that moved up at least two quintiles from the bottom, the second, or the middle quintile, 7.7 percent of the householders were never married in 2004, but married in 2007. Changes expected to decrease household income, particularly for women, include transitioning from married to divorced, separated, or widowed. Nearly 5 percent of householders that moved down at least two quintiles in the income distribution from the top, the fourth, or the middle quintile were married in 2004 and divorced or separated in 2007, while nearly 4 percent of these householders were married in 2004 and widowed in 2007.

and 1996 SIPP panels. In contrast, between 2004 and 2007, widowed householders in the bottom quintile became less likely to remain relative to comparable householders in the 2001 and 1996 SIPP panels and widowed householders in the top quintile become more likely to remain relative to comparable households in the 2001 and 1996 SIPP panels.

AGE

Growing older is commonly linked with increased maturity, labor force experience, and domestic stability, which are often associated with higher household income.³¹ Younger householders

were more likely to move down to a lower income quintile than older householders.

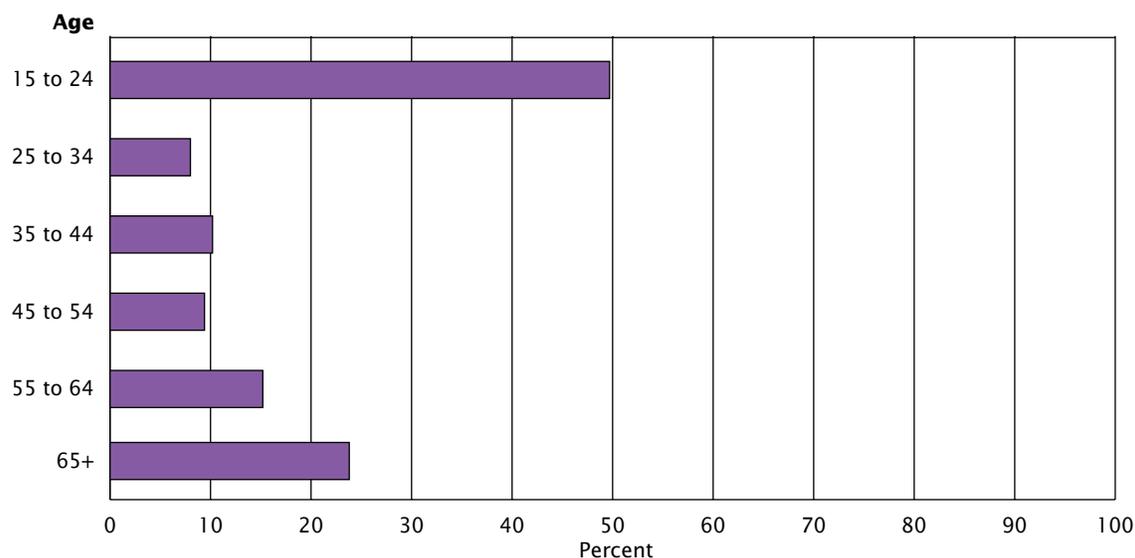
Fifty percent of younger households (aged 15 to 24) in the top quintile experienced a change in income that shifted them down two or more quintiles, compared with between 8.0 percent and 23.8 percent of older householders (aged 25 and older) (Figure 7).

Similar results were observed for comparable households from the 2001 and 1996 SIPP panels. For instance, between 2001 and 2003, 34.9 percent of younger householders (aged 15 to 24) in the top quintile experienced a change in income that shifted them down two or more quintiles, compared with between 8.1 percent and 21.0 percent of older householders (aged 25 and older).

This same pattern was observed between 2004 and 2007 for households in the fourth quintile that experienced a decline of one or

³¹ A good review of this lifecycle hypothesis and its empirical validation can be found in Murphy, Kevin and Finis Welch, "Empirical Age-Earnings Profiles," *Journal of Labor Economics*, 1990, Vol. 8, pp. 202-29; Medoff, James L. and Katharine G. Abraham, "Experience, Performance, and Earnings," *Quarterly Journal of Economics*, 1980, Vol. 95, No. 4, pp. 703-36; and Klevmarcken, Anders and John M. Quigley, "Age, Experience, and Investments in Human Capital," *Journal of Political Economy*, 1976, Vol. 84, No. 1, pp. 47-72.

Figure 7.
Percent of Households That Moved Down Two or More Income Quintiles From the Top Income Quintile Between 2004 and 2007 by Age of the Householder



Source: U.S. Census Bureau, Survey of Income and Program Participation, 2004 Panel. For information on sampling and nonsampling error, see <[www.census.gov/sipp/sourceac/S&A04_W1toW12\(S&A-9\).pdf](http://www.census.gov/sipp/sourceac/S&A04_W1toW12(S&A-9).pdf)>.

more quintiles. For instance, 29.2 percent of younger householders (aged 15 to 24) that were in the fourth quintile in 2004 experienced a change in income that shifted them down one quintile compared with between 14.8 percent and 19.2 percent of older householders (aged 25 to 54). Additionally, between 2004 and 2007, younger householders (aged 15 to 24) in the fourth quintile were less likely than older householders (aged 25 to 64) to move up to the top quintile (10.8 percent compared with between 18.9 percent and 26.5 percent).

Retirement is often associated with fixed or decreased household income. A larger proportion of older householders in the bottom and the second quintiles remained in the same quintile between 2004 and 2007 compared with younger householders (Figure 8). Eighty-three percent of older householders (aged 65 or older) remained in the bottom quintile, compared with between 47.2 percent and 71.8

percent of younger householders (aged 15 to 64).

Data for comparable households from the 2001 and 1996 SIPP panels exhibit a similar pattern. For instance, between 2001 and 2003, 84.9 percent of older householders (aged 65 or older) remained in the bottom quintile, compared with between 58.6 percent and 68.5 percent of younger householders (aged 15 to 64).

Between 2004 and 2007, older householders (aged 65 and older) were less likely to experience a change in income that resulted in a shift to a higher income quintile than their younger counterparts. Among households that started in the bottom quintile, for example, younger householders (aged 15 to 64) were more likely than older householders to move up two or more quintiles (between 10.0 percent and 23.0 percent compared with 5.2 percent).

Similarly, among comparable households from the 2001 and

1996 SIPP panels that started in the bottom quintile, older householders were less likely to move up one or more quintiles relative to all younger householders.

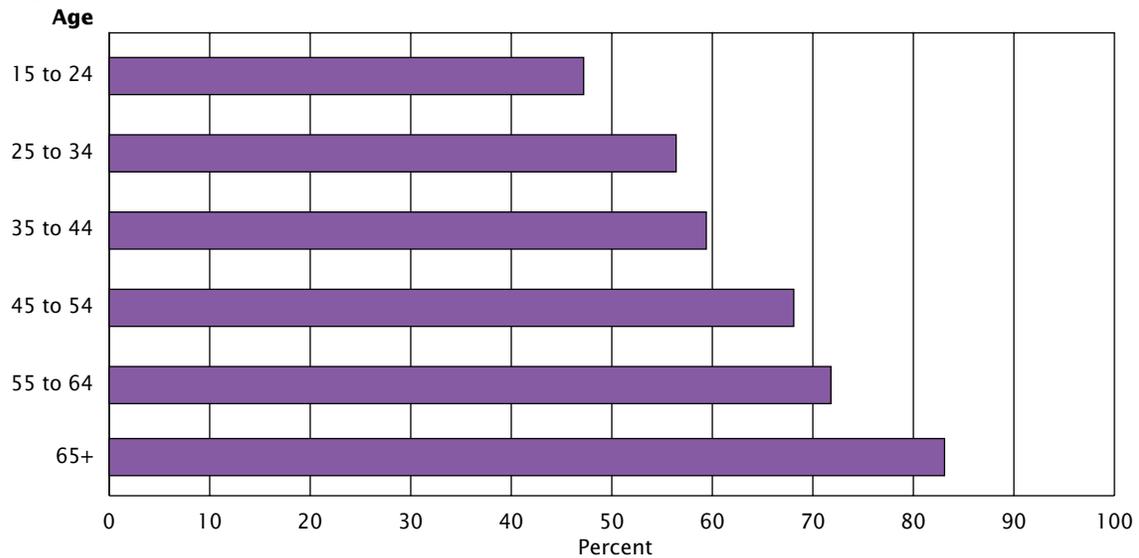
RACE AND ETHNICITY

Non-Hispanic White householders were more likely to remain in a higher income quintile and less likely to remain in a lower income quintile than other householders. Between 2004 and 2007, non-Hispanic White householders in the top quintile were more likely to remain there than Black or Hispanic householders (69.3 percent compared with 55.0 percent and 57.9 percent, respectively) (Figure 9).³²

Data for comparable households from the 2001 SIPP panel follow a similar pattern. Between 2001 and 2003, 68.9 percent of non-Hispanic White householders in the top quintile remained there compared with

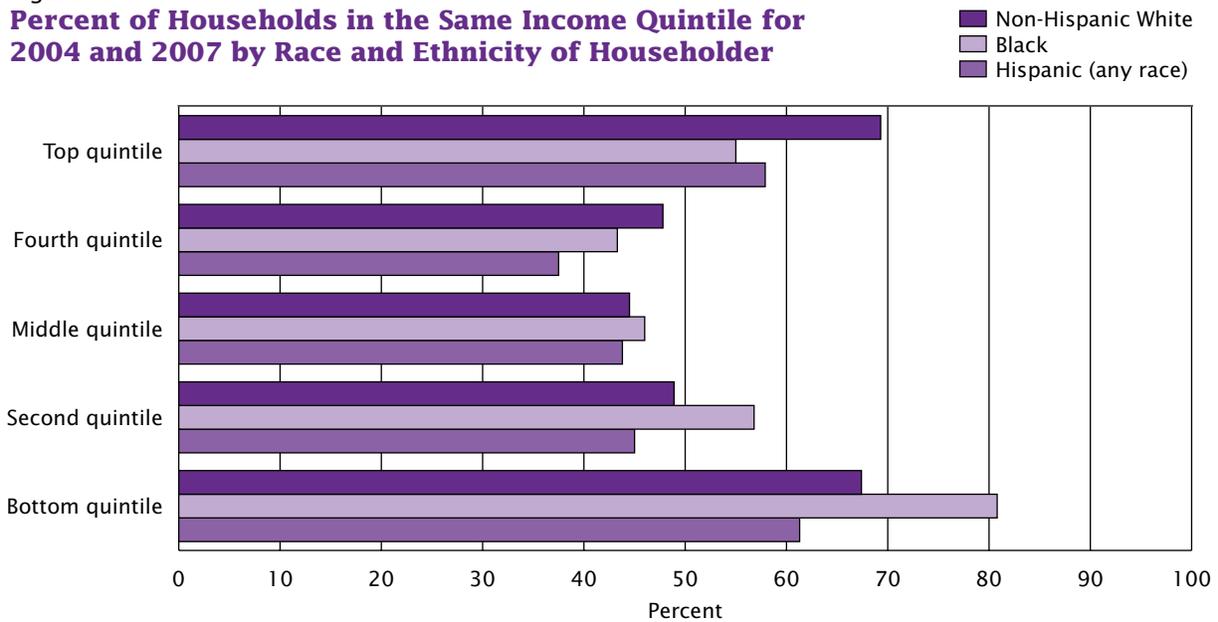
³² The difference between Black and Hispanic householders was not significantly different.

Figure 8.
**Percent of Households in the Bottom Income Quintile for 2004 and 2007
 by Age of the Householder**



Source: U.S. Census Bureau, Survey of Income and Program Participation, 2004 Panel. For information on sampling and nonsampling error, see <[www.census.gov/sipp/sourceac/S&A04_W1toW12\(S&A-9\).pdf](http://www.census.gov/sipp/sourceac/S&A04_W1toW12(S&A-9).pdf)>.

Figure 9.
**Percent of Households in the Same Income Quintile for
 2004 and 2007 by Race and Ethnicity of Householder**



Source: U.S. Census Bureau, Survey of Income and Program Participation, 2004 Panel. For information on sampling and nonsampling error, see <[www.census.gov/sipp/sourceac/S&A04_W1toW12\(S&A-9\).pdf](http://www.census.gov/sipp/sourceac/S&A04_W1toW12(S&A-9).pdf)>.

62.7 percent of Black householders and 52.5 percent of Hispanic householders.

Between 2004 and 2007, non-Hispanic White householders in the

fourth quintile were more likely to remain there than Hispanic householders (47.8 percent compared with 37.5 percent).

At the other end of the income distribution, between 2004 and 2007, Black householders in the bottom quintile in 2004 were more likely to remain in the bottom quintile in 2007 than non-Hispanic White or

Hispanic householders (80.8 percent compared with 67.4 percent and 61.3 percent, respectively).

Data for comparable households from the 2001 and 1996 SIPP panels follow a similar pattern. Between 2001 and 2003, Black householders in the bottom quintile were more likely to remain there than non-Hispanic White or Hispanic householders (76.3 percent compared with 70.9 percent and 66.4 percent, respectively).

Some changes occurred in the distribution of households that remained in the bottom quintile across the 1996, 2001, and 2004 SIPP panels. Between 2004 and 2007, Black householders in the bottom quintile became more likely to remain relative to comparable householders in the 2001 and 1996 SIPP panels, while Hispanic householders were equally as likely to remain. Non-Hispanic White householders in the bottom quintile were less likely to remain there between 2004 and 2007 relative to comparable householders in the 2001 SIPP panel, but more likely to remain relative to comparable householders in the 1996 SIPP panel.

SOURCE OF THE DATA

The population represented (the population universe) in the 2004 SIPP is the civilian noninstitutionalized population of the United States. The SIPP is a longitudinal survey conducted at 4-month intervals. The data in this report refer to the period from January 2004 through December 2007. The institutionalized population, which is excluded from the population universe, is composed primarily of the population in correctional

institutions and nursing homes (91 percent of the 4.1 million institutionalized population in Census 2000).

ACCURACY OF THE ESTIMATES

Statistics from surveys are subject to sampling and nonsampling error. All comparisons presented in this report have taken sampling error into account and are significant at the 90 percent confidence level. This means the 90 percent confidence interval for the difference between the estimates being compared does not include zero. Nonsampling errors in surveys may be attributed to a variety of sources, such as how the survey was designed, how respondents interpret questions, how able and willing respondents are to provide correct answers, and how accurately the answers are coded and classified. To minimize these errors, the Census Bureau employs quality control procedures during all stages of the production process, including the design of survey, the wording of questions, the review of the work of interviewers and coders, and the statistical review of reports.

The SIPP weighting procedure uses ratio estimation, whereby sample estimates are adjusted to independent estimates of the national population by age, race, sex, and Hispanic origin. This weighting partially corrects for bias due to undercoverage, but biases may still be present when people who are missed by the survey differ from those interviewed in ways other than the age, race, sex, and Hispanic origin. How this weighting procedure affects other variables in

the survey is not precisely known. All of these considerations affect comparisons across different surveys or data sources. Additional information on the SIPP can be found at <www.census.gov/sipp> (main SIPP Web site), <www.census.gov/sipp/workpaper/wp230.pdf> (SIPP Quality Profile), and <www.census.gov/sipp/usrguide/sipp2004.pdf> (SIPP User's Guide).

For further information on the source of the data and accuracy of the estimates, including standard errors and confidence intervals, go to <www.census.gov/sipp/source.html> or contact Stephen Clark of the Census Bureau's Demographic Statistical Methods Division at <stephen.clark@census.gov> or 301-763-3793.

For information on the content of the report, contact John J. Hisnanick, Chief, Program Participation and Income Transfer Branch at <john.j.hisnanick@census.gov> or 301-763-2295.

USER COMMENTS

The Census Bureau welcomes the comments and advice of users of its data and reports. If you have any suggestions or comments, please send an e-mail inquiry to <hhes-info@census.gov>.

SUGGESTED CITATION

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Appendix Table A-1.

Households by Income Quintile: 2004 and 2007

(Numbers in thousands. Total number of households in each quintile was approximately 21,276 in 2004)

2004	2007											
	Bottom quintile (<\$21,648)		Second quintile (\$21,648-\$39,246)		Middle quintile (\$39,247-\$60,576)		Fourth quintile (\$60,577-\$92,899)		Top quintile (>\$92,899)			
	Number	90 percent C.I. ¹	Number	90 percent C.I. ¹	Number	90 percent C.I. ¹	Number	90 percent C.I. ¹	Number	90 percent C.I. ¹		
Bottom quintile (<\$22,367)	14,700	(14,320-15,080)	4,300	(3,970-4,630)	1,330	(1,130-1,530)	670	(530-810)	270	(180-360)	2,270	(2,020-2,520)
Second quintile (\$22,367-\$40,015)	4,110	(3,790-4,430)	10,460	(10,050-10,870)	4,690	(4,350-5,030)	1,590	(1,380-1,800)	430	(310-550)	2,020	(1,780-2,260)
Middle quintile (\$40,016-\$60,895)	1,340	(1,140-1,540)	4,090	(3,770-4,410)	9,460	(9,050-9,870)	4,810	(4,470-5,150)	1,580	(1,370-1,790)	2,920	(2,640-3,200)
Fourth quintile (\$60,896-\$92,886)	790	(640-940)	1,720	(1,500-1,940)	4,320	(3,990-4,650)	9,900	(9,490-10,310)	4,560	(4,230-4,890)	2,510	(2,250-2,770)
Top quintile (>\$92,886)	340	(240-440)	700	(550-850)	1,490	(1,280-1,700)	4,310	(3,980-4,646)	14,430	(14,050-14,810)	2,530	(2,270-2,790)
PERCENT DISTRIBUTION												
Bottom quintile	69.1	(67.32-70.86)	20.2	(18.69-21.77)	6.3	(5.32-7.18)	3.2	(2.48-3.82)	1.3	(0.83-1.69)	10.7	(9.40-11.75)
Second quintile	19.3	(17.82-20.84)	49.2	(47.24-51.08)	22.0	(20.44-23.62)	7.5	(6.46-8.48)	2.0	(1.50-2.58)	9.5	(8.50-10.77)
Middle quintile	6.3	(5.38-7.24)	19.2	(17.70-20.72)	44.4	(42.53-46.35)	22.6	(20.99-24.19)	7.4	(6.41-8.41)	13.7	(12.54-15.19)
Fourth quintile	3.7	(2.97-4.41)	8.1	(7.05-9.15)	20.3	(18.76-21.84)	46.5	(44.60-48.42)	21.5	(19.88-23.02)	11.8	(10.51-12.98)
Top quintile	1.6	(1.10-2.06)	3.3	(2.61-3.97)	7.0	(6.00-7.96)	20.3	(18.73-21.81)	67.8	(66.05-69.63)	11.9	(10.74-13.23)

¹ 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.

Note: The estimates in this table are based on responses from a sample of the population and may differ from the actual values because of sampling variability and other factors. As a result, apparent differences between the estimates for two or more groups may not be statistically significant.

Source: U.S. Census Bureau, Survey of Income and Program Participation, 2004 Panel. For information on sampling and nonsampling error, see <www.census.gov/sipp/sourceac/S&A04_W1toW12(S&A-9).pdf>.

Appendix Table A-2.

Individuals by Equivalence Adjusted Household Income Quintiles: 2004 and 2007

(Numbers in thousands. Total number of people in each quintile was approximately 54,220 in 2004)

	2007										Total that moved two or more quintiles		
	Bottom quintile (<\$36,884)		Second quintile (\$36,884-\$63,413)		Middle quintile (\$63,414-\$92,757)		Fourth quintile (\$92,758-\$137,731)		Top quintile (>\$137,731)		Number	90 percent C.I. ¹	
	Number	90 percent C.I. ¹	Number	90 percent C.I. ¹	Number	90 percent C.I. ¹	Number	90 percent C.I. ¹	Number	90 percent C.I. ¹			
2004													
Bottom quintile (<\$39,395)	33,660	(33,030-34,290)	13,970	(13,410-14,530)	4,640	(4,280-5,000)	1,630	(1,410-1,850)	1,290	(1,090-1,490)	7,560	(7,210-7,910)	
Second quintile (\$39,395-\$65,412)	11,480	(10,950-12,010)	24,150	(23,500-24,800)	12,150	(11,610-12,690)	4,950	(4,570-5,330)	1,540	(1,320-1,760)	6,490	(6,160-6,820)	
Middle quintile (\$65,413-\$95,476)	4,890	(4,520-5,260)	9,940	(9,440-10,440)	22,800	(22,160-23,440)	12,460	(11,910-13,010)	4,090	(3,750-4,430)	8,980	(8,600-9,360)	
Fourth quintile (\$95,477-\$139,353)	2,970	(2,670-3,270)	4,720	(4,350-5,090)	11,070	(10,540-11,600)	24,480	(23,830-25,130)	11,030	(10,510-11,550)	7,690	(7,340-8,040)	
Top quintile (>\$139,353)	1,230	(1,040-1,420)	2,440	(2,170-2,710)	3,570	(3,250-3,890)	10,660	(10,140-11,180)	36,320	(35,710-36,930)	7,240	(6,890-7,590)	
PERCENT DISTRIBUTION													
Bottom quintile	62.1	(60.94-63.28)	23.9	(22.91-24.97)	8.6	(7.89-9.23)	3.0	(2.60-3.42)	2.4	(2.02-2.76)	14.0	(13.31-14.61)	
Second quintile	21.2	(20.17-22.13)	44.5	(43.31-45.69)	22.4	(21.39-23.39)	9.1	(8.44-9.82)	2.8	(2.43-3.23)	12.0	(11.35-12.57)	
Middle quintile	9.0	(8.34-9.72)	18.4	(17.42-19.28)	42.1	(40.90-43.28)	23.0	(21.98-24.00)	7.5	(6.91-8.17)	16.6	(15.87-17.27)	
Fourth quintile	5.5	(4.93-6.03)	8.7	(8.02-9.38)	20.4	(19.43-21.37)	45.1	(43.91-46.31)	20.3	(19.35-21.29)	14.2	(13.53-14.83)	
Top quintile	2.3	(1.90-2.62)	4.5	(4.00-5.00)	6.6	(5.98-7.18)	19.7	(18.71-20.61)	67.0	(65.87-68.13)	13.3	(12.70-13.98)	

¹ 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.

Note: The estimates in this table are based on responses from a sample of the population and may differ from the actual values because of sampling variability and other factors. As a result, apparent differences between the estimates for two or more groups may not be statistically significant.

Source: U.S. Census Bureau, Survey of Income and Program Participation, 2004 Panel. For information on sampling and nonsampling error, see <www.census.gov/sipp/sourceac/S&A04_W1toW12(S&A-9).pdf>.

Appendix Table A-3.

Percent Distribution of Household Movement Across Quintiles Between 2004 and 2007 by Highest Level of Educational Attainment of Householder

(Numbers in thousands. Householder educational attainment measured during the first interview)

Quintile in 2004	Quintile in 2007									
	Moved down two or more quintiles		Moved down one quintile		Stayed in the same quintile		Moved up one quintile		Moved up two or more quintiles	
	Percent	90 percent C.I. ¹	Percent	90 percent C.I. ¹	Percent	90 percent C.I. ¹	Percent	90 percent C.I. ¹	Percent	90 percent C.I. ¹
Total										
Top	620	(31.2-53.4)	23.6	(14.1-33.1)	34.1	(23.4-44.8)	(X)	(X)	(X)	(X)
Less than high school	2,348	(19.6-25.6)	28.0	(24.8-31.2)	49.4	(45.8-53.0)	(X)	(X)	(X)	(X)
High school diploma	6,193	(10.6-15.4)	24.3	(21.3-27.3)	62.8	(59.4-66.2)	(X)	(X)	(X)	(X)
Some college or associate's degree	12,120	(6.3-8.9)	16.5	(14.6-18.4)	75.8	(73.6-78.0)	(X)	(X)	(X)	(X)
Bachelor's degree or higher										
Fourth	1,326	(18.4-31.8)	21.9	(15.5-28.3)	41.4	(33.8-49.0)	11.7	(6.8-16.6)	(X)	(X)
Less than high school	4,220	(9.5-15.1)	28.4	(24.5-32.3)	41.4	(37.2-45.6)	18.0	(14.7-21.3)	(X)	(X)
High school diploma	8,631	(10.2-14.2)	20.3	(17.9-22.7)	49.1	(46.1-52.1)	18.4	(16.1-20.7)	(X)	(X)
Some college or associate's degree	7,111	(6.6-10.4)	15.2	(12.8-17.6)	47.3	(44.0-50.6)	29.1	(26.1-32.1)	(X)	(X)
Bachelor's degree or higher										
Middle	2,200	(9.9-18.1)	27.6	(22.3-32.9)	37.0	(31.2-42.8)	15.6	(11.3-19.9)	5.9	(3.1-8.7)
Less than high school	5,408	(4.8-8.6)	23.8	(20.6-27.0)	46.1	(42.3-49.9)	19.8	(16.8-22.8)	3.5	(2.1-4.9)
High school diploma	8,510	(4.2-7.0)	16.9	(14.6-19.2)	46.7	(43.7-49.7)	23.2	(20.6-25.8)	7.6	(6.0-9.2)
Some college or associate's degree	5,150	(2.3-5.3)	14.7	(11.9-17.5)	42.2	(38.3-46.1)	27.4	(23.9-30.9)	11.9	(9.4-14.4)
Bachelor's degree or higher										
Second	3,694	(X)	29.0	(24.8-33.2)	47.3	(42.7-51.9)	18.6	(15.0-22.2)	5.1	(3.1-7.1)
Less than high school	6,208	(X)	19.0	(16.2-21.8)	52.7	(49.2-56.2)	19.2	(16.4-22.0)	9.2	(7.1-11.3)
High school diploma	8,346	(X)	17.8	(15.5-20.1)	49.9	(46.8-53.0)	23.3	(20.7-25.9)	9.0	(7.2-10.8)
Some college or associate's degree	3,033	(X)	12.6	(9.2-16.0)	42.1	(37.1-47.1)	28.5	(23.9-33.1)	16.9	(13.1-20.7)
Bachelor's degree or higher										
Bottom	6,588	(X)	(X)	(X)	77.0	(74.1-79.9)	17.7	(15.1-20.3)	5.3	(3.8-6.8)
Less than high school	6,286	(X)	(X)	(X)	74.0	(70.9-77.1)	17.1	(14.4-19.8)	9.0	(7.0-11.0)
High school diploma	6,561	(X)	(X)	(X)	63.7	(60.4-67.0)	22.7	(19.8-25.6)	13.7	(11.3-16.1)
Some college or associate's degree	1,835	(X)	(X)	(X)	43.5	(37.0-50.0)	31.4	(25.3-37.5)	25.1	(19.4-30.8)
Bachelor's degree or higher										

(X) Not applicable.

¹ 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.

Note: The estimates in this table are based on responses from a sample of the population and may differ from the actual values because of sampling variability and other factors. As a result, apparent differences between the estimates for two or more groups may not be statistically significant.

Source: U.S. Census Bureau, Survey of Income and Program Participation, 2004 Panel. For information on sampling and nonsampling error, see <www.census.gov/sipp/sourceac/S&A04_W1toW12(S&A-9).pdf>.

Appendix Table A-4.
Percent Distribution of Household Movement Across Quintiles Between 2004 and 2007 by Marital Status of Householder

(Numbers in thousands. Householder marital status measured during the first interview)

Quintile in 2004	Quintile in 2007											
	Moved down two or more quintiles		Moved down one quintile		Stayed in the same quintile		Moved up one quintile		Moved up two or more quintiles		Total	
	Percent	90 percent C.I. ¹	Percent	90 percent C.I. ¹	Percent	90 percent C.I. ¹	Percent	90 percent C.I. ¹	Percent	90 percent C.I. ¹		
Top												
Married	10.3	(9.0–11.6)	20.0	(18.3–21.7)	69.8	(67.8–71.8)	(X)	(X)	(X)	(X)	17,220	(X)
Never married	29.7	(18.6–40.8)	18.8	(9.3–28.3)	51.5	(39.4–63.6)	(X)	(X)	(X)	(X)	532	(X)
Divorced or separated	16.9	(11.9–21.9)	20.0	(14.6–25.4)	63.1	(56.6–69.6)	(X)	(X)	(X)	(X)	1,743	(X)
Widowed	17.1	(12.1–22.1)	23.9	(18.3–29.5)	59.0	(52.5–65.5)	(X)	(X)	(X)	(X)	1,786	(X)
Fourth												
Married	9.1	(7.8–10.4)	19.9	(18.0–21.8)	47.8	(45.5–50.1)	23.2	(21.2–25.2)	(X)	(X)	14,320	(X)
Never married	35.6	(24.4–46.8)	19.5	(10.3–28.7)	31.5	(20.7–42.3)	13.5	(5.4–21.5)	(X)	(X)	575	(X)
Divorced or separated	14.9	(11.4–18.4)	22.0	(17.9–26.1)	45.3	(40.3–50.3)	17.9	(14.1–21.7)	(X)	(X)	3,165	(X)
Widowed	16.4	(12.8–20.0)	20.4	(16.4–24.4)	44.6	(39.7–49.5)	18.7	(14.9–22.5)	(X)	(X)	3,225	(X)
Middle												
Married	5.5	(4.3–6.7)	18.6	(16.6–20.6)	43.6	(41.1–46.1)	23.9	(21.7–26.1)	8.5	(7.1–9.9)	12,090	(7.1–9.9)
Never married	10.3	(5.6–15.0)	25.0	(18.4–31.6)	51.3	(43.6–59.0)	10.9	(6.1–15.7)	2.4	(0.1–4.7)	1,328	(0.1–4.7)
Divorced or separated	9.1	(6.5–11.7)	23.3	(19.4–27.2)	39.9	(35.4–44.4)	21.7	(17.9–25.5)	6.0	(3.8–8.2)	3,773	(3.8–8.2)
Widowed	4.9	(3.0–6.8)	15.4	(12.2–18.6)	49.2	(44.8–53.6)	23.3	(19.6–27.0)	7.3	(5.0–9.6)	4,073	(5.0–9.6)
Second												
Married	(X)	(X)	17.6	(15.4–19.8)	46.3	(43.4–49.2)	25.7	(23.2–28.2)	10.4	(8.6–12.2)	9,379	(8.6–12.2)
Never married	(X)	(X)	20.6	(16.4–24.8)	57.0	(51.9–62.1)	13.4	(9.9–16.9)	9.0	(6.0–12.0)	2,898	(6.0–12.0)
Divorced or separated	(X)	(X)	24.5	(21.0–28.0)	45.3	(41.2–49.4)	21.6	(18.2–25.0)	8.6	(6.3–10.9)	4,642	(6.3–10.9)
Widowed	(X)	(X)	16.6	(12.3–18.5)	54.0	(49.8–58.2)	20.4	(17.0–23.8)	9.0	(6.6–11.4)	4,362	(6.6–11.4)
Bottom												
Married	(X)	(X)	(X)	(X)	58.3	(54.2–62.4)	26.4	(22.7–30.1)	15.3	(12.3–18.3)	4,473	(12.3–18.3)
Never married	(X)	(X)	(X)	(X)	81.8	(78.8–84.8)	12.3	(9.7–14.9)	5.9	(4.0–7.8)	5,034	(4.0–7.8)
Divorced or separated	(X)	(X)	(X)	(X)	69.4	(66.0–72.8)	20.5	(17.5–23.5)	10.1	(7.9–12.3)	5,730	(7.9–12.3)
Widowed	(X)	(X)	(X)	(X)	66.2	(62.8–69.6)	22.0	(19.0–25.0)	11.8	(9.5–14.1)	6,032	(9.5–14.1)

(X) Not applicable.

¹ 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.

Note: The estimates in this table are based on responses from a sample of the population and may differ from the actual values because of sampling variability and other factors. As a result, apparent differences between the estimates for two or more groups may not be statistically significant.

Source: U.S. Census Bureau, Survey of Income and Program Participation, 2004 Panel. For information on sampling and nonsampling error, see <[www.census.gov/sipp/sourceac/SS&A04_W1toW12\(S&A-9\).pdf](http://www.census.gov/sipp/sourceac/SS&A04_W1toW12(S&A-9).pdf)>.

Appendix Table A-5.
Percent Distribution of Household Movement Across Quintiles Between 2004 and 2007 by Age of Householder
 (Numbers in thousands. Householder age measured during the first interview)

Quintile in 2004	Quintile in 2007											
	Moved down two or more quintiles		Moved down one quintile		Stayed in the same quintile		Moved up one quintile		Moved up two or more quintiles		Total	
	Percent	90 percent C.I. ¹	Percent	90 percent C.I. ¹	Percent	90 percent C.I. ¹	Percent	90 percent C.I. ¹	Percent	90 percent C.I. ¹		
Top												
15-24 years.....	49.7	(31.3-68.1)	21.4	(6.3-36.5)	28.8	(12.1-45.5)	(X)	(X)	(X)	(X)	230	(X)
25-34 years.....	8.0	(5.2-10.8)	19.2	(15.2-23.2)	72.8	(68.2-77.4)	(X)	(X)	(X)	(X)	2,990	(X)
35-44 years.....	10.2	(8.0-12.4)	17.5	(14.8-23.2)	73.3	(70.2-76.4)	(X)	(X)	(X)	(X)	6,184	(X)
45-54 years.....	9.4	(7.4-11.4)	19.0	(16.3-21.7)	71.6	(68.5-74.7)	(X)	(X)	(X)	(X)	6,708	(X)
55-64 years.....	15.2	(11.9-18.5)	24.2	(20.3-28.1)	60.6	(56.1-65.1)	(X)	(X)	(X)	(X)	3,734	(X)
65 years and over.....	23.8	(17.5-30.1)	30.1	(23.3-36.9)	46.1	(38.7-53.5)	(X)	(X)	(X)	(X)	1,434	(X)
Fourth												
15-24 years.....	15.8	(9.1-22.5)	29.2	(20.8-37.5)	44.2	(35.0-53.3)	10.8	(5.1-16.6)	(X)	(X)	923	(X)
25-34 years.....	10.5	(7.9-13.1)	14.8	(11.8-17.9)	48.2	(43.9-52.4)	26.5	(22.8-30.3)	(X)	(X)	4,302	(X)
35-44 years.....	8.2	(6.0-10.3)	16.0	(13.1-18.8)	51.4	(47.5-55.2)	24.5	(21.2-27.9)	(X)	(X)	5,228	(X)
45-54 years.....	8.8	(6.6-11.0)	19.2	(16.2-22.2)	50.8	(46.9-54.6)	21.2	(18.1-24.4)	(X)	(X)	5,254	(X)
55-64 years.....	14.5	(11.1-17.9)	27.3	(23.0-31.6)	39.3	(34.6-44.0)	18.9	(15.1-22.7)	(X)	(X)	3,355	(X)
65 years and over.....	24.1	(19.1-29.2)	29.4	(24.0-34.8)	33.2	(27.6-38.8)	13.3	(9.2-17.3)	(X)	(X)	2,226	(X)
Middle												
15-24 years.....	1.3	(-0.5-3.0)	14.2	(8.5-19.8)	36.8	(29.0-44.6)	42.7	(34.7-50.7)	5.1	(1.5-8.6)	1,195	(1.5-8.6)
25-34 years.....	3.6	(2.0-5.1)	14.4	(11.4-17.3)	46.5	(42.3-50.6)	26.6	(22.9-30.2)	9.1	(6.7-11.5)	4,492	(6.7-11.5)
35-44 years.....	4.8	(3.1-6.5)	17.0	(14.0-20.0)	45.7	(41.7-49.7)	24.3	(20.9-27.7)	8.2	(6.0-10.4)	4,870	(6.0-10.4)
45-54 years.....	6.1	(4.0-8.2)	22.4	(18.7-26.0)	41.7	(37.4-45.9)	22.1	(18.5-25.7)	7.8	(5.5-10.2)	4,151	(5.5-10.2)
55-64 years.....	9.3	(6.5-12.2)	22.1	(18.0-26.2)	41.3	(36.4-46.1)	20.6	(16.6-24.5)	6.8	(4.3-9.3)	3,214	(4.3-9.3)
65 years and over.....	11.3	(8.3-14.4)	24.2	(20.0-28.3)	49.3	(44.4-54.1)	10.2	(7.3-13.1)	5.1	(2.9-7.2)	3,344	(2.9-7.2)
Second												
15-24 years.....	(X)	(X)	20.3	(14.0-26.7)	46.8	(38.8-54.7)	19.9	(13.6-26.2)	13.0	(7.7-18.4)	1,245	(7.7-18.4)
25-34 years.....	(X)	(X)	15.4	(12.2-18.7)	42.5	(38.0-46.9)	30.9	(26.7-35.0)	11.3	(8.4-14.1)	3,866	(8.4-14.1)
35-44 years.....	(X)	(X)	15.0	(11.7-18.2)	47.2	(42.7-51.7)	25.0	(21.1-29.0)	12.8	(9.8-15.8)	3,792	(9.8-15.8)
45-54 years.....	(X)	(X)	19.6	(15.8-23.5)	50.8	(45.9-55.6)	19.0	(15.2-22.8)	10.6	(7.6-13.6)	3,305	(7.6-13.6)
55-64 years.....	(X)	(X)	21.5	(17.5-25.5)	44.4	(39.5-49.3)	26.1	(21.8-30.3)	8.0	(5.4-10.7)	3,279	(5.4-10.7)
65 years and over.....	(X)	(X)	23.2	(20.1-26.3)	57.1	(53.5-60.8)	14.1	(11.3-16.6)	5.6	(3.9-7.3)	5,795	(3.9-7.3)
Bottom												
15-24 years.....	(X)	(X)	(X)	(X)	47.2	(40.3-54.1)	29.8	(23.4-36.1)	23.0	(17.2-28.8)	1,639	(17.2-28.8)
25-34 years.....	(X)	(X)	(X)	(X)	56.4	(50.9-61.9)	30.7	(25.6-35.7)	12.9	(9.2-16.6)	2,576	(9.2-16.6)
35-44 years.....	(X)	(X)	(X)	(X)	59.4	(54.8-63.9)	28.9	(24.7-33.1)	13.8	(10.6-17.0)	3,649	(10.6-17.0)
45-54 years.....	(X)	(X)	(X)	(X)	68.1	(63.5-72.6)	22.0	(17.9-26.0)	10.0	(7.0-12.9)	3,233	(7.0-12.9)
55-64 years.....	(X)	(X)	(X)	(X)	71.8	(67.2-76.3)	16.3	(12.6-20.0)	11.9	(8.7-15.2)	3,078	(8.7-15.2)
65 years and over.....	(X)	(X)	(X)	(X)	83.1	(80.6-85.6)	11.8	(9.6-13.9)	5.2	(3.7-6.6)	7,094	(3.7-6.6)

(X) Not applicable.

¹ 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.

Note: The estimates in this table are based on responses from a sample of the population and may differ from the actual values because of sampling variability and other factors. As a result, apparent differences between the estimates for two or more groups may not be statistically significant.

Source: U.S. Census Bureau, Survey of Income and Program Participation, 2004 Panel. For information on sampling and nonsampling error, see <www.census.gov/sipp/sourceac/S&A04_W1toW12(S&A-9).pdf>.

Appendix Table A-6.
Percent Distribution of Household Movement Across Quintiles Between 2004 and 2007 by Race and Ethnicity of Householder
 (Numbers in thousands)

Quintile in 2004	Quintile in 2007														
	Moved down two or more quintiles			Moved down one quintile			Stayed in the same quintile			Moved up one quintile			Moved up two or more quintiles		
	Percent	90 percent C.I. ¹		Percent	90 percent C.I. ¹		Percent	90 percent C.I. ¹		Percent	90 percent C.I. ¹		Percent	90 percent C.I. ¹	
Total															
Top															
Non-Hispanic White	11.1	(9.8–12.4)		19.6	(17.9–21.3)		69.3	(67.4–71.2)		(X)			(X)		
Black	19.2	(12.6–25.8)		25.8	(18.5–33.1)		55.0	(46.7–63.3)		(X)			(X)		
Hispanic	17.7	(11.3–24.1)		24.5	(17.3–31.7)		57.9	(49.7–66.1)		(X)			(X)		
Fourth															
Non-Hispanic White	10.0	(8.7–11.3)		20.7	(18.9–22.5)		47.8	(45.6–50.0)		21.5	(19.7–23.3)		(X)		
Black	16.9	(12.1–21.7)		23.4	(18.0–28.8)		43.3	(37.0–49.6)		16.4	(11.3–16.4)		(X)		
Hispanic	20.5	(15.2–25.9)		19.1	(13.9–24.3)		37.5	(31.1–43.9)		22.9	(17.3–28.5)		(X)		
Middle															
Non-Hispanic White	6.3	(5.2–7.4)		18.4	(16.7–20.1)		44.5	(42.3–46.7)		23.0	(21.1–24.9)		7.7	(6.5–8.9)	
Black	6.8	(4.0–9.6)		22.0	(17.4–26.6)		46.0	(40.5–51.5)		17.7	(13.5–21.9)		7.5	(4.6–10.4)	
Hispanic	5.7	(2.9–8.5)		19.8	(15.0–24.6)		43.8	(37.8–49.8)		25.9	(20.6–31.2)		4.8	(2.2–7.4)	
Second															
Non-Hispanic White	(X)	(X)		18.4	(16.6–20.2)		48.9	(46.6–51.2)		22.4	(20.5–24.3)		10.4	(9.0–11.8)	
Black	(X)	(X)		20.7	(16.2–25.2)		56.8	(51.4–62.2)		17.7	(13.5–21.9)		4.8	(2.4–7.2)	
Hispanic	(X)	(X)		21.4	(17.2–25.6)		45.0	(39.9–50.1)		25.2	(13.8–21.6)		8.5	(5.6–11.4)	
Bottom															
Non-Hispanic White	(X)	(X)		(X)	(X)		67.4	(65.1–69.7)		21.2	(19.2–23.2)		11.4	(9.8–13.0)	
Black	(X)	(X)		(X)	(X)		80.8	(77.6–84.0)		12.3	(9.6–15.0)		6.9	(4.8–9.0)	
Hispanic	(X)	(X)		(X)	(X)		61.3	(56.2–66.4)		28.6	(23.8–33.4)		10.2	(6.8–13.2)	

(X) Not applicable.

¹ 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.

Note: The estimates in this table are based on responses from a sample of the population and may differ from the actual values because of sampling variability and other factors. As a result, apparent differences between the estimates for two or more groups may not be statistically significant.

Source: U.S. Census Bureau, Survey of Income and Program Participation, 2004 Panel. For information on sampling and nonsampling error, see <www.census.gov/sipp/sourceac/S&A04_W1toW12(S&A-9).pdf>.

Appendix Table A-7.

Demographic Characteristics for Households in the Bottom Quintile: 2004

(Numbers in thousands. Householder characteristics measured during the first interview)

Characteristic of householder	Quintile in 2007					
	Bottom		Second		Middle, fourth, or top	
	Percent	90 percent C.I. ¹	Percent	90 percent C.I. ¹	Percent	90 percent C.I. ¹
Total	14,697	(X)	4,304	(X)	2,268	(X)
Age of Householder						
15–24 years	5.3	(4.2–6.3)	11.3	(8.6–14.0)	16.6	(12.3–21.0)
25–34 years	9.9	(8.5–11.3)	18.3	(15.0–21.6)	14.7	(10.5–18.9)
35–44 years	14.7	(13.1–16.4)	22.8	(19.2–26.3)	22.2	(17.3–27.0)
45–54 years	15.0	(13.3–16.6)	16.5	(13.3–19.7)	14.2	(10.1–18.3)
55–64 years	15.0	(13.4–16.7)	11.7	(8.9–14.4)	16.2	(11.9–20.5)
65 years and over	40.1	(37.8–42.4)	19.4	(16.0–22.8)	16.1	(11.8–20.4)
Race/Ethnicity of Householder						
White	69.4	(67.3–71.5)	80.0	(76.5–83.4)	76.2	(71.2–81.2)
Non-Hispanic	58.3	(56.1–60.6)	62.7	(58.6–66.8)	63.9	(58.3–69.6)
Black	26.1	(24.0–28.1)	13.6	(10.6–16.5)	14.5	(10.4–18.6)
Asian or Pacific Islander	1.7	(1.1–2.3)	2.7	(1.3–4.1)	5.2	(2.6–7.9)
American Indian or Alaska Native	2.9	(2.1–3.6)	3.8	(2.1–5.4)	4.0	(1.7–6.3)
Hispanic (any race)	11.8	(10.3–13.2)	18.7	(15.4–22.0)	12.6	(8.7–16.5)
Marital Status of Householder						
Married, spouse present	16.4	(14.7–18.1)	24.9	(21.2–28.6)	28.3	(23.0–33.5)
Married, spouse absent	1.3	(0.8–1.8)	2.5	(1.2–3.9)	2.0	(0.3–3.6)
Never married	28.0	(25.9–30.1)	14.4	(11.4–17.4)	13.1	(9.1–17.1)
Divorced	21.2	(19.3–23.0)	22.1	(18.6–25.7)	21.0	(16.2–25.8)
Separated	5.9	(4.8–7.0)	5.2	(3.3–7.1)	4.4	(2.0–6.8)
Widowed	27.2	(25.1–29.2)	30.8	(26.9–34.8)	31.3	(25.9–36.7)
Education of Householder						
8 years or less	15.3	(13.6–17.0)	9.9	(7.3–12.4)	6.3	(3.4–9.1)
Some high school	19.2	(17.4–21.0)	17.3	(14.0–20.5)	9.0	(5.6–12.4)
High school diploma (includes GED)	31.6	(29.5–33.8)	24.9	(21.2–28.6)	24.9	(19.8–29.9)
Some college (no degree)	12.5	(11.0–14.0)	18.7	(15.4–22.0)	15.7	(11.4–20.0)
Associate's degree	15.9	(14.2–17.6)	15.9	(12.7–19.0)	23.9	(18.9–28.7)
Bachelor's degree or higher	5.4	(4.4–6.5)	13.4	(10.5–16.3)	20.3	(15.6–25.0)

(X) Not applicable.

¹ 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.

Note: The estimates in this table are based on responses from a sample of the population and may differ from the actual values because of sampling variability and other factors. As a result, apparent differences between the estimates for two or more groups may not be statistically significant.

Source: U.S. Census Bureau, Survey of Income and Program Participation, 2004 Panel. For information on sampling and nonsampling error, see <[www.census.gov/sipp/sourceac/S&A04_W1toW12\(S&A-9\).pdf](http://www.census.gov/sipp/sourceac/S&A04_W1toW12(S&A-9).pdf)>.

Appendix Table A-8.

Demographic Characteristics for Households in the Second Quintile: 2004

(Numbers in thousands. Householder characteristics measured during the first interview)

Characteristic of householder	Quintile in 2007							
	Bottom		Second		Middle		Fourth or top	
	Percent	90 percent C.I. ¹	Percent	90 percent C.I. ¹	Percent	90 percent C.I. ¹	Percent	90 percent C.I. ¹
Total	4,112	(X)	10,457	(X)	4,689	(X)	2,023	(X)
Age of Householder								
15–24 years	6.2	(4.1–8.3)	5.6	(4.3–6.8)	5.3	(3.5–7.1)	8.0	(4.6–11.4)
25–34 years	14.5	(11.4–17.6)	15.7	(13.7–17.7)	25.5	(21.9–29.0)	21.5	(16.4–26.6)
35–44 years	13.8	(10.8–17.6)	17.1	(15.0–19.2)	20.3	(17.0–23.5)	24.0	(18.7–29.3)
45–54 years	15.8	(12.6–19.0)	16.0	(14.0–18.0)	13.4	(10.6–16.2)	17.3	(12.6–22.0)
55–64 years	17.2	(13.9–20.4)	13.9	(12.0–15.8)	18.2	(15.1–21.4)	13.0	(8.8–17.2)
65 years and over	32.6	(28.5–36.7)	31.7	(29.1–34.2)	17.4	(14.3–20.5)	16.1	(11.5–20.7)
Race/Ethnicity of Householder								
White	81.8	(78.4–85.2)	81.1	(79.0–83.3)	86.7	(83.9–89.5)	86.7	(82.5–91.0)
Non-Hispanic	66.7	(62.6–70.8)	69.7	(67.2–72.3)	71.2	(67.5–74.9)	76.5	(71.2–81.8)
Black	13.0	(10.1–15.9)	14.1	(12.1–16.0)	9.8	(7.4–12.2)	6.1	(3.1–9.1)
Asian or Pacific Islander	2.2	(0.9–3.5)	1.4	(0.7–2.0)	1.2	(0.3–2.1)	3.4	(1.2–5.7)
American Indian or Alaska Native	3.0	(1.5–4.5)	3.5	(2.5–4.5)	2.3	(1.0–3.5)	3.7	(1.4–6.1)
Hispanic (any race)	15.3	(12.1–18.4)	12.6	(10.8–14.4)	15.7	(12.8–18.7)	12.2	(8.2–16.3)
Marital Status of Householder								
Married, spouse present	38.6	(34.4–42.9)	40.2	(37.5–42.9)	49.6	(45.5–53.7)	46.0	(39.8–52.2)
Married, spouse absent	1.6	(0.5–2.7)	1.3	(0.7–1.9)	1.8	(0.7–2.8)	2.1	(0.3–3.9)
Never married	14.5	(11.5–17.6)	15.8	(13.8–17.8)	8.3	(6.0–10.5)	12.9	(8.7–17.0)
Divorced	22.3	(18.7–25.9)	17.6	(15.5–19.7)	18.1	(14.9–21.2)	16.3	(11.7–20.9)
Separated	5.4	(3.4–7.3)	2.5	(1.7–3.4)	3.3	(1.9–4.8)	3.4	(1.2–5.7)
Widowed	17.6	(14.3–20.9)	22.5	(20.3–24.8)	19.0	(15.8–22.2)	19.3	(14.4–24.2)
Education of Householder								
8 years or less	10.6	(7.9–13.3)	7.4	(6.0–8.9)	6.9	(4.8–8.9)	5.5	(2.7–8.4)
Some high school	15.4	(12.2–18.5)	9.3	(7.7–10.9)	7.8	(5.6–10.0)	3.7	(1.4–6.0)
High school diploma (includes GED)	28.6	(24.7–32.6)	31.3	(28.7–33.8)	25.4	(21.9–29.0)	28.2	(22.6–33.8)
Some college (no degree)	18.2	(14.8–21.5)	19.5	(17.4–21.7)	18.7	(15.5–21.9)	21.1	(16.0–26.2)
Associate's degree	17.9	(14.5–21.2)	20.3	(18.1–22.5)	22.8	(19.4–26.3)	16.2	(11.6–20.8)
Bachelor's degree or higher	9.3	(6.8–11.8)	12.2	(10.4–14.0)	18.4	(15.2–21.5)	25.3	(19.9–30.7)

(X) Not applicable.

¹ 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.

Note: The estimates in this table are based on responses from a sample of the population and may differ from the actual values because of sampling variability and other factors. As a result, apparent differences between the estimates for two or more groups may not be statistically significant.

Source: U.S. Census Bureau, Survey of Income and Program Participation, 2004 Panel. For information on sampling and nonsampling error, see <[www.census.gov/sipp/sourceac/S&A04_W1toW12\(S&A-9\).pdf](http://www.census.gov/sipp/sourceac/S&A04_W1toW12(S&A-9).pdf)>.

Appendix Table A-9.

Demographic Characteristics for Households in the Middle Quintile: 2004

(Numbers in thousands. Householder characteristics measured during the first interview)

Characteristic of householder	Quintile in 2007									
	Bottom		Second		Middle		Fourth		Top	
	Percent	90 percent C.i. ¹	Percent	90 percent C.i. ¹	Percent	90 percent C.i. ¹	Percent	90 percent C.i. ¹	Percent	90 percent C.i. ¹
Total	1,343	(X)	4,086	(X)	9,456	(X)	4,804	(X)	1,578	(X)
Age of Householder										
15-24 years.....	1.1	(-0.5-2.7)	4.1	(2.4-5.9)	4.7	(3.4-5.9)	10.6	(8.1-13.1)	3.8	(1.1-6.5)
25-34 years.....	11.9	(7.0-16.8)	15.8	(12.6-19.0)	22.1	(19.7-24.4)	24.8	(21.3-28.3)	25.8	(19.7-32.0)
35-44 years.....	17.5	(11.7-23.3)	20.2	(16.7-23.7)	23.6	(21.1-26.0)	24.6	(21.2-28.1)	25.2	(19.1-31.4)
45-54 years.....	18.9	(12.9-24.9)	22.7	(19.0-26.4)	18.3	(16.1-20.5)	19.1	(15.9-22.2)	20.6	(14.9-26.3)
55-64 years.....	22.4	(16.0-28.7)	17.4	(14.1-20.7)	14.0	(12.0-16.0)	13.8	(11.0-16.5)	13.8	(9.0-18.7)
65 years and over.....	28.2	(21.3-35.1)	19.8	(16.3-23.2)	17.4	(15.2-19.6)	7.1	(5.0-9.2)	10.7	(6.3-15.0)
Race and Ethnicity of Householder										
White.....	81.6	(75.7-87.5)	79.3	(75.7-82.8)	81.6	(79.3-83.8)	84.2	(81.3-87.2)	82.1	(76.7-87.5)
Non-Hispanic.....	72.5	(65.7-79.3)	69.4	(65.3-73.4)	72.5	(69.9-75.0)	73.9	(70.3-77.4)	75.5	(69.5-81.6)
Black.....	13.1	(7.9-18.3)	13.9	(10.9-16.9)	12.6	(10.6-14.5)	9.5	(7.1-11.9)	12.2	(7.6-16.8)
Asian or Pacific Islander.....	1.9	(-0.2-4.0)	2.0	(0.8-3.3)	2.7	(1.8-3.6)	2.9	(1.6-4.3)	4.9	(1.9-7.9)
American Indian or Alaska Native.....	3.4	(0.6-6.2)	4.8	(2.9-6.7)	3.2	(2.2-4.2)	3.4	(1.9-4.8)	0.8	(-0.5-2.1)
Hispanic (any race).....	9.1	(4.7-13.5)	10.3	(7.7-13.0)	9.9	(8.2-11.6)	11.5	(8.9-14.1)	6.6	(3.1-10.1)
Marital Status of Householder										
Married, spouse present.....	48.3	(40.7-55.9)	54.4	(50.0-58.7)	54.8	(51.9-57.6)	59.2	(55.2-63.1)	62.1	(55.2-68.9)
Married, spouse absent.....	1.0	(-0.5-2.4)	0.7	(0.0-1.4)	0.9	(0.4-1.5)	1.0	(0.2-1.8)	2.8	(0.5-5.1)
Never married.....	10.2	(5.6-14.8)	8.1	(5.7-10.5)	7.2	(5.7-8.7)	3.0	(1.6-4.4)	2.0	(0.0-4.0)
Divorced.....	23.1	(16.7-29.5)	18.3	(14.9-21.7)	13.8	(11.8-15.8)	15.2	(12.3-18.1)	10.6	(6.2-14.9)
Separated.....	2.5	(0.1-4.8)	3.2	(1.7-4.8)	2.1	(1.3-2.9)	1.9	(0.8-3.0)	3.8	(1.1-6.5)
Widowed.....	14.9	(9.5-20.4)	15.3	(12.2-18.5)	21.2	(18.8-23.5)	19.7	(16.5-22.9)	18.7	(13.2-24.2)
Education of Householder										
8 years or less.....	10.5	(5.8-15.1)	7.2	(5.0-9.5)	2.9	(1.9-3.8)	3.2	(1.7-4.6)	4.2	(1.3-7.0)
Some high school.....	12.4	(7.4-17.5)	7.6	(5.3-9.9)	5.7	(4.4-7.1)	4.0	(2.4-5.6)	4.0	(1.3-6.8)
High school diploma (includes GED).....	27.0	(20.2-33.8)	31.5	(27.4-35.6)	26.4	(23.8-28.9)	22.3	(18.9-25.7)	12.1	(7.25-16.7)
Some college (no degree).....	13.0	(7.8-18.1)	19.9	(16.4-23.4)	20.5	(18.2-22.8)	19.9	(16.7-23.1)	19.2	(13.6-24.7)
Associate's degree.....	22.8	(16.3-29.2)	15.2	(12.0-18.3)	21.5	(19.2-23.9)	21.2	(17.9-24.5)	21.9	(16.1-27.7)
Bachelor's degree or higher.....	14.4	(9.0-19.8)	18.6	(15.2-22.0)	23.0	(20.6-25.4)	29.4	(25.7-33.1)	38.7	(33.8-45.6)

(X) Not applicable.

¹ 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.

Note: The estimates in this table are based on responses from a sample of the population and may differ from the actual values because of sampling variability and other factors. As a result, apparent differences between the estimates for two or more groups may not be statistically significant.

Source: U.S. Census Bureau, Survey of Income and Program Participation, 2004 Panel. For information on sampling and nonsampling error, see <www.census.gov/sipp/sourceac/S&A04_W1toW12(S&A-9).pdf>.

Appendix Table A-10.

Demographic Characteristics for Households in the Fourth Quintile: 2004

(Numbers in thousands. Householder characteristics measured during the first interview)

Characteristic of householder	Quintile in 2007							
	Bottom or second		Middle		Fourth		Top	
	Percent	90 percent C.I. ¹	Percent	90 percent C.I. ¹	Percent	90 percent C.I. ¹	Percent	90 percent C.I. ¹
Total	2,509	(X)	4,320	(X)	9,892	(X)	4,567	(X)
Age of Householder								
15–24 years	5.8	(3.2–8.4)	6.2	(4.2–8.3)	4.1	(3.0–5.2)	2.2	(1.0–3.4)
25–34 years	18.0	(13.7–22.3)	14.8	(11.7–17.8)	21.0	(18.7–23.2)	25.0	(21.4–28.6)
35–44 years	17.0	(12.8–21.2)	19.3	(15.9–22.7)	27.2	(24.6–29.7)	28.1	(24.4–31.8)
45–54 years	18.5	(14.1–22.8)	23.4	(19.7–27.0)	27.0	(24.5–29.5)	24.4	(20.9–28.0)
55–64 years	19.4	(15.0–23.8)	21.2	(17.7–24.7)	13.3	(11.4–15.3)	13.9	(11.0–16.7)
65 years and over	21.4	(16.8–26.0)	15.1	(12.1–18.2)	7.5	(6.0–9.0)	6.5	(4.4–8.5)
Race/Ethnicity of Householder								
White	80.4	(75.9–84.8)	86.9	(84.0–89.7)	86.2	(84.3–88.1)	86.2	(83.4–89.1)
Non-Hispanic	66.3	(61.0–71.5)	79.4	(76.0–82.9)	80.2	(78.0–82.4)	78.0	(74.6–81.4)
Black	13.1	(9.3–16.9)	10.5	(7.9–13.1)	8.5	(6.9–10.1)	7.0	(4.9–9.1)
Asian or Pacific Islander	1.3	(0.0–2.6)	0.9	(0.1–1.6)	2.9	(1.9–3.8)	4.5	(2.8–6.2)
American Indian or Alaska Native	5.2	(2.7–7.7)	1.8	(0.6–2.9)	2.4	(1.5–3.3)	2.3	(1.0–3.5)
Hispanic (any race)	14.5	(10.6–18.5)	7.9	(5.6–10.2)	6.7	(5.3–8.2)	8.9	(6.5–11.2)
Marital Status of Householder								
Married, spouse present	51.2	(45.7–56.8)	65.4	(61.4–69.4)	69.1	(66.5–71.7)	71.7	(68.0–75.4)
Married, spouse absent	0.8	(–0.2–1.8)	0.7	(0.0–1.4)	0.1	(–0.1–0.3)	1.0	(0.2–1.8)
Never married	8.2	(5.1–11.2)	2.6	(1.2–3.9)	1.8	(1.1–2.6)	1.7	(0.6–2.8)
Divorced	14.8	(10.8–18.7)	13.6	(10.7–16.5)	13.0	(11.1–14.9)	10.8	(8.2–13.3)
Separated	4.0	(1.8–6.2)	2.5	(1.2–3.8)	1.5	(0.8–2.2)	1.7	(0.6–2.8)
Widowed	21.0	(16.5–25.6)	15.2	(12.2–18.3)	14.5	(12.5–16.5)	13.2	(10.4–16.0)
Education of Householder								
8 years or less	4.6	(2.3–7.0)	2.3	(1.1–3.6)	2.2	(1.3–3.0)	0.8	(0.1–1.6)
Some high school	8.6	(5.5–11.8)	4.4	(2.6–6.1)	3.4	(2.4–4.4)	2.6	(1.2–3.9)
High school diploma (includes GED)	20.6	(16.1–25.1)	27.7	(23.9–31.5)	17.7	(15.5–19.8)	16.6	(13.6–19.7)
Some college (no degree)	26.6	(21.6–31.5)	20.4	(16.9–23.8)	20.7	(18.4–23.0)	18.8	(15.6–22.0)
Associate's degree	15.5	(11.5–19.6)	20.3	(16.8–23.7)	22.1	(19.8–24.4)	15.9	(12.9–18.9)
Bachelor's degree or higher	24.1	(19.6–28.8)	25.0	(21.3–28.6)	34.0	(31.3–36.7)	45.3	(41.1–49.4)

(X) Not applicable.

¹ 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.

Note: The estimates in this table are based on responses from a sample of the population and may differ from the actual values because of sampling variability and other factors. As a result, apparent differences between the estimates for two or more groups may not be statistically significant.

Source: U.S. Census Bureau, Survey of Income and Program Participation, 2004 Panel. For information on sampling and nonsampling error, see <[www.census.gov/sipp/sourceac/S&A04_W1toW12\(S&A-9\).pdf](http://www.census.gov/sipp/sourceac/S&A04_W1toW12(S&A-9).pdf)>.

Appendix Table A-11.

Demographic Characteristics for Households in the Top Quintile: 2004

(Numbers in thousands. Householder characteristics measured during the first interview)

Characteristic of householder	Quintile in 2007					
	Bottom, second, or middle		Fourth		Top	
	Percent	90 percent C.I. ¹	Percent	90 percent C.I. ¹	Percent	90 percent C.I. ¹
Total	2,523	(X)	4,312	(X)	14,445	(X)
Age of Householder						
15–24 years	4.5	(2.2–6.8)	1.1	(0.2–2.0)	0.5	(0.1–0.8)
25–34 years	9.5	(6.2–12.8)	13.3	(10.4–16.2)	15.1	(13.4–16.7)
35–44 years	25.0	(20.1–29.8)	25.1	(21.4–28.8)	31.0	(28.8–33.1)
45–54 years	25.0	(20.1–29.8)	29.5	(25.6–33.4)	33.3	(31.1–35.5)
55–64 years	22.6	(17.9–27.2)	21.0	(17.5–24.4)	15.7	(14.0–17.3)
65 years and over	13.5	(9.7–17.3)	10.0	(7.4–12.6)	4.6	(3.6–5.6)
Race/Ethnicity of Householder						
White	84.9	(80.9–88.9)	85.9	(82.9–88.9)	88.9	(87.4–90.4)
Non-Hispanic	77.7	(73.0–82.3)	80.2	(76.8–83.6)	84.6	(82.9–86.2)
Black	8.6	(5.4–11.7)	6.7	(4.6–8.9)	4.3	(3.3–5.2)
Asian or Pacific Islander	3.6	(1.5–5.6)	4.5	(2.7–6.3)	4.2	(3.3–5.1)
American Indian or Alaska Native	3.0	(1.1–4.9)	2.9	(1.4–4.3)	2.6	(1.9–3.4)
Hispanic (any race)	7.9	(4.9–10.9)	6.4	(4.3–8.5)	4.5	(3.5–5.5)
Marital Status of Householder						
Married, spouse present	69.3	(64.1–74.4)	79.0	(75.5–82.5)	82.9	(81.1–84.6)
Married, spouse absent	0.7	(–0.2–1.6)	0.7	(0.0–1.4)	0.3	(0.1–0.6)
Never married	6.3	(3.6–8.9)	2.3	(1.0–3.6)	1.9	(1.3–2.5)
Divorced	11.7	(8.1–15.2)	6.5	(4.4–8.6)	7.1	(5.9–8.3)
Separated	0.0	(0.0–0.0)	1.6	(0.5–2.7)	0.5	(0.2–0.8)
Widowed	12.1	(8.5–15.7)	9.9	(7.3–12.4)	7.3	(6.1–8.5)
Education of Householder						
8 years or less	5.5	(3.0–8.1)	1.1	(0.2–1.9)	0.6	(0.2–0.9)
Some high school	4.9	(2.5–7.2)	2.3	(1.0–3.6)	0.9	(0.5–1.4)
High school diploma (includes GED)	21.1	(16.5–25.5)	15.3	(12.2–18.3)	8.0	(6.8–9.3)
Some college (no degree)	16.5	(12.4–20.6)	19.5	(12.2–22.8)	13.2	(11.8–15.0)
Associate's degree	15.4	(11.4–19.4)	15.4	(12.3–18.5)	13.7	(12.1–15.3)
Bachelor's degree or higher	36.7	(31.3–42.0)	46.5	(42.3–50.7)	63.6	(61.4–65.8)

(X) Not applicable.

¹ 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.

Note: The estimates in this table are based on responses from a sample of the population and may differ from the actual values because of sampling variability and other factors. As a result, apparent differences between the estimates for two or more groups may not be statistically significant.

Source: U.S. Census Bureau, Survey of Income and Program Participation, 2004 Panel. For information on sampling and nonsampling error, see <[www.census.gov/sipp/sourceac/S&A04_W1toW12\(S&A-9\).pdf](http://www.census.gov/sipp/sourceac/S&A04_W1toW12(S&A-9).pdf)>.

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