

Top Income Earnings By State



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This is reprinted from a recent [USA Today Article](#):

The United States is enjoying an era of unprecedented wealth and prosperity. Economic output and household incomes are at all-time highs, while unemployment is at its lowest level in well over a decade. However, the growth has not benefited all Americans equally, and in much of the country, wealth is becoming increasingly concentrated in the hands of a few.

From the end of World War II through the early 1970s, the average income growth of the bottom ninety-nine percent of earners roughly tripled the 34 percent growth rate among the wealthiest one percent.

Since, however, the strengthening of the middle class has ground nearly to a halt, while the wealth of the one percent has grown exponentially.

The average income for the top one percent spiked by 216.4 percent from 1973 to 2007, but it increased by just 15.4 percent for all other earners. From 2009 to 2015, the average income for the wealthiest Americans grew by 33.9 percent, more than triple the income growth of 10.3 percent among the remaining ninety-nine percent.

Today, more so than in the decades immediately following World War II, being among the top earners not only helps ensure a comfortable life, but also greatly increases earning potential and the ability to amass a fortune.

Any family earning at least \$422,000 a year ranks among the top one percent of earners nationwide. However, as income levels vary by state so too does the amount it takes to be a one-percenter.

24/7 Wall Street reviewed data compiled by the Economic Policy Institute, a nonprofit nonpartisan think tank, to identify the



minimum income threshold of the top one percent of earners in each state.

Top Income Earnings Low to High

50. Mississippi

- **Top 1 percent earn at least:** \$254,362
- **Avg. income of top 1 percent:** \$580,461
- **Avg. income of bottom 99 percent:** \$35,353
- **Adults with a bachelor's degree:** 21.8 percent

49. Arkansas

- **Top 1 percent earn at least:** \$255,050
- **Avg. income of top 1 percent:** \$864,772
- **Avg. income of bottom 99 percent:** \$38,472
- **Adults with a bachelor's degree:** 22.4 percent

48. New Mexico

- **Top 1 percent earn at least:** \$255,429
- **Avg. income of top 1 percent:** \$615,082
- **Avg. income of bottom 99 percent:** \$39,675
- **Adults with a bachelor's degree:** 27.2 percent

47. West Virginia

- **Top 1 percent earn at least:** \$258,078
- **Avg. income of top 1 percent:** \$535,648
- **Avg. income of bottom 99 percent:** \$34,987
- **Adults with a bachelor's degree:** 20.8 percent

46. Kentucky

- **Top 1 percent earn at least:** \$274,818
- **Avg. income of top 1 percent:** \$719,012
- **Avg. income of bottom 99 percent:** \$38,990
- **Adults with a bachelor's degree:** 23.4 percent

45. Alabama

- **Top 1 percent earn at least:** \$297,564
- **Avg. income of top 1 percent:** \$743,644
- **Avg. income of bottom 99 percent:** \$38,587
- **Adults with a bachelor's degree:** 24.7 percent

44. Maine

- **Top 1 percent earn at least:** \$303,897
- **Avg. income of top 1 percent:** \$655,870

- **Avg. income of bottom 99 percent:** \$42,575
- **Adults with a bachelor's degree:** 30.1 percent

43. Hawaii

- **Top 1 percent earn at least:** \$310,566
- **Avg. income of top 1 percent:** \$797,001
- **Avg. income of bottom 99 percent:** \$57,987
- **Adults with a bachelor's degree:** 31.9 percent

42. Idaho

- **Top 1 percent earn at least:** \$314,532
- **Avg. income of top 1 percent:** \$829,268
- **Avg. income of bottom 99 percent:** \$47,727
- **Adults with a bachelor's degree:** 27.6 percent

41. Indiana

- **Top 1 percent earn at least:** \$316,756
- **Avg. income of top 1 percent:** \$804,275
- **Avg. income of bottom 99 percent:** \$46,501
- **Adults with a bachelor's degree:** 25.6 percent

40. Louisiana

- **Top 1 percent earn at least:** \$318,393
- **Avg. income of top 1 percent:** \$814,386
- **Avg. income of bottom 99 percent:** \$45,060
- **Adults with a bachelor's degree:** 23.4 percent

39. South Carolina

- **Top 1 percent earn at least:** \$318,463
- **Avg. income of top 1 percent:** \$761,185
- **Avg. income of bottom 99 percent:** \$38,646
- **Adults with a bachelor's degree:** 27.2 percent

38. Montana

- **Top 1 percent earn at least:** \$321,849
- **Avg. income of top 1 percent:** \$855,976
- **Avg. income of bottom 99 percent:** \$45,197
- **Adults with a bachelor's degree:** 31.0 percent

37. Vermont

- **Top 1 percent earn at least:** \$321,969
- **Avg. income of top 1 percent:** \$816,579
- **Avg. income of bottom 99 percent:** \$50,283
- **Adults with a bachelor's degree:** 36.4 percent

36. Missouri

- **Top 1 percent earn at least:** \$326,839
- **Avg. income of top 1 percent:** \$944,804
- **Avg. income of bottom 99 percent:** \$44,650
- **Adults with a bachelor's degree:** 28.5 percent

35. Michigan

- **Top 1 percent earn at least:** \$328,649
- **Avg. income of top 1 percent:** \$917,701
- **Avg. income of bottom 99 percent:** \$42,825
- **Adults with a bachelor's degree:** 28.3 percent

34. **Arizona**

- **Top 1 percent earn at least:** \$331,074
- **Avg. income of top 1 percent:** \$882,657
- **Avg. income of bottom 99 percent:** \$42,000
- **Adults with a bachelor's degree:** 28.9 percent

33. **Iowa**

- **Top 1 percent earn at least:** \$331,572
- **Avg. income of top 1 percent:** \$788,419
- **Avg. income of bottom 99 percent:** \$53,753
- **Adults with a bachelor's degree:** 28.4 percent

32. **Tennessee**

- **Top 1 percent earn at least:** \$332,913
- **Avg. income of top 1 percent:** \$947,021
- **Avg. income of bottom 99 percent:** \$44,219
- **Adults with a bachelor's degree:** 26.1 percent

31. **Oklahoma**

- **Top 1 percent earn at least:** \$333,139
- **Avg. income of top 1 percent:** \$932,520
- **Avg. income of bottom 99 percent:** \$52,533
- **Adults with a bachelor's degree:** 25.2 percent

30. **Ohio**

- **Top 1 percent earn at least:** \$334,979
- **Avg. income of top 1 percent:** \$858,965
- **Avg. income of bottom 99 percent:** \$46,157
- **Adults with a bachelor's degree:** 27.5 percent

29. **Delaware**

- **Top 1 percent earn at least:** \$340,770
- **Avg. income of top 1 percent:** \$869,461
- **Avg. income of bottom 99 percent:** \$51,049
- **Adults with a bachelor's degree:** 31.0 percent

28. **Nevada**

- **Top 1 percent earn at least:** \$341,335
- **Avg. income of top 1 percent:** \$1,354,780
- **Avg. income of bottom 99 percent:** \$41,470
- **Adults with a bachelor's degree:** 23.5 percent

27. **North Carolina**

- **Top 1 percent earn at least:** \$343,066
- **Avg. income of top 1 percent:** \$902,972
- **Avg. income of bottom 99 percent:** \$43,850
- **Adults with a bachelor's degree:** 30.4 percent

26. **Rhode Island**

- **Top 1 percent earn at least:** \$346,657
- **Avg. income of top 1 percent:** \$928,204
- **Avg. income of bottom 99 percent:** \$50,963
- **Adults with a bachelor's degree:** 34.1 percent

25. **Wisconsin**

- **Top 1 percent earn at least:** \$349,905
 - **Avg. income of top 1 percent:** \$964,358
 - **Avg. income of bottom 99 percent:** \$50,953
 - **Adults with a bachelor's degree:** 29.5 percent
24. **Oregon**
- **Top 1 percent earn at least:** \$358,937
 - **Avg. income of top 1 percent:** \$908,898
 - **Avg. income of bottom 99 percent:** \$46,090
 - **Adults with a bachelor's degree:** 32.7 percent
23. **Nebraska**
- **Top 1 percent earn at least:** \$363,310
 - **Avg. income of top 1 percent:** \$945,869
 - **Avg. income of bottom 99 percent:** \$58,013
 - **Adults with a bachelor's degree:** 31.4 percent
22. **Georgia**
- **Top 1 percent earn at least:** \$371,811
 - **Avg. income of top 1 percent:** \$995,576
 - **Avg. income of bottom 99 percent:** \$44,147
 - **Adults with a bachelor's degree:** 30.5 percent
21. **Utah**
- **Top 1 percent earn at least:** \$374,467
 - **Avg. income of top 1 percent:** \$1,057,066
 - **Avg. income of bottom 99 percent:** \$53,614
 - **Adults with a bachelor's degree:** 32.6 percent
20. **Kansas**
- **Top 1 percent earn at least:** \$375,344
 - **Avg. income of top 1 percent:** \$1,034,676
 - **Avg. income of bottom 99 percent:** \$56,628
 - **Adults with a bachelor's degree:** 32.8 percent
19. **Pennsylvania**
- **Top 1 percent earn at least:** \$388,593
 - **Avg. income of top 1 percent:** \$1,100,962
 - **Avg. income of bottom 99 percent:** \$50,830
 - **Adults with a bachelor's degree:** 30.8 percent
18. **Alaska**
- **Top 1 percent earn at least:** \$400,017
 - **Avg. income of top 1 percent:** \$910,059
 - **Avg. income of bottom 99 percent:** \$71,876
 - **Adults with a bachelor's degree:** 29.6 percent
17. **New Hampshire**
- **Top 1 percent earn at least:** \$405,286
 - **Avg. income of top 1 percent:** \$1,134,101
 - **Avg. income of bottom 99 percent:** \$62,796
 - **Adults with a bachelor's degree:** 36.6 percent
16. **Wyoming**
- **Top 1 percent earn at least:** \$405,596
 - **Avg. income of top 1 percent:** \$1,900,659

- **Avg. income of bottom 99 percent:** \$60,922
- **Adults with a bachelor's degree:** 27.1 percent

15. South Dakota

- **Top 1 percent earn at least:** \$407,406
- **Avg. income of top 1 percent:** \$1,130,048
- **Avg. income of bottom 99 percent:** \$56,610
- **Adults with a bachelor's degree:** 28.9 percent

14. Florida

- **Top 1 percent earn at least:** \$417,587
- **Avg. income of top 1 percent:** \$1,543,124
- **Avg. income of bottom 99 percent:** \$39,094
- **Adults with a bachelor's degree:** 28.6 percent

13. Virginia

- **Top 1 percent earn at least:** \$425,144
- **Avg. income of top 1 percent:** \$1,109,984
- **Avg. income of bottom 99 percent:** \$62,844
- **Adults with a bachelor's degree:** 38.1 percent

12. Texas

- **Top 1 percent earn at least:** \$440,758
- **Avg. income of top 1 percent:** \$1,343,897
- **Avg. income of bottom 99 percent:** \$55,614
- **Adults with a bachelor's degree:** 28.9 percent

11. Minnesota

- **Top 1 percent earn at least:** \$443,118
- **Avg. income of top 1 percent:** \$1,185,581
- **Avg. income of bottom 99 percent:** \$56,728
- **Adults with a bachelor's degree:** 34.8 percent

10. North Dakota

- **Top 1 percent earn at least:** \$445,415
- **Avg. income of top 1 percent:** \$1,080,845
- **Avg. income of bottom 99 percent:** \$68,316
- **Adults with a bachelor's degree:** 29.6 percent

9. Maryland

- **Top 1 percent earn at least:** \$445,783
- **Avg. income of top 1 percent:** \$1,135,718
- **Avg. income of bottom 99 percent:** \$63,656
- **Adults with a bachelor's degree:** 39.3 percent

8. Washington

- **Top 1 percent earn at least:** \$451,395
- **Avg. income of top 1 percent:** \$1,383,223
- **Avg. income of bottom 99 percent:** \$57,100
- **Adults with a bachelor's degree:** 35.1 percent

7. Illinois

- **Top 1 percent earn at least:** \$456,377
- **Avg. income of top 1 percent:** \$1,412,024
- **Avg. income of bottom 99 percent:** \$52,216
- **Adults with a bachelor's degree:** 34.0 percent

6. Colorado

- **Top 1 percent earn at least:** \$458,576
- **Avg. income of top 1 percent:** \$1,261,053
- **Avg. income of bottom 99 percent:** \$61,165
- **Adults with a bachelor's degree:** 39.9 percent

5. California

- **Top 1 percent earn at least:** \$514,694
- **Avg. income of top 1 percent:** \$1,693,094
- **Avg. income of bottom 99 percent:** \$55,152
- **Adults with a bachelor's degree:** 32.9 percent

4. New York

- **Top 1 percent earn at least:** \$550,174
- **Avg. income of top 1 percent:** \$2,202,480
- **Avg. income of bottom 99 percent:** \$49,617
- **Adults with a bachelor's degree:** 35.7 percent

3. Massachusetts

- **Top 1 percent earn at least:** \$582,774
- **Avg. income of top 1 percent:** \$1,904,805
- **Avg. income of bottom 99 percent:** \$61,694
- **Adults with a bachelor's degree:** 42.7 percent

2. New Jersey

- **Top 1 percent earn at least:** \$588,575
- **Avg. income of top 1 percent:** \$1,581,829
- **Avg. income of bottom 99 percent:** \$65,068
- **Adults with a bachelor's degree:** 38.6 percent

1. Connecticut

- **Top 1 percent earn at least:** \$700,800
- **Avg. income of top 1 percent:** \$2,522,806
- **Avg. income of bottom 99 percent:** \$67,742
- **Adults with a bachelor's degree:** 38.6 percent

Methodology

According to the Economic Policy Institute, growing income inequality is attributable to a number of factors. In earlier decades of the last century, strong unionization in industries like manufacturing, construction, and transportation, and a regularly rising minimum wage coupled with a cultural and legal environment that capped executive compensation helped ensure favorable wage growth for the vast majority of Americans.

Today, many of those conditions no longer exist and union participation has hit lows not seen since before the Great Depression, the federal minimum wage has less buying power than it did half a century ago, and CEO compensation has increased exponentially in recent decades.

Through investments and ownership of assets such as real estate and company stocks, wealthier Americans are able to expand their wealth far faster than those of lesser means.

The states with the highest thresholds of what it takes to be in the one percent also generally have the greatest degree of income inequality. In New York, a state where the one percent earns at least \$550,174 a year, the average income among one percenters is \$2.2 million – 44 times the average income of \$49,617 among the bottom ninety-nine percent. No state has greater inequality. For comparison, the average one percenter on a national scale earns \$1.3 million a year, 26.3 times the average income of \$50,107 among the remaining ninety-nine percent.

The states with the wealthiest one-percenters - generally the same states with the greatest income inequality - tend to have higher educational attainment rates. College graduates are more likely to earn higher incomes, but access to a four-year college degree can depend largely on family incomes. This structure serves to reinforce the concentration of wealth at the top.

Of the 10 states with the highest income threshold for the top one percent, nine are home to a larger than typical share of adults with a bachelor's degree than the national share. Similarly, nine of the 10 states with the lowest income threshold for the top one percent have a lower bachelor's degree attainment rate than the comparable national rate of 31.3 percent.

To identify the annual income necessary to be in the top 1 percent of earners in each state, 24/7 Wall Street reviewed "The New Gilded Age: Income Inequality in the U.S. by State," an [Economic Policy Institute](#) report published in July 2018. Income figures are from the IRS and are for tax units - which could be a single adult or married couple - and are for 2015. The share of adults with a bachelor's degree came from the [U.S. Census Bureau's American Community Survey](#) and are for 2016.

Jason Watson, CPA is the Managing Partner of WCG (formerly Watson CPA Group), a business consultation and tax preparation firm, and is the author of [Taxpayer's Comprehensive Guide on LLC's and S Corps](#) which is available online.