

by Selma F. Goldsmith ☆

Income Distribution in the United States, 1950-53

INCOME of American families was \$272 billion in 1954, or slightly more than the aggregate for 1953. Its stability reflected the various forces, reviewed in previous issues of the SURVEY, that supported the flow of personal income during the recent business readjustment. Because of the reduction in Federal individual income tax rates, income after Federal tax liability increased by \$4 billion over 1953, reaching a total of \$245½ billion.

This represented an average after-tax family income of \$4,820 in 1954. The term family is used to include unattached individuals as well as multiperson families in this article, except where it is necessary to distinguish these two groups. The relative increase over 1953 in average income was smaller than that in total income because of a rise in the

This article brings up-to-date the size distributions of family income that were initiated by the Office of Business Economics in a supplement to the *Survey of Current Business*, "Income Distribution in the United States, by Size, 1944-50." (U. S. Government Printing Office, Washington 25, D. C., 1953, price 65 cents.) It presents revised estimates for 1950 and new estimates for 1951 and 1953. Their derivation is described briefly at the end of the article. For a detailed discussion of definitions and sources and methods, and also for back-year data, the reader is referred to the Income Distribution supplement.

number of family units from 50½ million to almost 51 million. Before-tax average income was \$5,330 in 1954, differing little from 1953.

Taking into account the moderate rise shown by available price indexes for consumer goods and services, it appears that the real after-tax income of the average American family was about the same in the 2 years.

The real purchasing power of the average American family increased steadily over most of the postwar period through 1953. As compared with 1929, which provides a convenient prewar benchmark, the increase in average real income after Federal income taxes was roughly 30 percent. On a per capita basis, the increase was higher—about 40 percent—since the size of the family was larger 25 years ago than at the present time.

Income Distribution in 1953

The frontispiece and table 1 show the 1953 distribution of American families and of their total income by broad family income brackets. These figures are preliminary. The last comprehensive source material regarding the size distribution of income refers to 1951 and only sample data are available for 1953. Similarly, the estimates of tax liability are tentative. They are extrapolated from 1951 tax return information on the basis of changes in statutory tax rates and estimates of total tax liability derived from tax collections.

1954 distribution similar

Although these estimates apply specifically to 1953, they can be taken as representative also of the broad structure of the consumer market in 1954. This is suggested by the similarity of the income figures for the 2 years, both on an aggregate and average basis, and by the stability in the relative distribution of income throughout the postwar period, which is one of the major findings of this report. However, the impact of the Federal income tax was somewhat smaller in 1954 than in 1953 because of reductions averaging about 10

percent in statutory tax rates and because of revisions introduced in the Internal Revenue Code of 1954.

The bars in the bottom section of the chart show the number of families in each income range. The concentration of families is heaviest in the middle income ranges, although a considerable number are to be found also in the lower income groups.

The largest number of families are in the \$3,000 to \$4,000 bracket. The \$4,000 to \$5,000 range included the average (median) family income, estimated at \$4,410 in 1953; half of the families had incomes below and half incomes above this amount. The income range between \$5,000 and \$6,000 included the average (mean) income of \$5,370.

Each of these three groups contained about 7 million families. Thus, 21 million, or over 40 percent of the Nation's 50½ million consumer units had incomes from \$3,000 to \$6,000. Almost 30 percent had incomes of \$6,000 or more, and about the same proportion received incomes of less than \$3,000. Certain factors that should be taken into account in evaluating the position of low income groups, such as the preponderance of unattached individuals, will be reviewed later.

As can be seen from the top panel of the chart, the distribution of income was pitched higher on the income scale

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than the distribution of families. The largest amount of income per \$1,000 range was received by the group with incomes between \$5,000 and \$6,000, and a substantial proportion of the income total accrued to the middle income brackets adjacent to this group. The chart shows concentration of incomes also in the upper income ranges; these, of course, accounted for a much larger proportion of the total consumer market in terms of incomes than in terms of the number of families.

Impact of income tax

Because of taxation, the distribution of purchasing power differed from the distribution of before-tax incomes. In this report allowance has been made for the impact of the Federal individual income tax, which was the most important factor in this connection.

In 1953, total Federal individual income tax liability was about \$30 billion, or 11 percent of before-tax income. Capital gains taxes are excluded from this total because the gains themselves are not part of personal income. A larger than proportionate share of the income tax was paid by the high income groups. For instance, families in the \$15,000 and over income bracket received approximately 15 percent of before-tax income but accounted for about 35 percent of total Federal income tax liability. Effective Federal income tax rates (tax liability expressed as a percent of total before-tax income) increased from a negligible proportion in the low brackets to 25 percent in the \$15,000 and over group.

In the interpretation of these rates several points should be kept in mind. In the first place, the \$15,000 and over group, which is not broken down further for 1953 because of lack of adequate information, represents the combination of income brackets for which the incidence of the Federal income tax is widely different. It is in these brackets that the graduation of this tax is most substantial and units high up on the scale are subject to tax rates that are much heavier than the

Table 1.—Distribution of Families, Family Income, and Federal Income Tax Liability, by Family Income Level in 1953

Family personal income (before income taxes)	Families and unattached individuals		Family personal income			Federal individual income tax liability	
	Number (millions)	Percent	Amount (billions of dollars)	Percent	Average income (dollars)	Percent of family income ¹	Percent of total liability
Under \$1,000.....	2.9	6	1.4	1	500	0	0
\$1,000- \$1,999.....	5.4	11	8.2	3	1,520	2.0	1
\$2,000- \$2,999.....	6.5	13	16.3	6	2,510	5.0	3
\$3,000- \$3,999.....	7.4	15	26.0	10	3,510	6.0	5
\$4,000- \$4,999.....	7.2	14	32.5	12	4,490	7.0	7
\$5,000- \$5,999.....	6.3	12	34.3	13	5,470	8.5	10
\$6,000- \$6,999.....	4.5	9	28.9	10	6,470	9.5	9
\$7,000- \$7,999.....	3.2	6	24.2	9	7,470	10.0	8
\$8,000- \$8,999.....	2.0	4	17.3	6	8,450	10.5	6
\$9,000- \$9,999.....	1.3	3	12.6	5	9,460	11.0	5
\$10,000- \$14,999.....	2.3	4	27.5	10	12,090	12.0	11
\$15,000 and over.....	1.5	3	42.3	15	28,310	24.5	35
Total.....	50.5	100	271.5	100	5,370	11.0	100

1. Rounded to nearest ½ percent.

Source: Office of Business Economics, U. S. Department of Commerce.

average for the group. In 1951, for instance, families in the \$50,000 and over group were subject to an effective rate of 40 percent as compared with a rate of 24 percent for the \$15,000 and over group as a whole.

Secondly, personal income is defined to include elements that are not taxable, such as certain types of income in kind and transfer payments; also for various reasons other forms of personal income are not fully reported on income tax re-

turns. Thus, the effective rates on personal income shown here are somewhat lower than those derived directly from tax returns. Further, these effective rates represent averages on the incomes of families differing widely with respect to composition and size and hence with respect to tax liability. Finally, the rates are averages on total income before deductions and exemptions, and not the steeper marginal rates, implicit in these averages, to which increments of income are subject.

Table 2.—Families and Their Incomes by Family Income Level, 1947 and 1953

Family personal income (before income taxes)	Number of families and unattached individuals (millions)		Family personal income (billions of dollars)		Percent distribution			
	1947	1953	1947	1953	Number		Income	
					1947	1953	1947	1953
Under \$1,000.....	3.7	2.9	2.0	1.4	8	6	1	1
\$1,000- \$1,999.....	7.4	5.4	11.2	8.2	16	11	6	3
\$2,000- \$2,999.....	8.5	6.5	21.2	16.3	19	13	12	6
\$3,000- \$3,999.....	8.6	7.4	30.0	26.0	19	15	16	10
\$4,000- \$4,999.....	5.7	7.2	25.6	32.5	13	14	14	12
\$5,000- \$5,999.....	3.5	6.3	19.0	34.3	8	12	10	13
\$6,000- \$7,499.....	3.1	6.2	20.8	41.8	7	12	11	15
\$7,500- \$9,999.....	2.2	4.8	18.4	41.2	5	10	10	15
\$10,000- \$14,999.....	1.2	2.3	14.3	27.5	3	4	8	10
\$15,000 and over.....	.8	1.5	22.1	42.3	2	3	12	15
Total.....	44.7	50.5	184.6	271.5	100	100	100	100

Source: Office of Business Economics, U. S. Department of Commerce.

For the broad income groups shown, the impact of the Federal income tax modifies the pattern of the before-tax income distribution but does not change its general outline. However, if the \$15,000 and over income group could be broken down further, it would become evident that families in successively higher positions on the income scale experience a marked progressive reduction in their share of total after-tax purchasing power as compared with their share of total before-tax income. In 1951, for example, families in the \$50,000 and over income groups received 3½ percent of total before-tax income but accounted for only 2½ percent of after-tax purchasing power.

Broad income groups

Additional light is thrown on consumer income and purchasing power if the size distribution data are expressed in a manner that serves to summarize the income position of the Nation's families relative to each other. This is done in the accompanying chart in which families have been ranked according to the size of their before-tax income and divided into five groups of equal number. For each group, and also for the top 5 percent, the chart shows its percentage share of total before-tax income, of total Federal individual income tax liability, and of total after-tax income.

Families with incomes under \$2,300 comprised the lowest fifth of consumer units in 1953 and received about 5 percent of total before-tax income. The next two groups also accounted for proportions of before-tax income that were smaller than their relative numbers. The remaining two groups received a larger than proportionate share, with the top fifth accounting for almost 45 percent of the income total.

The graduated character of the Federal individual income tax is shown by this presentation also. The lowest fifth of

consumer units was responsible for 1 percent of total tax liability, in sharp contrast to the top fifth which accounted for 64 percent. The relative payments of the top group would be higher if the portion of the Federal income tax relating to capital gains had been included.

The effect of the Federal income tax can be seen by comparing the proportions of before- and after-tax incomes. For all but the top group, percentage shares of after-tax income were somewhat larger than those of before-tax

income. In contrast the relative share of the top fifth as a whole was reduced moderately as a consequence of the tax.

Within this group the effect of the Federal income tax becomes more marked at successively higher points on the income scale. For instance, the proportion of the top 5 percent of families comprising units with incomes over \$12,100 was reduced from almost 21 to 18 percent, or by one-eighth. Even more substantial reductions are found in yet higher income ranges.

Changes in Income Distribution, 1947-53

Most of the postwar period was characterized by an upswing of money incomes which reflected in part the advance in the price level. From 1947 to 1953 total family income, both on a before- and after-tax basis, rose by almost 50 percent. Average current dollar family income, shown in the accompanying chart, rose by about 30 percent, as the number of families increased one-eighth over the period.

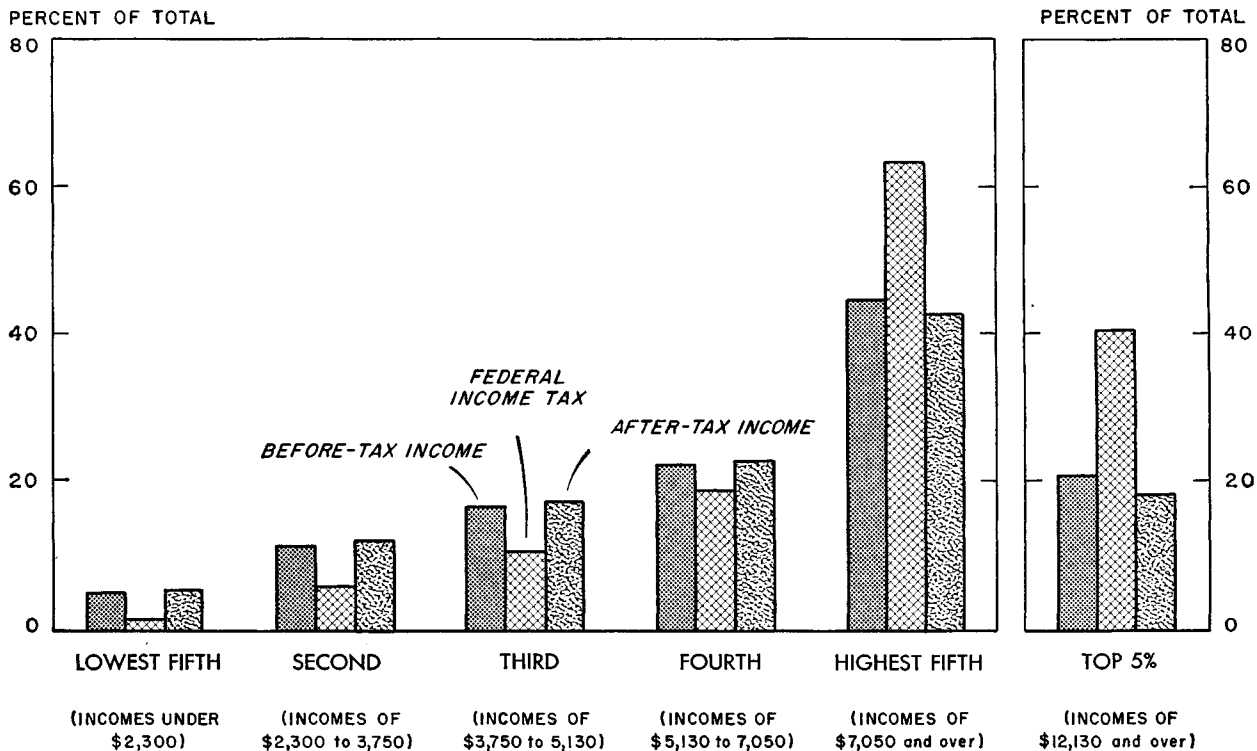
Current dollar incomes

Table 2, which is on a before-tax basis, shows that the 1947-53 increase in income was widely distributed and resulted in a broad shift of families from the income ranges under \$4,000 into higher income brackets, and that a similar

shift occurred also in the distribution of total income. Thus the number of families with incomes of less than \$4,000 decreased by one-fifth. In contrast, the number with incomes over \$4,000 increased by more than 70 percent and the total amount of income in this range increased by more than 80 percent. As a consequence of the general upward shift, the largest amount of income per \$1,000 range was found in the \$5,000 to \$6,000 bracket in 1953, as compared with the \$3,000 to \$4,000 bracket in the 1947 distribution.

In terms of the major types of consumer groups included in the overall distribution, it is found that the upward shift between the two terminal years of the comparison reflected mainly the experience of the nonfarm groups. The income of farm operator families underwent considerable fluctuations

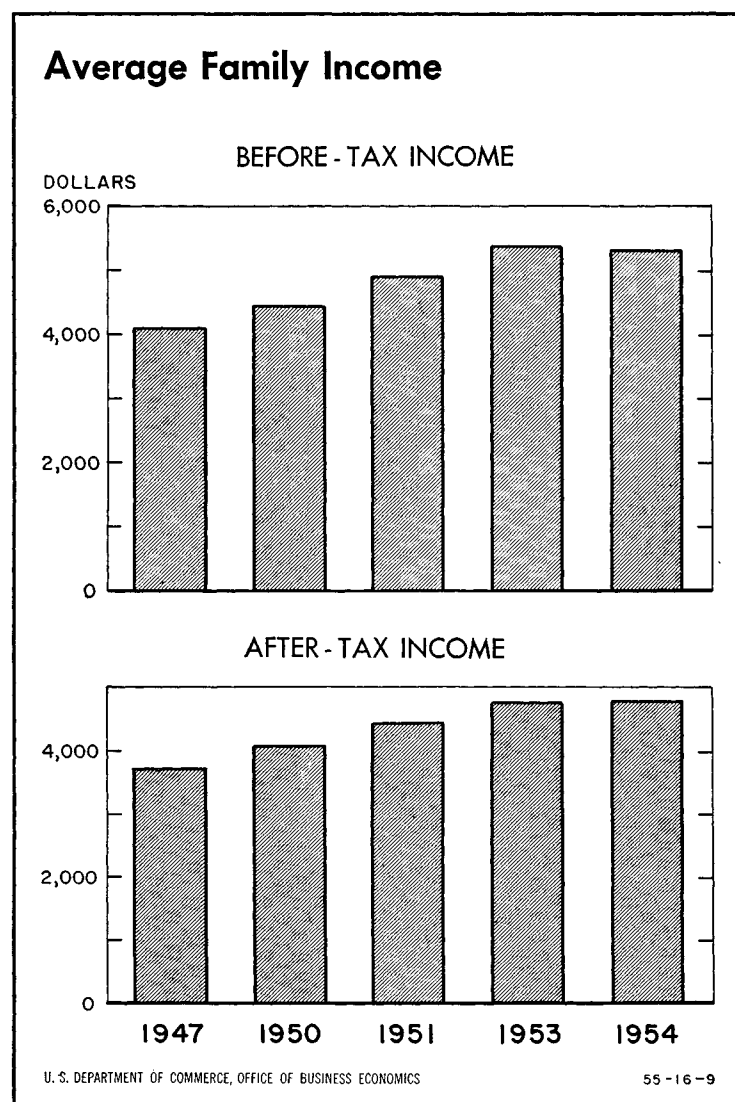
Distribution of Family Income, Federal Income Tax, and After-Tax Income in 1953



during this period, and after reaching very high levels both in 1948 and in 1951 declined thereafter.

Real incomes

Although in part the increase in family income from 1947 to 1953 reflected the rise in prices, the growth of real incomes was also substantial over the period. In terms of aggregate amounts, real income (measured in constant dollars) increased by one-quarter, both on a before- and after-tax basis, and the increase in real income per family was about 10 percent.



It is apparent that an allowance for the changing purchasing power of the dollar would greatly dampen the upward shift of family units and dollar incomes that is shown in table 2. However, the constant dollar figures indicate that there occurred an upward shift on the real income scale also,

although it was more moderate. This increase in the number of relatively well-to-do families is significant from the standpoint of evaluating the structure of consumer demand since changes in patterns of spending are to a large extent dependent on changes in the size of real income.

Relative income changes

The relative extent to which different income groups have shared in the rise of income that occurred in the postwar period is shown in the accompanying chart and in table 3, in which percentage shares of income received by successive fifths of consumer units are given for selected years. The essential stability in shares of before-tax income for the past decade is clearly shown. Only slight shifts are apparent, such as the fractional increase in the relative share of the three middle groups and the correspondingly small reduction in the share of the top fifth. Seen against the background of the major changes in the economy that have occurred since 1944, including demobilization and reconversion, the postwar inflation, and the Korean conflict, the stability of the relative income distribution in this period is a finding of major interest.¹

It should be emphasized that the stability in relative income distribution shown by these figures does not mean that all individual families kept their same relative position on the income scale as incomes increased. New family units were formed and older ones disappeared, and many families that continued throughout the decade shifted their position in relation to one another at the same time as the distribution as a whole shifted upward along with the rise in average incomes.

After-tax relative income shares, shown in the right section of table 3, were also essentially stable from 1950 to 1953. (Corresponding after-tax estimates have not been prepared for earlier years.) Rates of individual income tax have changed over this period, and have resulted in changes in its graduation. These changes, however, have not been large enough to modify significantly the relative impact of the tax on the broad income groups shown in the table, and a more detailed analysis would be necessary to bring out their differential effects.

The relative size distribution of income during the postwar period differs from the patterns observed for the 1930's and 1920's. Comprehensive data for these earlier periods covering all years and all income ranges are not available, but such information as exists indicates that the relative share of the upper income groups has been significantly lower in recent years than in the prewar period.

The reduction has apparently reflected two factors: First, a decrease in the relative importance in the income total of types of income—such as dividends—which accrue in large proportions to the upper income groups; and second, a reduction in dispersion within major income types, particularly wages and salaries. The postwar data show considerable stability in the proportions of the major income types and also in the dispersion of wages and salaries, and are in harmony, therefore, with the stability in the relative size distribution of total family income in this period.

1. The pattern of stability holds also for the nonfarm multiperson family group taken by itself. This distribution differs from the overall distribution mainly in level. The income distribution of nonfarm families is pitched higher on the income scale than that of farm operator families and unattached individuals; the two lowest fifths of nonfarm families receive somewhat higher proportions of the total income accruing to nonfarm families than the corresponding percentages shown in table 3. The two top groups account for somewhat lower shares.

Family Groups and Individuals

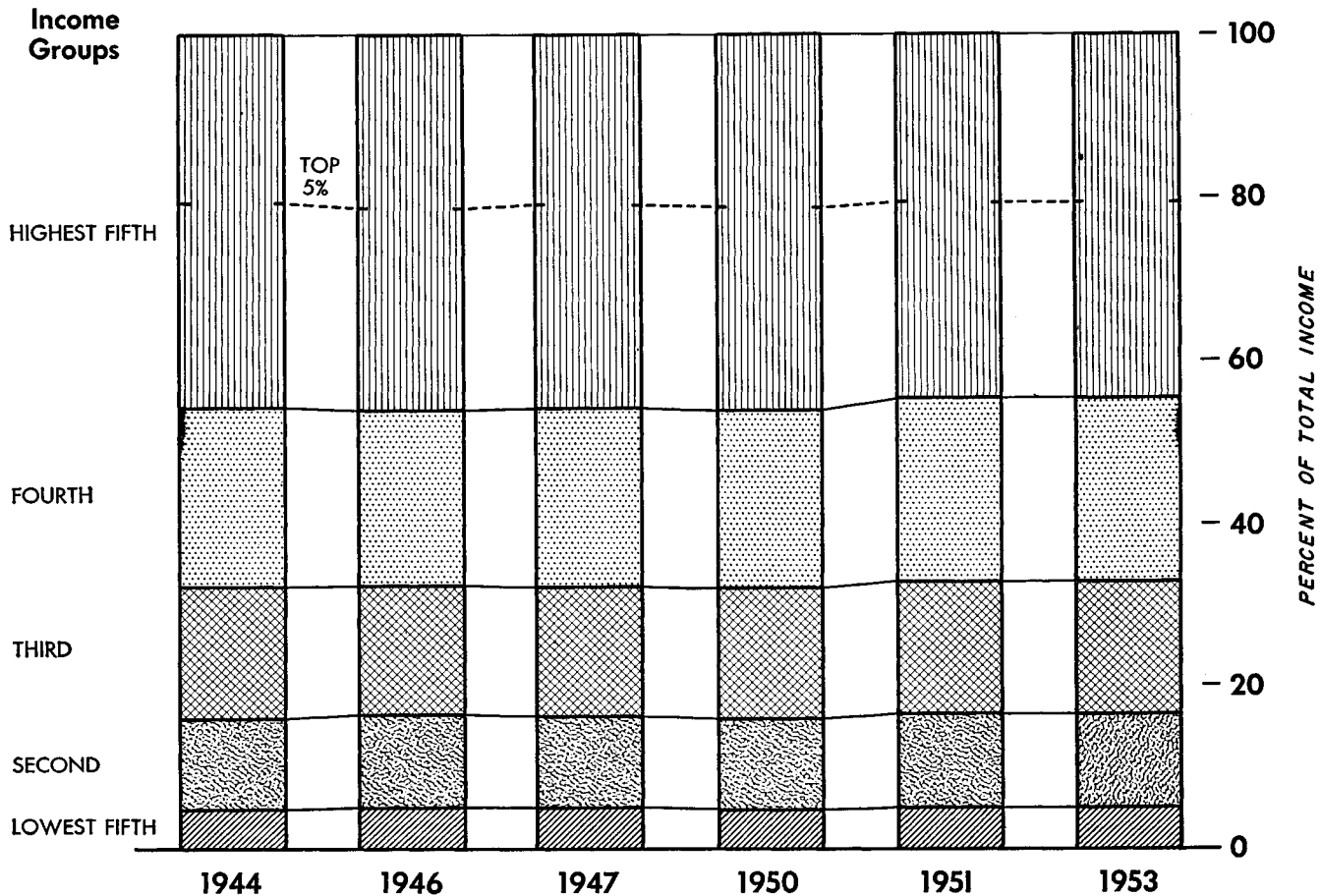
The great bulk of the 50½ million consumer units in 1953 consisted of nonfarm families. Comprising all units of two or more persons other than the farm group, they numbered more than 35½ million. Farm operator families—all families operating farms whether tenant- or owner-operators—totaled about 5½ million. This group includes full-time farmers as well as families whose farming operations represented only secondary pursuits. Unattached individuals, consisting of persons not living with relatives, numbered 9½ million. About three-fifths of them lived in their own dwelling units, and the remainder as lodgers or servants in private homes or in boarding houses and hotels.

Summary data relating to these three broad groups are shown in table 4. The nonfarm family group received 84 percent of total income. Its average income was by far the highest—\$6,390 as compared with \$3,460 for farm operator families, and \$2,630 for unattached individuals.

In the light of these averages, it is not surprising to find marked differences in the distribution by income size brackets among the three groups. Table 5 shows the predominance in the lower income ranges of unattached individuals and farm operator families. Of the 8 million consumer units with incomes under \$2,000, 4 million were individuals and 2 million were farm families. Nonfarm families predominated in the middle and upper income ranges. For example, they comprised more than 17 million of the 20 million consumer units in the brackets between \$4,000 and \$7,500, and 8 million of the 8½ million in the range above \$7,500.

The disparity in the three income distributions is shown also by the percentage calculations in table 5. Among nonfarm families only 6 percent are estimated to have had personal incomes under \$2,000, and fewer than 30 percent received incomes under \$4,000. For farm families, the corresponding percentages were 37 and 72, and for individuals

Percent Distribution of Before-Tax Family Income



46 and 83. In contrast, the proportions of nonfarm families in the middle and upper income brackets were much higher than those for farm families and individuals.

Low income groups

These differences among the three component income distributions throw additional light on the significance of the overall data. In particular, they permit a partial evaluation of the economic position of consumer units in the low brackets of the income scale.

Table 3.—Distribution of Before- and After-Tax Family Income, 1944-53
[Percent]

Quintile	Family personal income						Income after Federal individual income tax liability		
	1944	1946	1947	1950	1951	1953	1950	1951	1953
	Lowest.....	4.9	5.0	5.0	4.8	5.0	5.0	5.1	5.4
2.....	10.9	11.1	11.0	10.9	11.3	11.3	11.4	11.9	12.0
3.....	16.2	16.0	16.0	16.1	16.5	16.5	16.8	17.2	17.2
4.....	22.2	21.8	22.0	22.1	22.3	22.3	22.7	22.8	22.8
Highest.....	45.8	46.1	46.0	46.1	44.9	44.9	44.0	42.7	42.6
Total.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Top 5 percent.....	20.7	21.3	20.9	21.4	20.7	20.7	19.2	18.4	18.2

Source: Office of Business Economics, U. S. Department of Commerce.

While these brackets include large numbers whose living standards are inadequate, the total number in these brackets may give an exaggerated view of the extent to which this is the case. It is necessary to take account of special characteristics which make the income of many low income recipients an imperfect measure of their actual economic status.

The requirements of individuals, for instance, are smaller than those of typical multiperson families because income is not usually shared with other household members. Also, individuals include large numbers—mostly young persons—who were not in active economic life for all of the year and whose part-year earnings, which are reflected in the statistics, are not an adequate measure of their actual command over goods and services during the year.

The following figures are suggestive of the nature of the correction necessary to allow for differential requirements. In 1953, when income per family (farm and nonfarm) averaged \$6,000, the per capita income of these families was \$1,680 as compared with an average of \$2,630 for individ-

Table 4.—Major Groups of Consumer Units in 1953

Major group	Consumer units		Family personal income		
	Number (mil-lions)	Percent	Amount (bil-lions of dollars)	Percent	Average income (dollars)
Nonfarm families.....	35.6	70	227.7	84	6,390
Farm operator families.....	5.5	11	19.0	7	3,460
All families.....	41.1	81	246.7	91	6,000
Unattached individuals.....	9.4	19	24.8	9	2,630
Total.....	50.5	100	271.5	100	5,370

Source: Office of Business Economics, U. S. Department of Commerce.

uals. Thus, on a per capita basis, the relative position of families and individuals is actually reversed. Undoubtedly the per capita figures give too favorable an impression of the relative position of individuals since they do not take into account economies of family living, differences in the adult-versus-child composition between the two groups, and the higher rates of taxation to which many individuals are subject. Nevertheless, they indicate that a substantial allowance for differential needs and responsibilities is in order in evaluating the income distribution of this group.

Table 5.—Major Groups of Consumer Units by Family Income Level in 1953

Family personal income (before income taxes)	Number				Percent distribution			
	Total (mil-lions)	Non-farm families (mil-lions)	Farm opera-tor families (mil-lions)	Unat-tached individ-uals (mil-lions)	Total	Non-farm families	Farm opera-tor families	Unat-tached individ-uals
Under \$1,000.....	2.9	0.2	0.7	2.0	6	1	12	21
\$1,000-\$1,999.....	5.4	1.7	1.3	2.3	11	5	25	25
\$2,000-\$2,999.....	6.5	3.3	1.1	2.1	13	9	20	22
\$3,000-\$3,999.....	7.4	5.1	.8	1.4	15	14	15	15
\$4,000-\$4,999.....	7.2	5.9	.6	.7	14	17	10	8
\$5,000-\$5,999.....	6.3	5.6	.3	.4	12	15	6	4
\$6,000-\$7,499.....	6.2	5.8	.3	.2	12	16	5	2
\$7,500-\$9,999.....	4.8	4.5	.2	.1	10	13	4	1
\$10,000-\$14,999.....	2.3	2.1	.1	.1	4	6	2	1
\$15,000 and over.....	1.5	1.4	.1	.1	3	4	1	1
Total.....	50.5	35.6	5.5	9.4	100	100	100	100

Source: Office of Business Economics, U. S. Department of Commerce.

In connection with farm operator families, it should be noted that the 1953 distribution reflects the fact that the average income of the group in that year was below its 1951 peak, although higher than in most others years of the post-war period. (Off-the-farm income is included along with net income from farming in determining family personal income for farm operator families.) Thus relatively more of the farm families were concentrated in the lower income ranges in 1953 than in the peak year 1951. For instance, about 37 percent are estimated to have received incomes below \$2,000 in 1953 as compared with 31 percent in 1951.

More basically, in determining farm family income food and fuel produced and consumed on farms is valued at farm prices, in conformity with the design of the national income accounts. An alternative valuation at retail prices would have added to farm operators' incomes and removed some of the farm units from the low income range.

Table 6.—Family Composition in 1952

Quintile ¹	Average number of—				Percent of families			Median age of family head
	Persons per family	Earners 14 years old and over per family	Children under 18 years		Without children under 18 years	With only 2 persons	With heads aged 65 years old and over	
			Per family	Per family with 1 or more children				
Lowest.....	3.19	1.02	1.11	2.42	54.3	51.9	30.0	54
2.....	3.55	1.34	1.35	2.31	41.4	35.6	12.9	43
3.....	3.63	1.44	1.40	2.21	36.6	29.1	7.9	41
4.....	3.63	1.63	1.31	2.06	36.4	26.5	6.5	42
Highest.....	3.72	1.96	1.07	1.97	45.6	24.6	7.9	46

1. Families of two or more persons ranked by size of family money income (before income taxes).

Source: Office of Business Economics, U. S. Department of Commerce, based on Census Bureau data.

Furthermore, it is generally agreed that price levels are somewhat lower for rural than for urban families mainly because of differences in the regional distribution of the two groups. If allowance could be made for this factor, the result would also be some reduction in the number of low income farm families relative to that of nonfarm units.

An additional specific factor which should be taken into account is that, on the average, farm families are probably subject to lower effective rates of taxation than the nonfarm groups. More generally, there are such substantial differences between rural and urban modes of living that it is very difficult to make meaningful comparisons of economic status between these groups.

Some of the factors which have been reviewed affect the distribution of nonfarm families also, but their quantitative importance is much smaller. For instance, the presence of part-year earnings affects the interpretation of the nonfarm family distribution, since some young couples that are included in the low ranges of that distribution did not have independent economic status throughout the year. Also, differential needs and responsibilities that have been mentioned in connection with individuals, must be taken into account in the case of multiperson families as well. Information contained in table 6 throws some light on this point.

This table summarizes information on the composition of families in each quintile, derived from sample data collected by the Bureau of the Census in a field survey of 1952 family incomes. Although based on a somewhat different definition of income, broad inferences may be drawn with regard to corresponding fifths of families shown in this study.

Particularly relevant in the present connection are the data relating to the average size of family, the proportion of families without children, and the age of the family head. It can be seen that the average family size is substantially smaller in the lowest fifth than higher on the income scale; that the proportion of families without any children is largest in the bottom group; and that the average age of the family

head is also largest in that fifth. All these facts make it reasonable to infer that family needs and responsibilities were smaller on the average among the low income groups than in the higher income ranges, and that the distribution of multiperson family incomes, as well as that of unattached individuals, should be interpreted with this in mind.

The prevalence of aged couples in the bottom group draws attention to another factor which is relevant in the case of individuals as well. The economic status of retired people is not always measured comprehensively by their current income because they plan as a matter of course to supplement such income by accumulated savings.

Furthermore, there is considerable turnover in the low income groups, both among multiperson families and individuals. This turnover reflects on the one hand such factors as temporary sickness, unemployment and business loss, and, on the other hand, the passing up and down the income scale that is part of the normal economic life-cycle of the typical family unit.

Top income groups

In general, turnover of this type causes a wider dispersion of incomes measured on an annual basis than would be shown by an income distribution in which income receipts were summed over a number of consecutive years. Thus, the number of families in the higher, as well as in the lower, income ranges in any given year is composed partly of units that are located there only temporarily.

In the interpretation of the statistics for upper income groups other characteristics of the income definition should be kept in mind as well. Most important, perhaps, is the fact that capital gains and losses are not counted as part of personal income, and that the earnings of stockholders are measured by their dividend receipts, without taking into account changes in their share of undistributed corporate earnings.

Technical Note

The main source materials on which the estimates of income size distribution are based are the statistics from Federal individual income tax returns prepared in summary form by the Internal Revenue Service, and the sample data on family incomes collected in annual field surveys of the Bureau of the Census and the Federal Reserve Board. The income size distribution series presented here for the period through 1951 were derived by a systematic combination of these two sets of statistics. As part of the integration procedure the basic data were adjusted so that the totals for the various types of income—wages and salaries, noncorporate business income, dividends, etc.—would agree with the independently estimated totals included in the Office of Business Economics aggregate personal income series.

A detailed description of the methods of combining and adjusting the tax return and sample survey statistics to derive the income distribution estimates for 1944-47 is included in "Income Distribution in the United States, by Size, 1944-50" (U. S. Government Printing Office, Washington 25, D. C., 1953, price 65 cents.)² The following descrip-

tion relates to the estimates of income size distribution for later years.

Before-tax distributions for 1950 and 1951

As described in the Income Distribution supplement, the basic procedure used to derive income size distribution estimates for nonfarm families and unattached individuals for 1944-47 involved the following main steps: (1) The derivation from consolidated Federal individual income tax returns of a distribution of individual earners by size of their wage-salary or nonfarm entrepreneurial earnings; (2) the combination of these individual earners into family units classified by size of family earnings, based on relationships between individual and family earnings determined from the Census Bureau sample survey data; and (3) the addition of other types of income to family earnings to obtain the distribution of nonfarm families by family personal income level.

For 1950 and 1951, a somewhat different integration of the source material was suggested by two considerations. In the first place, the split-income provision introduced for Federal income tax returns in 1948 led to a sizable increase in the number of two-income joint returns of husbands and wives which would require separation under step (1); many couples formerly filing two separate returns reported their combined income on a joint return once the split-income

2. It may be noted that revisions have not been made in the 1944-47 size distribution series to incorporate the revised estimates for these years of aggregate personal income and its component income types that have been prepared subsequent to the Income Distribution supplement. Most of these revisions were small and in view of the detailed statistical procedures in constructing size distributions and the minor changes that could be anticipated, it did not seem worthwhile to revise the distribution series for this period. The largest revisions applied to the net farm income totals for 1946 and 1947 which were reduced by about \$1 billion. Thus the size distribution series overstates somewhat the economic status of farmers in these two years. For other types of income the revisions were much smaller, and for total family personal income they did not exceed \$500 million or less than 0.3 percent of the total.

provision went into effect. In view of the lack of adequate up-to-date information for separating these returns a methodology which would omit this step seemed in order.

A second reason for amending the earlier procedure was the lack of current sample survey data on the relationships between individual earner distributions and family earnings distributions, such as were used in step (2) of the 1944-47 procedure. The latest Census Bureau sample data that included the necessary cross-classification of these earnings statistics referred to 1946. However, more nearly current data providing a bridge between tax returns and families classified by levels of total income (i. e., including dividends, interest, rents and other types of income in addition to earnings) were available from the Census Bureau samples. This suggested a methodology in which tax returns would be converted into family units at a stage where the former were classified not by levels of earnings as in the earlier methodology, but by levels of total income.

The following is a summary of the major steps for deriving the nonfarm family income distributions for 1950 and 1951.

First, Federal individual income tax returns in each year, classified by adjusted gross income brackets in the tabulations available from the Internal Revenue Service (IRS), were shifted to brackets representing income exclusive of net capital gains. The shifting of returns reporting such gains (and of their incomes exclusive of such gains) was based on IRS tabulations for the two years which showed these returns cross-classified by adjusted gross income brackets and by net capital gain brackets.³ In the shifting procedure four major groups of returns distinguished in the IRS tabulations were treated separately: joint returns of husbands and wives, separate returns of husbands, separate returns of wives, and single returns.

Second, the returns were combined into family units. Incomes reported on separate returns of husbands and wives—a relatively small group in this period—were combined on the basis of an estimated cross-distribution in which the husbands were classified by size of their own income and cross-classified by size of the wife's income. The main combination step, however, was the addition of the income of supplementary family income recipients (other than wives) to that of heads (including husband-wife combinations).

The combination was accomplished mainly on the basis of an unpublished Census Bureau study in which the 1949 Federal individual income tax returns filed by a sample of family members that were included in the Census Bureau's field survey of family incomes for that year were tabulated. These tabulations (a) provided distributions of family heads (or husband-wife combinations), and of supplementary income recipients, by size classes of income reported on their income tax returns, with each group further classified by the number of income recipients in the family of which they were a part, and (b) cross-classified the supplementary income recipients in each income bracket by size of the income of the family head (or husband-wife combination) reported on tax returns. On the basis of (a), returns in each bracket of adjusted gross income less capital gain were subdivided into the following eight groups: heads of families (or husband-wife combinations) with 0, 1, 2, or 3 or more supplementary income recipients; supplementary income recipients in families with 1, 2, or 3 or more such recipients; and unattached individuals.

For families with no supplementary income recipients—by far the largest group—and for unattached individuals, the distributions required no combination. For families with

one supplementary income recipient, the incomes of family heads (or husband-wife combinations) were combined with the incomes of supplementary recipients on the basis of the information under (b). For the relatively small groups of families with two or more supplementary income recipients, where the sample data were too scanty to provide adequate cross-tabulations, the individual income recipients were combined into family units by procedures similar to those used in earlier years for combining individual earners into families, as described on page 51 of the Income Distribution supplement. A combined all-family distribution was then obtained by adding the distributions for the various number-of-income-recipient groups.

The third step was to subtract farm operator families included in the tax-return-based all-family distribution. Estimates of the numbers and amounts of income to be subtracted in each income bracket (including amounts from nonfarm sources as well as reported net farm income) were derived from IRS tabulations of tax returns reporting proprietorship income in the farming industry and sample statistics giving source patterns of income for farm operators in various income brackets. As described in the Income Distribution supplement, the size distribution series for the farm group, unlike that for nonfarm families, is not based on tax return data.

Finally, the nonfarm family distribution in each year was adjusted to add families not filing tax returns and types of income not covered on returns, and also to adjust reported amounts of income so as to agree with the control totals included in the personal income series of the Office of Business Economics. Control totals of the aggregate amounts of income, by type of income, and of the total number of families were derived as explained on pages 53 and 78 of the Income Distribution supplement. Families not filing returns were included initially by substituting the number of families with incomes under \$1,000 shown in the inflated sample surveys of the Census Bureau for the corresponding number derived in preceding steps. The total number of nonfarm families in the distribution at this point agreed very closely with the control total number of such families that had been established.

To add the income not accounted for, a comparison was first made between the amounts of each major type of income—wages and salaries, business and partnership income, dividends, interest, rent, etc.—covered in the tax-return-based distribution for nonfarm families and the corresponding control totals for that group developed from the personal income series.

Detailed information was available for earlier years, as described in the Income Distribution supplement, on the distribution by income brackets of certain major elements of income that had to be added (nonmoney income, social security benefits, and other transfer payments.) A distribution by family income brackets of the total amount of income not covered in the tax-return-based nonfarm family distribution was estimated, taking into account this information, the distribution of reported taxable incomes, and the results of the IRS audit studies for 1948 and 1949. The amount of additional income in each income bracket was added to the reported amount, and the families were shifted up the income scale by using the interpolation procedures described on page 61 of the Income Distribution supplement.

The several steps described above were also carried through for the year 1947 in order to determine whether the change in methodology had introduced any basic differences in the income distribution series for nonfarm families. The resulting distribution was found to be closely similar to that presented for 1947 in the Income Distribution supplement. Since the split-income provision for tax returns was not in operation in 1947 and since the sample data used in the

3. The statistical procedures for cross-subtraction (and also for cross-addition mentioned in the following paragraphs) are described in footnote 9, page 36 of the Income Distribution supplement.

Income Distribution supplement for combining earners into families applied to the adjacent year 1946, the 1947 income distribution for nonfarm families in the supplement provided more reliable figures for that year than the procedure described above.

For farm operator families, the income distributions for 1950 and 1951 were derived by essentially the same procedures that are described in the Income Distribution supplement and are subject to the same limitations. The estimates for unattached individuals were obtained by extrapolating the 1947 figures derived in the supplement on the basis of the increase in the average income of the group, on the assumption that relative income differences among these individuals had not changed.⁴ It may be noted that detailed income-tax-based estimates for unattached individuals showed practically no change in relative income distribution during the 1944-47 period.

Before-tax distributions for 1953

Tabulations of Federal individual income tax returns are not yet available for 1953 so that the estimates for that year are of a preliminary character. Sample data on the size distribution of consumer units were available from the Federal Reserve Board's annual Survey of Consumer Finances which indicated that for multiperson families and for unattached individuals, relative differences in incomes were essentially the same in 1953 as in 1951. Accordingly, the income distribution for each group was estimated here by extrapolating the corresponding 1951 distribution on the assumption of unchanged relative income differences.⁴ A similar assumption was made in the case of the farm operator family group, and the distribution for nonfarm families was obtained by subtracting the farm distribution from the all-family estimates. Control totals for 1953 for total family income and the total number of consumer units were obtained for the three consumer groups by the procedures outlined in the Income Distribution supplement.

Federal individual income tax liabilities

Federal individual income tax liability is defined here as the liability reported on individual income tax returns plus an allowance for taxes collected through subsequent audit, minus liabilities of military personnel not living with their families, minus liabilities on net capital gains.

4. The statistical procedures used were similar to those described in footnote 12, page 38, of the Income Distribution supplement.

For 1950 and 1951, Federal individual income tax liabilities of families classified by family personal income brackets represent essentially a rearrangement of the liabilities reported on individual income tax returns as tabulated by the IRS. In broad outline, the procedure for deriving the family liability figures was to shift the reported liabilities (after subtracting estimated liabilities on capital gains) along with the returns as the latter were combined into family units and shifted from adjusted gross income into family personal income brackets by the procedures outlined above. Amounts of tax liabilities on capital gains that were subtracted were estimated on the basis of IRS tabulations showing for each adjusted gross income bracket the amounts of statutory net capital gains segregated for alternative tax, and the amounts taxed at ordinary rates. The tax on the former was derived by multiplying segregated gains by the alternative tax rate and that on the latter by multiplying other gains by the average effective tax rate in each bracket. For unattached individuals, 1950 liabilities were estimated from statutory tax rates as described on pages 74-76 of the Income Distribution supplement, and those for 1951 by extrapolating the 1950 figures by changes in statutory rates for single persons with no dependents.

For 1953, for which comparable information from tax returns was not available, the estimates of liabilities were based on changes in statutory tax rates. Ratios of 1953 to 1951 average tax liabilities for given amounts of net income, based on data supplied by the Treasury Department, were applied to the 1951 liability averages for families and unattached individuals at corresponding points on the family income scale.

The averages for 1950, 1951, and 1953 were then adjusted proportionately so that when multiplied by the numbers of consumer units in the various family income brackets they would account for the estimated total of Federal individual income tax liability (as defined for the purposes of this report) for those years. Although based in part on tax collection data, the estimate of total tax liability for 1953 is preliminary.

Distributions of families and unattached individuals by level of after-tax income were derived for 1950, 1951 and 1953 by subtracting Federal individual income tax liabilities from family personal income in each family income bracket, and shifting the families down the income scale by using the interpolation procedures described on page 61 of the Income Distribution supplement.

Table 7.—Number of Consumer Units and Persons, and Aggregate and Average Family Personal Income, Selected Years, 1944-53

[Continuation of table 1 of Income Distribution supplement]

	Families and unattached individuals						Families						Unattached individuals		
	Number of consumer units ¹ (millions)	Number of persons ¹		Family personal income		Number of families ¹ (millions)	Number of persons ¹		Family personal income		Number of unattached individuals ¹ (millions)	Family personal income			
		Total (millions)	Average number per consumer unit	Amount (billions of dollars)	Average income		Total (millions)	Average number per family	Amount (billions of dollars)	Average income		Amount (billions of dollars)	Per capita (dollars)		
					Per consumer unit (dollars)					Per capita (dollars)				Per family (dollars)	Per capita (dollars)
1944.....	40.9	125.4	3.07	147.7	3,614	1,178	33.3	117.8	3.54	134.1	4,027	1,138	7.6	13.6	1,797
1946.....	43.3	139.4	3.22	170.7	3,940	1,225	35.9	131.9	3.68	155.7	4,369	1,188	7.5	14.0	1,879
1947.....	44.7	142.6	3.19	184.6	4,126	1,295	37.0	134.9	3.64	169.3	4,574	1,256	7.7	15.3	1,978
1950.....	48.9	149.1	3.05	217.3	4,444	1,457	39.8	140.0	3.52	197.7	4,969	1,413	9.1	19.5	2,147
1951.....	49.5	151.2	3.06	242.7	4,904	1,604	40.4	142.2	3.52	221.4	5,477	1,557	9.1	21.3	2,348
1953.....	50.5	156.6	3.10	271.5	5,372	1,733	41.1	147.2	3.58	246.7	6,002	1,676	9.4	24.8	2,629

1. As of end of calendar year.

Table 8.—Distribution of Consumer Units and of Family Personal Income by Family Personal Income Level, Selected Years, 1944-53

[Continuation of Table 2 of Income Distribution supplement]

Family personal income (before income taxes)	Number of families and unattached individuals (thousands)						Aggregate family personal income (millions of dollars)					
	1944	1946	1947	1950	1951	1953	1944	1946	1947	1950	1951	1953
Under \$1,000.....	4,352	3,826	3,748	3,861	3,227	2,866	2,390	2,017	1,973	1,943	1,680	1,427
\$1,000-\$1,999.....	8,108	7,606	7,370	7,464	6,022	5,433	12,338	11,570	11,231	11,333	9,084	8,242
\$2,000-\$2,999.....	8,762	8,791	8,459	8,091	7,164	6,488	21,938	22,007	21,176	20,273	17,945	16,304
\$3,000-\$3,999.....	7,723	8,590	8,628	8,586	8,192	7,399	26,960	29,906	30,045	29,983	28,696	25,988
\$4,000-\$4,999.....	4,535	5,364	5,725	7,054	7,455	7,247	20,261	23,956	25,583	31,533	33,552	32,521
\$5,000-\$5,999.....	2,515	3,065	3,474	4,694	5,580	6,276	13,739	16,725	18,957	25,603	30,502	34,315
\$6,000-\$7,499.....	2,259	2,547	3,151	3,836	5,323	6,240	14,942	16,833	20,812	25,578	35,596	41,781
\$7,500-\$9,999.....	1,385	1,751	2,170	2,758	3,390	4,834	11,802	14,905	18,454	23,364	28,531	41,196
\$10,000-\$14,999.....	707	1,070	1,199	1,536	1,899	2,273	8,483	12,784	14,300	18,310	22,617	27,492
\$15,000-\$19,999.....	246	332	386	414	523	523	4,215	5,692	6,586	7,083	8,933	11,781
\$20,000-\$24,999.....	108	143	167	218	274	274	2,395	3,165	3,700	4,826	6,063	7,492
\$25,000-\$49,999.....	140	191	208	294	336	336	4,651	6,308	6,879	9,743	11,097	14,781
\$50,000 and over.....	40	54	55	84	95	95	3,607	4,837	4,902	7,690	8,356	11,781
Total.....	40,880	43,330	44,740	48,890	49,480	50,550	147,721	170,705	184,598	217,262	242,652	271,545
Percent distribution												
Under \$1,000.....	10.7	8.8	8.4	7.9	6.5	5.7	1.6	1.2	1.1	0.9	0.7	0.5
\$1,000-\$1,999.....	19.8	17.6	16.5	15.3	12.2	10.8	8.4	6.8	6.1	5.2	3.7	3.0
\$2,000-\$2,999.....	21.4	20.3	18.9	16.6	14.5	12.8	14.9	12.9	11.5	9.3	7.4	6.0
\$3,000-\$3,999.....	18.9	19.8	19.3	17.6	16.5	14.6	18.3	17.5	16.3	13.8	11.8	9.6
\$4,000-\$4,999.....	11.1	12.4	12.8	14.4	15.1	14.3	13.7	14.0	13.8	14.5	13.8	12.0
\$5,000-\$5,999.....	6.2	7.1	7.8	9.6	11.3	12.4	9.3	9.8	10.2	11.8	12.6	12.6
\$6,000-\$7,499.....	5.5	5.9	7.0	7.9	10.7	12.3	10.1	9.9	11.3	11.8	14.7	15.4
\$7,500-\$9,999.....	3.4	4.0	4.8	5.6	6.8	9.6	8.0	8.7	10.0	10.8	11.8	15.2
\$10,000-\$14,999.....	1.7	2.5	2.7	3.1	3.8	4.5	5.7	7.5	7.7	8.4	9.3	10.1
\$15,000-\$19,999.....	.6	.8	.8	.8	1.1	1.1	2.9	3.3	3.6	3.3	3.7	4.2
\$20,000-\$24,999.....	.3	.3	.4	.4	.6	.6	1.6	1.9	2.0	2.2	2.5	3.0
\$25,000-\$49,999.....	.3	.4	.5	.6	.7	.7	3.1	3.7	3.7	4.5	4.6	5.6
\$50,000 and over.....	.1	.1	.1	.2	.2	.2	2.4	2.8	2.7	3.5	3.4	4.2
Total.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Table 9.—Distribution of Family Personal Income and Federal Individual Income Tax Liability Among Quintiles and Top 5 Percent of Consumer Units, 1950, 1951, and 1953

[Continuation of Table 3 of Income Distribution supplement; data for 1950 replace those in Tables 3, 21, and 22 of the supplement]

Quintile	Percent distribution of—			Mean amount of—			Tax rate (percent)	Lower income limit of quintile ¹	
	Family personal income	Tax liability	After-tax income	Family personal income (dollars)	Tax liability (dollars)	After-tax income (dollars)		Before-tax basis (dollars)	After-tax basis (dollars)
1950									
Lowest.....	4.8	0.9	5.1	1,056	16	1,040	1.6	-----	-----
2.....	10.9	4.7	11.4	2,418	89	2,329	3.7	1,810	1,760
3.....	16.1	8.7	16.8	3,579	163	3,416	4.6	3,020	2,890
4.....	22.1	15.9	22.7	4,911	297	4,614	6.0	4,160	3,960
Highest.....	46.1	69.8	44.0	10,254	1,308	8,946	12.8	5,850	5,450
Total.....	100.0	100.0	100.0	4,444	375	4,069	8.4	-----	-----
Top 5 percent.....	21.4	45.8	19.2	19,066	3,432	15,634	18.0	10,200	9,160
1951									
Lowest.....	5.0	1.2	5.4	1,221	30	1,191	2.4	-----	-----
2.....	11.3	5.6	11.9	2,775	136	2,639	4.9	2,090	2,000
3.....	16.5	9.7	17.2	4,034	236	3,798	5.8	3,420	3,230
4.....	22.3	18.2	22.8	5,473	442	5,031	8.1	4,680	4,370
Highest.....	44.9	65.3	42.7	11,016	1,591	9,425	14.4	6,450	5,880
Total.....	100.0	100.0	100.0	4,904	487	4,417	9.9	-----	-----
Top 5 percent.....	20.7	41.6	18.4	20,287	4,053	16,234	20.0	11,110	9,840
1953									
Lowest.....	5.0	1.4	5.4	1,341	41	1,300	3.1	-----	-----
2.....	11.3	5.9	12.0	3,045	175	2,870	5.8	2,300	2,180
3.....	16.5	10.5	17.2	4,420	311	4,109	7.0	3,750	3,510
4.....	22.3	18.7	22.8	5,993	555	5,438	9.3	5,130	4,720
Highest.....	44.9	63.5	42.6	12,060	1,884	10,176	15.6	7,050	6,350
Total.....	100.0	100.0	100.0	5,372	593	4,778	11.0	-----	-----
Top 5 percent.....	20.7	40.4	18.2	22,206	4,800	17,406	21.6	12,130	10,730

1. Rounded to nearest \$10.

SURVEY OF CURRENT BUSINESS

Table 10.—All Consumer Units: Distribution of Number, Family Personal Income, and Federal Individual Income Tax Liability by Family Personal Income Level, 1950

[Replaces Table 19 of Income Distribution supplement]

Family personal income (before income taxes)	Number of families and unattached individuals (thousands)	Family personal income		Federal individual income tax liability			Percent distribution					
		Aggregate (millions of dollars)	Average (dollars)	Aggregate (millions of dollars)	Average (dollars)	Tax rate (percent)	Simple			Cumulative		
							Number	Income	Tax liability	Number	Income	Tax liability
Under \$1,000	3,861	1,943	503	1	0	0	7.9	0.9	0	7.9	0.9	0
\$1,000-\$1,999	7,464	11,333	1,518	247	33	2.2	15.3	5.2	1.3	23.2	6.1	1.3
\$2,000-\$2,999	8,091	20,273	2,506	765	95	3.8	16.6	9.3	4.2	39.8	15.4	5.5
\$3,000-\$3,999	8,586	29,983	3,492	1,341	156	4.5	17.6	13.8	7.3	57.4	29.2	12.8
\$4,000-\$4,999	7,054	31,533	4,470	1,684	239	5.3	14.4	14.5	9.2	71.8	43.7	22.0
\$5,000-\$5,999	4,694	25,603	5,455	1,781	379	7.0	9.6	11.8	9.7	81.4	55.5	31.7
\$6,000-\$7,499	3,836	25,578	6,668	2,039	532	8.0	7.9	11.8	11.2	89.3	67.3	42.9
\$7,500-\$9,999	2,758	23,364	8,471	1,977	717	8.5	5.6	10.8	10.8	94.9	78.1	53.7
\$10,000-\$14,999	1,536	18,310	11,919	1,780	1,159	9.7	3.1	8.4	9.7	98.0	86.5	63.4
\$15,000-\$19,999	414	7,083	17,078	931	2,244	13.1	.8	3.3	5.1	98.8	89.8	68.5
\$20,000-\$24,999	218	4,826	22,130	762	3,495	15.8	.4	2.2	4.2	99.2	92.0	72.7
\$25,000-\$49,999	294	9,743	33,087	2,059	6,992	21.1	.6	4.5	11.2	99.8	96.5	83.9
\$50,000 and over	84	7,690	91,079	2,953	34,974	38.4	.2	3.5	16.1	100.0	100.0	100.0
Total	48,890	217,262	4,444	18,320	375	8.4	100.0	100.0	100.0			

Table 11.—All Families: Distribution of Number and of Family Personal Income by Family Personal Income Level, 1950

Family personal income (before income taxes)	Number of families (thousands)	Family personal income		Percent distribution			
		Aggregate (millions of dollars)	Average (dollars)	Simple		Cumulative	
				Number	Income	Number	Income
Under \$1,000	1,462	748	512	3.7	0.4	3.7	0.4
\$1,000-\$1,999	4,730	7,261	1,535	11.9	3.7	15.6	4.1
\$2,000-\$2,999	6,001	15,135	2,522	15.1	7.6	30.7	11.7
\$3,000-\$3,999	7,546	26,415	3,500	19.0	13.4	49.7	25.1
\$4,000-\$4,999	6,628	29,655	4,474	16.6	15.0	66.3	40.1
\$5,000-\$5,999	4,531	24,718	5,456	11.3	12.5	77.6	52.6
\$6,000-\$7,499	3,721	24,811	6,668	9.4	12.5	87.0	65.1
\$7,500-\$9,999	2,693	22,807	8,470	6.8	11.5	93.8	76.6
\$10,000-\$14,999	1,501	17,887	11,917	3.8	9.0	97.6	85.6
\$15,000-\$19,999	401	6,858	17,069	1.0	3.5	98.6	89.1
\$20,000-\$24,999	211	4,662	22,118	.5	2.4	99.1	91.5
\$25,000-\$49,999	284	9,408	33,081	.7	4.8	99.8	96.3
\$50,000 and over	81	7,359	90,883	.2	3.7	100.0	100.0
Total	39,790	197,724	4,969	100.0	100.0		

Table 13.—Farm Operator Families: Distribution of Number and of Family Personal Income by Family Personal Income Level, 1950

Family personal income (before income taxes)	Number of families (thousands)	Family personal income		Percent distribution			
		Aggregate (millions of dollars)	Average (dollars)	Simple		Cumulative	
				Number	Income	Number	Income
Under \$1,000	734	421	574	13.0	2.2	13.0	2.2
\$1,000-\$1,999	1,409	2,104	1,493	24.9	11.0	37.9	13.2
\$2,000-\$2,999	1,141	2,830	2,481	20.2	14.8	58.1	28.0
\$3,000-\$3,999	820	2,840	3,462	14.5	14.9	72.6	42.9
\$4,000-\$4,999	559	2,494	4,460	9.9	13.0	82.5	55.9
\$5,000-\$5,999	345	1,884	5,455	6.1	9.8	88.6	65.7
\$6,000-\$7,499	263	1,751	6,661	4.7	9.2	93.3	74.9
\$7,500-\$9,999	193	1,643	8,531	3.4	8.6	96.7	83.5
\$10,000-\$14,999	118	1,404	11,879	2.1	7.3	98.8	90.8
\$15,000-\$19,999	34	587	17,057	.6	3.1	99.4	93.9
\$20,000-\$24,999	14	303	22,091	.2	1.6	99.6	95.5
\$25,000-\$49,999	16	528	32,518	.3	2.8	99.9	98.3
\$50,000 and over	4	321	85,247	.1	1.7	100.0	100.0
Total	5,650	19,110	3,382	100.0	100.0		

Table 12.—Nonfarm Families: Distribution of Number and of Family Personal Income by Family Personal Income level, 1950

Family personal income (before income taxes)	Number of families (thousands)	Family personal income		Percent distribution			
		Aggregate (millions of dollars)	Average (dollars)	Simple		Cumulative	
				Number	Income	Number	Income
Under \$1,000	728	327	450	2.1	0.2	2.1	0.2
\$1,000-\$1,999	3,321	5,157	1,553	9.7	2.9	11.8	3.1
\$2,000-\$2,999	4,860	12,305	2,532	14.2	6.9	26.0	10.0
\$3,000-\$3,999	6,726	23,575	3,505	19.7	13.2	45.7	23.2
\$4,000-\$4,999	6,069	27,161	4,475	17.8	15.2	63.5	38.4
\$5,000-\$5,999	4,186	22,834	5,456	12.3	12.8	75.8	51.2
\$6,000-\$7,499	3,458	23,060	6,668	10.1	12.9	85.9	64.1
\$7,500-\$9,999	2,500	21,164	8,465	7.3	11.9	93.2	76.0
\$10,000-\$14,999	1,383	16,483	11,920	4.1	9.2	97.3	85.2
\$15,000-\$19,999	367	6,271	17,070	1.1	3.5	98.4	88.7
\$20,000-\$24,999	197	4,359	22,120	.6	2.4	99.0	91.1
\$25,000-\$49,999	268	8,880	33,115	.8	5.0	99.8	96.1
\$50,000 and over	77	7,098	91,158	.2	3.9	100.0	100.0
Total	34,140	178,614	5,232	100.0	100.0		

Table 14.—Unattached Individuals: Distribution of Number and of Family Personal Income by Family Personal Income Level, 1950

Family personal income (before income taxes)	Number of unattached individuals (thousands)	Family personal income		Percent distribution			
		Aggregate (millions of dollars)	Average (dollars)	Simple		Cumulative	
				Number	Income	Number	Income
Under \$1,000	2,399	1,195	498	26.4	6.1	26.4	6.1
\$1,000-\$1,999	2,734	4,072	1,489	30.0	20.8	56.4	26.9
\$2,000-\$2,999	2,090	5,138	2,459	23.0	26.3	79.4	53.2
\$3,000-\$3,999	1,040	3,568	3,430	11.4	18.3	90.8	71.5
\$4,000-\$4,999	426	1,878	4,415	4.7	9.6	95.5	81.1
\$5,000-\$5,999	163	885	5,445	1.8	4.6	97.3	85.7
\$6,000-\$7,499	115	767	6,677	1.3	3.9	98.6	89.6
\$7,500-\$9,999	65	557	8,539	.7	2.8	99.3	92.4
\$10,000-\$14,999	35	423	12,006	.4	2.2	99.7	94.6
\$15,000-\$19,999	13	225	17,369	.1	1.2	99.8	95.8
\$20,000-\$24,999	7	164	22,468	.1	.8	99.9	96.6
\$25,000-\$49,999	10	335	33,266	.1	1.7	100.0	98.3
\$50,000 and over	3	331	95,674	.0	1.7	100.0	100.0
Total	9,100	19,538	2,147	100.0	100.0		

Table 15.—All Consumer Units: Distribution of Number, Family Personal Income, and Federal Individual Income Tax Liability by Family Personal Income Level, 1951

Family personal income (before income taxes)	Number of families and unattached individuals (thousands)	Family personal income		Federal individual income tax liability			Percent distribution					
		Aggregate (millions of dollars)	Average (dollars)	Aggregate (millions of dollars)	Average (dollars)	Tax rate (percent)	Simple			Cumulative		
							Number	Income	Tax liability	Number	Income	Tax liability
Under \$1,000	3,227	1,680	520	0	0	0	6.5	0.7	0	6.5	0.7	0
\$1,000-\$1,999	6,022	9,084	1,508	241	40	2.7	12.2	3.7	1.0	18.7	4.4	1.0
\$2,000-\$2,999	7,164	17,945	2,505	834	116	4.6	14.5	7.4	3.5	33.2	11.8	4.5
\$3,000-\$3,999	8,192	28,696	3,503	1,560	190	5.4	16.5	11.8	6.5	49.7	23.6	11.0
\$4,000-\$4,999	7,455	33,552	4,501	2,154	289	6.4	15.1	13.8	8.9	64.8	37.4	19.9
\$5,000-\$5,999	5,580	30,502	5,466	2,460	441	8.1	11.3	12.6	10.2	76.1	50.0	30.1
\$6,000-\$7,499	5,323	35,596	6,687	3,281	616	9.2	10.7	14.7	13.6	86.8	64.7	43.7
\$7,500-\$9,999	3,390	28,531	8,415	2,810	829	9.8	6.8	11.8	11.7	93.6	76.5	55.4
\$10,000-\$14,999	1,899	22,617	11,907	2,521	1,327	11.1	3.8	9.3	10.5	97.4	85.8	65.9
\$15,000-\$19,999	523	8,933	17,105	1,300	2,490	14.6	1.1	3.7	5.4	98.5	89.5	71.3
\$20,000-\$24,999	274	6,063	22,110	1,036	3,779	17.1	.6	2.5	4.3	99.1	92.0	75.6
\$25,000-\$49,999	336	11,097	32,970	2,569	7,633	23.2	.7	4.6	10.6	99.8	96.6	86.2
\$50,000 and over	95	8,356	88,555	3,334	35,335	39.9	.2	3.4	13.8	100.0	100.0	100.0
Total	49,480	242,652	4,904	24,100	487	9.9	100.0	100.0	100.0			

Table 16.—All Families: Distribution of Number and of Family Personal Income by Family Personal Income Level, 1951

Family personal income (before income taxes)	Number of families (thousands)	Family personal income		Percent distribution			
		Aggregate (millions of dollars)	Average (dollars)	Simple		Cumulative	
				Number	Income	Number	Income
Under \$1,000	1,084	636	586	2.7	0.3	2.7	0.3
\$1,000-\$1,999	3,495	5,316	1,521	8.6	2.4	11.3	2.7
\$2,000-\$2,999	5,079	12,795	2,519	12.5	5.8	23.8	8.5
\$3,000-\$3,999	6,989	24,565	3,515	17.3	11.1	41.1	19.6
\$4,000-\$4,999	6,894	31,072	4,507	17.0	14.0	58.1	33.6
\$5,000-\$5,999	5,358	29,301	5,468	13.3	13.3	71.4	46.9
\$6,000-\$7,499	5,178	34,632	6,688	12.8	15.6	84.2	62.5
\$7,500-\$9,999	3,300	27,768	8,414	8.2	12.5	92.4	75.0
\$10,000-\$14,999	1,854	22,078	11,907	4.6	10.0	97.0	85.0
\$15,000-\$19,999	508	8,681	17,100	1.3	3.9	98.3	88.9
\$20,000-\$24,999	266	5,885	22,105	.7	2.7	99.0	91.6
\$25,000-\$49,999	324	10,692	32,981	.8	4.8	99.8	96.4
\$50,000 and over	91	7,958	88,240	.2	3.6	100.0	100.0
Total	40,420	221,379	5,477	100.0	100.0		

Table 18.—Farm Operator Families: Distribution of Number and of Family Personal Income by Family Personal Income Level, 1951

Family personal income (before income taxes)	Number of families (thousands)	Family personal income		Percent distribution			
		Aggregate (millions of dollars)	Average (dollars)	Simple		Cumulative	
				Number	Income	Number	Income
Under \$1,000	540	374	692	9.6	1.7	9.6	1.7
\$1,000-\$1,999	1,191	1,734	1,455	21.3	7.8	30.9	9.5
\$2,000-\$2,999	1,067	2,645	2,479	19.0	11.9	49.9	21.4
\$3,000-\$3,999	848	2,949	3,478	15.1	13.3	65.0	34.7
\$4,000-\$4,999	603	2,699	4,478	10.8	12.2	75.8	46.9
\$5,000-\$5,999	429	2,344	5,464	7.6	10.6	83.4	57.5
\$6,000-\$7,499	379	2,526	6,656	6.8	11.4	90.2	68.9
\$7,500-\$9,999	273	2,337	8,567	4.9	10.5	95.1	79.4
\$10,000-\$14,999	173	2,078	11,972	3.1	9.4	98.2	88.8
\$15,000-\$19,999	48	822	17,119	.9	3.7	99.1	92.5
\$20,000-\$24,999	20	449	22,163	.4	2.0	99.5	94.5
\$25,000-\$49,999	21	679	32,700	.4	3.1	99.9	97.6
\$50,000 and over	8	532	70,421	.1	2.4	100.0	100.0
Total	5,600	22,168	3,959	100.0	100.0		

Table 17.—Nonfarm Families: Distribution of Number and of Family Personal Income by Family Personal Income Level, 1951

Family personal income (before income taxes)	Number of families (thousands)	Family personal income		Percent distribution			
		Aggregate (millions of dollars)	Average (dollars)	Simple		Cumulative	
				Number	Income	Number	Income
Under \$1,000	544	262	481	1.6	0.1	1.6	0.1
\$1,000-\$1,999	2,304	3,582	1,555	6.6	1.8	8.2	1.9
\$2,000-\$2,999	4,012	10,150	2,530	11.5	5.1	19.7	7.0
\$3,000-\$3,999	6,141	21,616	3,520	17.7	10.9	37.4	17.9
\$4,000-\$4,999	6,291	28,373	4,510	18.1	14.3	55.5	32.2
\$5,000-\$5,999	4,929	26,957	5,469	14.1	13.5	69.6	45.7
\$6,000-\$7,499	4,799	32,106	6,690	13.8	16.1	83.4	61.8
\$7,500-\$9,999	3,027	25,431	8,400	8.7	12.8	92.1	74.6
\$10,000-\$14,999	1,681	20,000	11,901	4.8	10.0	96.9	84.6
\$15,000-\$19,999	460	7,859	17,098	1.3	4.0	98.2	88.6
\$20,000-\$24,999	246	5,436	22,100	.7	2.7	98.9	91.3
\$25,000-\$49,999	303	10,013	33,000	.9	5.0	99.8	96.3
\$50,000 and over	83	7,426	89,870	.2	3.7	100.0	100.0
Total	34,820	199,211	5,721	100.0	100.0		

Table 19.—Unattached Individuals: Distribution of Number and of Family Personal Income by Family Personal Income Level, 1951

Family personal income (before income taxes)	Number of unattached individuals (thousands)	Family personal income		Percent distribution			
		Aggregate (millions of dollars)	Average (dollars)	Simple		Cumulative	
				Number	Income	Number	Income
Under \$1,000	2,143	1,044	487	23.6	4.9	23.6	4.9
\$1,000-\$1,999	2,527	3,768	1,491	27.9	17.7	51.5	22.6
\$2,000-\$2,999	2,085	5,150	2,470	23.0	24.2	74.5	46.8
\$3,000-\$3,999	1,203	4,131	3,433	13.3	19.4	87.8	66.2
\$4,000-\$4,999	561	2,480	4,426	6.2	11.7	94.0	77.9
\$5,000-\$5,999	222	1,201	5,419	2.4	5.7	96.4	83.6
\$6,000-\$7,499	145	964	6,642	1.6	4.5	98.0	88.1
\$7,500-\$9,999	90	763	8,464	1.0	3.6	99.0	91.7
\$10,000-\$14,999	45	539	11,907	.5	2.5	99.5	94.2
\$15,000-\$19,999	15	252	17,289	.2	1.2	99.7	95.4
\$20,000-\$24,999	8	178	22,286	.1	.8	99.8	96.2
\$25,000-\$49,999	12	405	32,923	.1	1.9	99.9	98.1
\$50,000 and over	4	398	95,370	.1	1.9	100.0	100.0
Total	9,060	21,273	2,348	100.0	100.0		

Table 20.—All Consumer Units: Distribution of Number, Family Personal Income, and Federal Individual Income Tax Liability by Family Personal Income Level, 1953

Family personal income (before income taxes)	Number of families and unattached individuals (thousands)	Family personal income		Federal individual income tax liability			Percent distribution					
		Aggregate (millions of dollars)	Average (dollars)	Aggregate (millions of dollars)	Average (dollars)	Tax rate (percent)	Simple			Cumulative		
							Number	Income	Tax liability	Number	Income	Tax liability
Under \$1,000	2,866	1,427	498	0	0	0	5.7	0.5	0	5.7	0.5	0
\$1,000-\$1,999	5,433	8,242	1,517	239	44	2.9	10.8	3.0	8	16.5	3.5	8
\$2,000-\$2,999	6,488	16,304	2,513	850	131	5.2	12.8	6.0	2.8	29.3	9.5	3.6
\$3,000-\$3,999	7,399	25,988	3,513	1,594	215	6.1	14.6	9.6	5.3	43.9	19.1	8.9
\$4,000-\$4,999	7,247	32,521	4,488	2,285	315	7.0	14.3	12.0	7.6	58.2	31.1	16.5
\$5,000-\$5,999	6,276	34,315	5,468	2,975	474	8.7	12.4	12.6	9.9	70.6	43.7	26.4
\$6,000-\$7,499	6,240	41,781	6,696	4,090	655	9.8	12.3	15.4	13.7	82.9	59.1	40.1
\$7,500-\$9,999	4,834	41,196	8,521	4,275	884	10.4	9.6	15.2	14.2	92.5	74.3	54.3
\$10,000-\$14,999	2,273	27,492	12,092	3,235	1,422	11.8	4.5	10.1	10.8	97.0	84.4	65.1
\$15,000 and over	1,494	42,279	28,306	10,457	7,001	24.7	3.0	15.6	34.9	100.0	100.0	100.0
Total	50,550	271,545	5,372	30,000	593	11.0	100.0	100.0	100.0			

Table 21.—All Families: Distribution of Number and of Family Personal Income by Family Personal Income Level, 1953

Family personal income (before income taxes)	Number of families (thousands)	Family personal income		Percent distribution			
		Aggregate (millions of dollars)	Average (dollars)	Simple		Cumulative	
				Number	Income	Number	Income
Under \$1,000	905	501	554	2.2	0.2	2.2	0.2
\$1,000-\$1,999	3,066	4,693	1,531	7.5	1.9	9.7	2.1
\$2,000-\$2,999	4,383	11,077	2,527	10.7	4.5	20.4	6.6
\$3,000-\$3,999	5,945	20,962	3,526	14.4	8.5	34.8	15.1
\$4,000-\$4,999	6,506	29,216	4,491	15.8	11.8	50.6	26.9
\$5,000-\$5,999	5,919	32,378	5,470	14.4	13.1	65.0	40.0
\$6,000-\$7,499	6,030	40,389	6,698	14.7	16.4	79.7	56.4
\$7,500-\$9,999	4,704	40,085	8,521	11.4	16.3	91.1	72.7
\$10,000-\$14,999	2,209	26,733	12,100	5.4	10.8	96.5	83.5
\$15,000 and over	1,443	40,693	28,187	3.5	16.5	100.0	100.0
Total	41,110	246,727	6,002	100.0	100.0		

Table 23.—Farm Operator Families: Distribution of Number and of Family Personal Income by Family Personal Income Level, 1953

Family personal income (before income taxes)	Number of families (thousands)	Family personal income		Percent distribution			
		Aggregate (millions of dollars)	Average (dollars)	Simple		Cumulative	
				Number	Income	Number	Income
Under \$1,000	683	394	577	12.5	2.1	12.5	2.1
\$1,000-\$1,999	1,342	2,009	1,497	24.5	10.6	37.0	12.7
\$2,000-\$2,999	1,096	2,719	2,481	20.0	14.3	57.0	27.0
\$3,000-\$3,999	802	2,776	3,460	14.6	14.6	71.6	41.6
\$4,000-\$4,999	556	2,479	4,462	10.1	13.1	81.7	54.7
\$5,000-\$5,999	349	1,907	5,462	6.3	10.0	88.0	64.7
\$6,000-\$7,499	267	1,776	6,660	4.9	9.4	92.9	74.1
\$7,500-\$9,999	198	1,693	8,539	3.6	8.9	96.5	83.0
\$10,000-\$14,999	120	1,431	11,903	2.2	7.6	98.7	90.6
\$15,000 and over	69	1,777	25,545	1.3	9.4	100.0	100.0
Total	5,482	18,961	3,459	100.0	100.0		

Table 22.—Nonfarm Families: Distribution of Number and of Family Personal Income by Family Personal Income Level, 1953

Family personal income (before income taxes)	Number of families (thousands)	Family personal income		Percent distribution			
		Aggregate (millions of dollars)	Average (dollars)	Simple		Cumulative	
				Number	Income	Number	Income
Under \$1,000	222	107	481	0.6	0.1	0.6	0.1
\$1,000-\$1,999	1,724	2,684	1,556	4.8	1.2	5.4	1.3
\$2,000-\$2,999	3,287	8,358	2,543	9.2	3.7	14.6	5.0
\$3,000-\$3,999	5,143	18,186	3,536	14.4	8.0	29.0	13.0
\$4,000-\$4,999	5,950	26,737	4,494	16.7	11.7	45.7	24.7
\$5,000-\$5,999	5,570	30,471	5,471	15.6	13.4	61.3	38.1
\$6,000-\$7,499	5,763	38,613	6,700	16.2	16.9	77.5	55.0
\$7,500-\$9,999	4,506	38,392	8,520	12.7	16.8	90.2	71.8
\$10,000-\$14,999	2,089	25,302	12,111	5.9	11.1	96.1	82.9
\$15,000 and over	1,374	38,916	28,321	3.9	17.1	100.0	100.0
Total	35,628	227,766	6,393	100.0	100.0		

Table 24.—Unattached Individuals: Distribution of Number and of Family Personal Income by Family Personal Income Level, 1953

Family personal income (before income taxes)	Number of unattached individuals (thousands)	Family personal income		Percent distribution			
		Aggregate (millions of dollars)	Average (dollars)	Simple		Cumulative	
				Number	Income	Number	Income
Under \$1,000	1,962	926	472	20.8	3.7	20.8	3.7
\$1,000-\$1,999	2,367	3,549	1,499	25.1	14.3	45.9	18.0
\$2,000-\$2,999	2,105	5,227	2,483	22.3	21.1	68.2	39.1
\$3,000-\$3,999	1,454	5,026	3,458	15.4	20.2	83.6	59.3
\$4,000-\$4,999	742	3,305	4,456	7.8	13.3	91.4	72.6
\$5,000-\$5,999	356	1,937	5,429	3.8	7.8	95.2	80.4
\$6,000-\$7,499	210	1,392	6,639	2.2	5.6	97.4	86.0
\$7,500-\$9,999	130	1,111	8,519	1.4	4.5	98.8	90.5
\$10,000-\$14,999	64	759	11,834	0.7	3.1	99.5	93.6
\$15,000 and over	50	1,586	31,732	0.5	6.4	100.0	100.0
Total	9,440	24,818	2,629	100.0	100.0		

Table 25.—Distribution of Consumer Units and of Family Personal Income After Federal Individual Income Tax Liability, by Level of After-Tax Income, 1950, 1951, and 1953

[Data for 1950 replace those in Table 20 of the Income Distribution supplement]

Family personal income after Federal individual income tax liability	1950					1951					1953				
	Number of families and unattached individuals (thousands)	After-tax family personal income		Percent distribution		Number of families and unattached individuals (thousands)	After-tax family personal income		Percent distribution		Number of families and unattached individuals (thousands)	After-tax family personal income		Percent distribution	
		Aggregate (millions of dollars)	Average (dollars)	Number	After-tax income		Aggregate (millions of dollars)	Average (dollars)	Number	After-tax income		Aggregate (millions of dollars)	Average (dollars)	Number	After-tax income
Under \$1,000	3,978	2,058	517	8.1	1.0	3,350	1,800	537	6.8	0.8	2,980	1,538	516	5.9	0.6
\$1,000-\$1,999	7,940	12,122	1,527	16.3	6.1	6,541	9,961	1,523	13.2	4.6	5,950	9,104	1,530	11.8	3.8
\$2,000-\$2,999	8,664	21,762	2,512	17.7	11.0	7,849	19,714	2,512	15.9	9.0	7,173	18,028	2,513	14.2	7.4
\$3,000-\$3,999	9,109	31,809	3,492	18.6	16.0	8,763	30,632	3,496	17.7	14.0	8,257	28,986	3,510	16.4	12.0
\$4,000-\$4,999	7,226	32,285	4,468	14.8	16.2	8,142	36,502	4,483	16.5	16.7	8,207	36,884	4,494	16.2	15.3
\$5,000-\$5,999	4,487	24,445	5,448	9.2	12.3	5,559	30,316	5,453	11.2	13.8	6,287	34,211	5,459	12.4	14.2
\$6,000-\$7,499	3,297	21,921	6,650	6.7	11.0	4,459	29,709	6,663	9.0	13.6	5,373	35,847	6,672	10.6	14.8
\$7,500-\$9,999	2,131	18,034	8,462	4.4	9.1	2,397	20,289	8,463	4.8	9.3	3,359	28,243	8,409	6.6	11.7
\$10,000-\$14,999	1,278	15,113	11,826	2.6	7.6	1,525	18,047	11,834	3.1	8.3	1,921	22,841	11,892	3.8	9.5
\$15,000-\$19,999	375	6,409	17,081	0.8	3.2	453	7,800	17,218	0.9	3.6					
\$20,000 and over	405	12,984	32,026	0.8	6.5	442	13,782	31,195	0.9	6.3	1,063	25,863	24,327	2.1	10.7
Total	48,890	198,942	4,069	100.0	100.0	49,480	218,552	4,417	100.0	100.0	50,550	241,545	4,778	100.0	100.0