

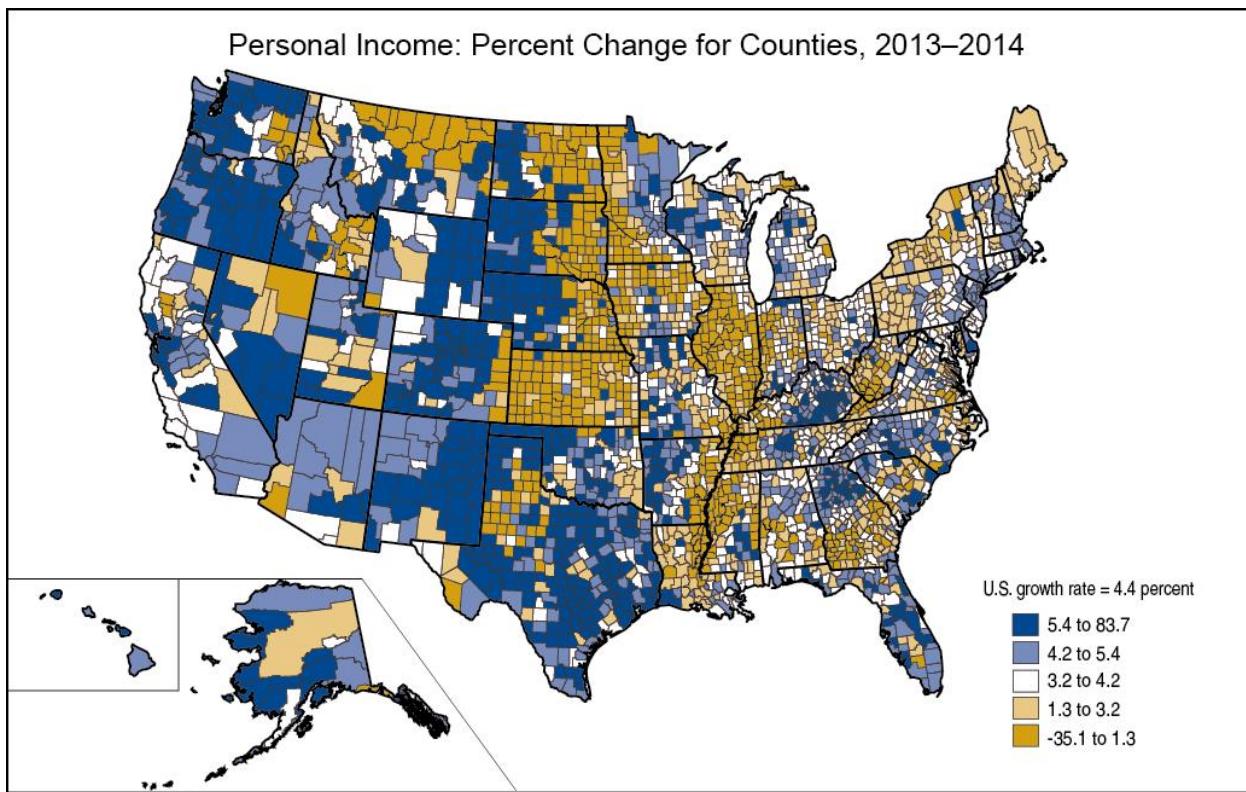
LOCAL AREA PERSONAL INCOME: 2014

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LOCAL AREA PERSONAL INCOME: 2014

Personal income grew in 2014 in 2,662 counties, fell in 438, and was unchanged in 13, according to estimates released today by the U.S. Bureau of Economic Analysis. On average, personal income rose 4.6 percent in 2014 in the metropolitan portion of the United States and rose 3.2 percent in the nonmetropolitan portion. The metropolitan and nonmetropolitan portions grew 1.1 percent and 1.9 percent, respectively, in 2013. The percent change from 2013 to 2014 in personal income ranged from -35.1 percent in Wallace County, Kansas to 83.7 percent in McPherson County, Nebraska.



Personal income is the income received by, or on behalf of, all persons from all sources: from participation as laborers in production, from owning a home or unincorporated business, from the ownership of financial assets, and from government and business in the form of transfer receipts. It includes income from domestic sources as well as from the rest of the world.

Personal income is the income that is available to persons for consumption expenditures, taxes, interest payments, transfer payments to governments and the rest of the world, or for saving. Personal income for 2014 ranged from \$2.9 million in Loving County, Texas to \$499.8 billion in Los Angeles County, California.

Per capita personal income—personal income divided by population—is a useful metric for making comparisons of the level of personal income across counties. Table 1 presents estimates of per capita personal income by state and county. In 2014 it ranged from \$15,787 in Wheeler County, Georgia to \$194,485 in Teton County, Wyoming.

The county personal income estimates released today continue the successively more detailed series of data releases from the Bureau of Economic Analysis (BEA) depicting the geographic distribution of the nation's personal income for 2014. National estimates of personal income for 2014 were released in January 2015, followed by preliminary state personal income estimates in March. The personal income estimates released today provide the first glimpse of personal income for 2014 in counties and metropolitan statistical areas. The geographic picture will be completed with the release of real personal income for states and metropolitan areas in July 2016.

Revisions

Along with today's release of the local area personal income estimates for 2014, BEA also released revised estimates for earlier years. These revised estimates incorporate source data that are more complete and more detailed than previously available. In particular, BEA introduced new journey-to-work data from the American Community Survey to adjust earnings for the residence of workers; new data from the Internal Revenue Service for dividends, interest, and rent (based on all individual income tax returns filed and processed during the calendar year, rather than just those filed in the first 39 weeks of the year); and new farm data that incorporated the 2012 Census of Agriculture. The local area personal income estimates also include a new treatment of refundable federal individual income tax credits that was introduced in the July 2015 annual revision to the National Income and Product Accounts. The estimates of local area personal income were revised for the 1969 to 2013 period. A complete presentation and discussion of the data and revisions will be provided in the December issue of the *Survey of Current Business*.

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The next data release with local area personal income statistics, scheduled for July 7, 2016 at 8:30 A.M., will be Real Personal Income for States and Metro Areas, 2014.

Additional Information

Definitions

Local area personal income is the sum of wages and salaries, supplements to wages and salaries, proprietors' income with inventory valuation (IVA) and capital consumption adjustments (CCAdj), rental income of persons with capital consumption adjustment (CCAdj), personal dividend income, personal interest income, and personal current transfer receipts, less contributions for government social insurance, plus the adjustment for residence. **Per capita personal income** is calculated as the total personal income of the residents of a given area divided by the resident population of the area. In computing per capita personal income, BEA uses the Census Bureau's annual midyear population estimates.

Personal income is measured before the deduction of personal income taxes and other personal taxes and is reported in current dollars (no adjustment is made for price changes).

Uses of the Local Area Personal Income Statistics

Local area personal income statistics provide a framework for analyzing current economic conditions in local economies and can serve as a basis for decision making. Among other ways, they can be used:

- in economic models to project tax revenues and the demand for public utilities and services,
- to determine areas for locating, expanding, and closing businesses,
- to analyze the economic impact of disasters, and
- to determine whether an area has sufficient income to undertake and support specific projects and activities to encourage economic development.

Resources

The entire historical time series for these estimates can be accessed in BEA's Interactive Data Application at www.bea.gov/itable/. Mapping and charting software are also available.

Further discussion of the regional statistics presented in this news release will be provided in the next issue of the *Survey of Current Business*, available online at:
www.bea.gov/scb/index.htm

Complete information on the sources and methods for the estimation of BEA's Local Area Personal Income is available online at:
www.bea.gov/regional/pdf/lapi2013.pdf

BEA Regional Facts (BEARFACTS), a narrative summary of personal income, per capita personal income, and components of income for counties, metropolitan statistical areas, and states, is available online at:
www.bea.gov/regional/bearfacts/

BEA's news release schedules are available at:
www.bea.gov/newsreleases/2015rd.htm
www.bea.gov/newsreleases/2016rd.htm

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