

Median Household Income

Definition

Median household income is the income level at which half of households have incomes above the amount and half have incomes below the amount.

Data in context

All children do better when they live in families with adequate income to meet basic needs, such as food, clothing, shelter, and health care. Median household income provides one measure of the ability of Kentucky's families to meet these needs. It also reflects one component of an area's economic health, showing the midpoint of household incomes.

The official definition of income includes most components of cash income, including employment, government payments, pensions, and interest. However, it does not include food stamps, Medicaid receipts, tax payments or credits, or capital gains or losses.

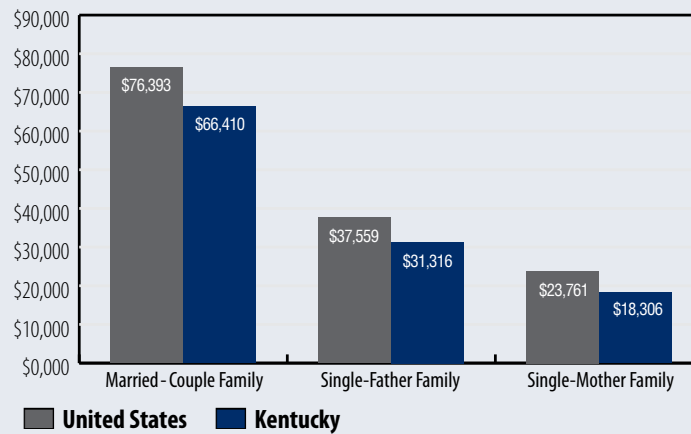
Kentucky ranks sixth in the nation in the growth in inequality between the top and bottom fifth of income levels over the past twenty years. The gap between Kentucky's richest and poorest families is 10th largest in the nation.¹

Median income for families with children in the U.S. was \$58,686 in 2007, up 4 percent from \$56,319 in 2006.² Among families with children in Kentucky, median income also increased 2 percent from \$47,604 in 2006 to \$48,520 in 2007.³ Kentucky's median income slipped slightly as a portion of the national median income, dropping from 85 to 83 percent.

County-level median household income data provide a comparison of income levels within the state. Data from 2005, the latest county-level data available, show 37 Kentucky counties with a median household income above the state median.

Robertson County was the only county to see negative income growth from 2000 to 2005, with a decline of 2 percent. Anderson, Bourbon, Boyle, Calloway, Clark, Gallatin, and Jefferson Counties all saw slower growth since 2000 with less than a 5 percent increase in median

Median Income of Families with Children under 18, 2007



Source: U.S. Census Bureau, 2007 American Community Survey.

income. But even with this slower growth, the average median income for these counties was \$38,640, three percent higher than the 2005 state median income of \$37,377.

In contrast, Clay, Floyd, Harlan, Jackson, Knott, Lawrence, Leslie, Letcher, Livingston, Martin, Perry, Trigg, and Woodford Counties saw median household incomes increase by at least 20 percent from 2000 to 2005. Despite these increases, the average median household income for these counties was just \$29,358, significantly below the state and national median incomes.

Median income varies significantly by race. In 2007, Black and Hispanic households in Kentucky had lower annual incomes than White, non-Hispanic households (64 and 88 percent of the income of White, non-Hispanic households, respectively), while Asian households had the highest median income relative to Whites (134 percent).⁴

All workers need opportunities for good jobs close to home or accessible by public transportation. Systemic factors like housing segregation with highly concentrated areas of unemployment create barriers for workers of color.⁵ Discrimination in hiring and home loan pricing, in addition to vulnerability to economic downturns,

creates barriers for families of color to achieve economic success.^{6,7} These unequal opportunities have consequences; workers of color are most likely to earn wages that are below the poverty line.⁸

Establishing a state Earned Income Tax Credit and increasing financial support for low-income students to attend college will raise median income levels for all families. Communities should also enforce non-discrimination laws for employers and lenders, and implement culturally sensitive policies and procedures to ensure fair opportunities for all workers, thereby reducing racial disparities in income.^{9,10}

Data Source: U.S. Census Bureau, Census 2000 and 2005 Small Area Income and Poverty Estimates.

Data Note: Census 2000 data reflect income earned in the previous year, 1999. Small Area Income and Poverty Estimates reflect data for the income year 2005. Households include all persons occupying a single residence, regardless of their relationships to one another.

- 1 Bernstein, J., McNichol, M., Nicholas, A. (2008). *Pulling Apart: A State by State Analysis of Income Trends*. Economic Policy Institute and Center on Budget and Policy Priorities. Available at <http://www.epi.org>. January 2008.
- 2 Data from the U.S. Census Bureau's 2006 and 2007 American Community Survey. Available at <http://www.census.gov>. Accessed August 2008.
- 3 Ibid.
- 4 Data from the U.S. Census Bureau's 2007 American Community Survey. Available at <http://www.census.gov>. Accessed August 2008.
- 5 Annie E. Casey Foundation (2006). "Unequal Opportunities for Family and Community Economic Success." *Race Matters Toolkit*. Available at <http://www.aecf.org>. Accessed August 2008.
- 6 Bocian, D., Ernst, K., and Li, W. (2006). *Unfair Lending Practices: The Effect of Race and Ethnicity on the Price of Subprime Mortgages*. Center for Responsible Lending. Available at <http://www.responsiblelending.org>. Accessed August 2008.
- 7 Annie E. Casey Foundation (2006). "Unequal Opportunities for Income Security." *Race Matters Toolkit*. Available at <http://www.aecf.org>. Accessed August 2008.
- 8 Ibid.
- 9 Ibid.
- 10 Annie E. Casey Foundation (2006). "Unequal Opportunities for Family and Community Economic Success." *Race Matters Toolkit*. Available at <http://www.aecf.org>. Accessed August 2008.

Median household income

	2000	2005
Kentucky	\$33,672	\$37,377
Adair	\$24,055	\$26,903
Allen	\$31,238	\$34,121
Anderson	\$45,433	\$47,415
Ballard	\$32,130	\$36,575
Barren	\$31,240	\$34,450
Bath	\$26,018	\$28,317
Bell	\$19,057	\$21,300
Boone	\$53,593	\$56,262
Bourbon	\$35,038	\$36,102
Boyd	\$32,749	\$36,141
Boyle	\$35,241	\$35,734
Bracken	\$34,823	\$39,067
Breathitt	\$19,155	\$22,545
Breckinridge	\$30,554	\$32,494
Bullitt	\$45,106	\$49,464
Butler	\$29,405	\$32,338
Caldwell	\$28,686	\$32,639
Calloway	\$30,134	\$30,660
Campbell	\$41,903	\$46,573
Carlisle	\$30,087	\$33,119
Carroll	\$35,925	\$42,186
Carter	\$26,427	\$30,267
Casey	\$21,580	\$24,088
Christian	\$31,177	\$33,891
Clark	\$39,946	\$41,581
Clay	\$16,271	\$19,728
Clinton	\$19,563	\$23,282
Crittenden	\$29,060	\$32,299
Cumberland	\$21,572	\$24,055
Daviess	\$36,813	\$38,845
Edmonson	\$25,413	\$29,946
Elliott	\$21,014	\$24,521
Estill	\$23,318	\$25,026
Fayette	\$39,813	\$42,778
Fleming	\$27,990	\$30,471
Floyd	\$21,168	\$25,753
Franklin	\$40,011	\$44,446
Fulton	\$24,382	\$25,907
Gallatin	\$36,422	\$38,018
Garrard	\$34,284	\$38,796

	2000	2005
Grant	\$38,438	\$43,996
Graves	\$30,874	\$33,826
Grayson	\$27,639	\$30,732
Green	\$25,463	\$28,028
Greenup	\$32,142	\$35,361
Hancock	\$36,914	\$42,450
Hardin	\$37,744	\$42,900
Harlan	\$18,665	\$23,031
Harrison	\$36,210	\$39,290
Hart	\$25,378	\$27,601
Henderson	\$35,892	\$39,796
Henry	\$37,263	\$39,749
Hickman	\$31,615	\$35,857
Hopkins	\$30,868	\$35,522
Jackson	\$20,177	\$24,120
Jefferson	\$39,457	\$40,973
Jessamine	\$40,096	\$41,980
Johnson	\$24,911	\$28,619
Kenton	\$43,906	\$48,673
Knott	\$20,373	\$24,716
Knox	\$18,294	\$21,847
LaRue	\$32,056	\$35,114
Laurel	\$27,015	\$31,657
Lawrence	\$21,610	\$25,948
Lee	\$18,544	\$21,024
Leslie	\$18,546	\$22,164
Letcher	\$21,110	\$25,549
Lewis	\$22,208	\$24,182
Lincoln	\$26,542	\$30,390
Livingston	\$31,776	\$41,562
Logan	\$32,474	\$37,066
Lyon	\$31,694	\$35,191
McCracken	\$33,865	\$37,758
McCreary	\$19,348	\$22,344
McLean	\$29,675	\$32,672
Madison	\$32,861	\$37,173
Magoffin	\$19,421	\$21,653
Marion	\$30,387	\$34,887
Marshall	\$35,573	\$38,436
Martin	\$18,279	\$22,368
Mason	\$30,195	\$32,825

	2000	2005
Meade	\$36,966	\$41,380
Menifee	\$22,064	\$24,921
Mercer	\$35,555	\$37,468
Metcalfe	\$23,540	\$27,000
Monroe	\$22,356	\$25,424
Montgomery	\$31,746	\$34,069
Morgan	\$21,869	\$26,119
Muhlenberg	\$28,566	\$31,019
Nelson	\$39,010	\$45,691
Nicholas	\$29,886	\$32,914
Ohio	\$29,557	\$33,551
Oldham	\$63,229	\$68,011
Owen	\$33,310	\$37,139
Owsley	\$15,805	\$17,524
Pendleton	\$38,125	\$40,901
Perry	\$22,089	\$27,405
Pike	\$23,930	\$27,922
Powell	\$25,515	\$28,991
Pulaski	\$27,370	\$31,531
Robertson	\$30,581	\$30,013
Rockcastle	\$23,475	\$27,364
Rowan	\$28,055	\$31,980
Russell	\$22,042	\$25,398
Scott	\$47,081	\$50,148
Shelby	\$45,534	\$51,691
Simpson	\$36,432	\$40,388
Spencer	\$47,042	\$54,288
Taylor	\$28,089	\$32,381
Todd	\$29,718	\$34,157
Trigg	\$33,002	\$39,933
Trimble	\$36,192	\$41,521
Union	\$35,018	\$36,612
Warren	\$36,151	\$40,611
Washington	\$33,136	\$36,347
Wayne	\$20,863	\$24,040
Webster	\$31,529	\$36,620
Whitley	\$22,075	\$25,777
Wolfe	\$19,310	\$22,189
Woodford	\$49,491	\$59,375