INCOME INEQUALITY HAS GROWN IN ALABAMA

A Lost Decade for Alabama’s Low- and Middle-Income Households

-13.5%

The average drop in incomes among the bottom 20 percent of households over the last decade.

Incomes of Alabama’s Richest Households Dwarf Those of Its Poorest

After decades of widening inequality, Alabama’s richest households have dramatically bigger incomes than its poorest households.

The richest 5 percent of households have average incomes 12.8 times as large as the bottom 20 percent of households and 4.5 times as large as the middle 20 percent of households.

<table>
<thead>
<tr>
<th>Richest 20%</th>
<th>Middle 20%</th>
<th>Poorest 20%</th>
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<tbody>
<tr>
<td>71.0%</td>
<td>31.5%</td>
<td>-16.8%</td>
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Ratio of average household income for the richest 20% of households to the poorest 20% of households, 2008-2010

- New Mexico: 9.9
- Arizona: 9.8
- California: 9.5
- Georgia: 9.3
- New York: 9.2
- Louisiana: 8.8
- Texas: 8.6
- Massachusetts: 8.3
- Illinois: 8.3
- Mississippi: 8.3
- New Jersey: 8.3
- Florida: 8.3
- Connecticut: 8.2
- Colorado: 8.2
- Virginia: 8.1
- Oklahoma: 8.0
- North Carolina: 7.9
- Alabama: 7.8
- Tennessee: 7.8
- Kentucky: 7.6

Source: Economic Policy Institute/Center on Budget and Policy Priorities analysis of U.S. Census Bureau data. Income is post-federal tax and includes the value of the EITC and the value of food stamps and housing subsidies. Income is adjusted for inflation (to 2009 dollars) and for household size. Changes shown are significant at the 90% level. For more detail, see Pulling Apart: A State-by-State Analysis of Income Trends, November 2012.