Colorado

Income Inequality Grew in Colorado Over the Past Two Decades

Colorado’s Richest Families vs. Poorest Families

- The richest 20 percent of families have average incomes 7.0 times as large as the poorest 20 percent of families.
- This ratio was 5.9 in the late 1980s.
- This growth in income inequality is the 27th largest in the nation.
- The very richest families — top 5% — have average incomes 11.6 times as large as the poorest 20 percent of families.

Colorado’s Richest Families vs. Families in the Middle

- The richest 20 percent of families have average incomes 2.5 times as large as the middle 20 percent of families.
- This ratio was 2.1 in the late 1980s.
- This growth in income inequality is the 21st largest in the nation.

Gains for Rich Families Outpaced Gains for Poor Families

Between the late 1980s and the mid-2000s:

- The average income of the poorest fifth of families increased by $4,532, from $15,809 to $20,341. This is an increase of $267 per year.
- The average income of the middle fifth of families increased by $12,485, from $43,449 to $55,933. This is an increase of $734 per year.
- The average income of the richest fifth of families increased by $49,227, from $92,954 to $142,181. This is an increase of $2,896 per year.

Based on the latest available data (2004-2006)
Source: Center on Budget and Policy Priorities and Economic Policy Institute
Pulling Apart: A State By State Analysis of Income Trends
Available at: http://www.cbpp.org/4-9-08sfp.htm