**Iowa**

**Income Inequality Grew in Iowa Over the Past Two Decades**

**Iowa's Richest Families vs. Poorest Families**
- The *richest* 20 percent of families have average incomes 6.1 times as large as the *poorest* 20 percent of families.
- This ratio was 4.7 in the late 1980s.
- This growth in income inequality is the 19th largest in the nation.
- The very richest families — top 5% — have average incomes 9.6 times as large as the poorest 20 percent of families.

**Iowa's Richest Families vs. Families in the Middle**
- The *richest* 20 percent of families have average incomes 2.3 times as large as the *middle* 20 percent of families.
- This ratio was 1.9 in the late 1980s.
- This growth in income inequality is the 18th 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 $2,371, from $16,446 to $18,817. This is an increase of $139 per year.
- The average income of the *middle* fifth of families increased by $8,599, from $41,444 to $50,043. This is an increase of $506 per year.
- The average income of the *richest* fifth of families increased by $38,033, from $77,153 to $115,187. This is an increase of $2,237 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