South Dakota

Income Inequality Grew in South Dakota Over the Past Two Decades

South Dakota’s Richest Families vs. Poorest Families
- The richest 20 percent of families have average incomes **6.3** times as large as the poorest 20 percent of families.
- This ratio was **5.3** in the late 1980s.
- This growth in income inequality is the **32nd** largest in the nation.
- The very richest families — top 5% — have average incomes **11.0** times as large as the poorest 20 percent of families.

The gap between South Dakota’s richest and poorest families is **34th** largest in the nation.

State’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 **2.0** in the late 1980s.
- This growth in income inequality is the **31st** largest in the nation.

The gap between South Dakota’s richest families and families in the middle is **38th** largest in the nation.

A Closer Look: Short- and Long-term Trends

Late 1990s to mid-2000s
- The average income of the poorest fifth of families decreased by **$1,962**, from **$19,987** to **$18,025**.
- The average income of the middle fifth of families increased by **$2,907**, from **$45,762** to **$48,669**.
- The average income of the richest fifth of families did not change significantly.

Late 1980s to mid-2000s
- The average income of the poorest fifth of families increased by **$3,276**, from **$14,749** to **$18,025**.
- The average income of the middle fifth of families increased by **$10,096**, from **$38,573** to **$48,669**.
- The average income of the richest fifth of families increased by **$34,769**, from **$78,854** to **$113,623**.

Based on the latest available data (2004-2006)
Source: Center on Budget and Policy Priorities and Economic Policy Institute
Available at: [http://www.cbpp.org/4-9-08sfp.htm](http://www.cbpp.org/4-9-08sfp.htm)