Texas

Income Inequality Grew in Texas Over the Past Two Decades

Texas’s Richest Families vs. Poorest Families
- The richest 20 percent of families have average incomes 7.9 times as large as the poorest 20 percent of families.
- This ratio was 7.0 in the late 1980s.
- This growth in income inequality is the 35th largest in the nation.
- The very richest families — top 5% — have average incomes 13.1 times as large as the poorest 20 percent of families.

The gap between Texas’s richest and poorest families is 9th largest in the nation.

Texas’s Richest Families vs. Families in the Middle
- The richest 20 percent of families have average incomes 2.8 times as large as the middle 20 percent of families.
- This ratio was 2.3 in the late 1980s.
- This growth in income inequality is the 15th largest in the nation.

The gap between Texas’s richest families and families in the middle is 5th 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 did not change significantly.
- The average income of the middle fifth of families did not change significantly.
- The average income of the richest fifth of families increased by $10,505, from $116,153 to $126,658.
- The average income of the richest 5% of families increased by $21,676, from $189,362 to $211,038.

Late 1980s to mid-2000s
- The average income of the poorest fifth of families increased by $2,657, from $13,430 to $16,088.
- The average income of the middle fifth of families increased by $4,528, from $40,046 to $44,574.
- The average income of the richest fifth of families increased by $32,813, from $93,846 to $126,658.
- The average income of the richest 5% of families increased by $78,900, from $132,137 to $211,038.

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