

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.

The gap between Iowa's richest and poorest families is **39th** largest in the nation.

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.

The gap between Iowa's richest families and families in the middle is **40th** 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.

