

# U.S. household income increased slightly last year

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WASHINGTON >> The income for the typical U.S. household barely rose last year and essentially matched its 2019 peak, the Census Bureau said Tuesday, a stark illustration of the impact that the pandemic inflation spike had on Americans' finances.

The report also showed that the highest-earning households received healthy inflation-adjusted income increases, while middle- and lower-income households saw little gain.

Median household income, adjusted for inflation, in 2024 was \$83,730, the Census Bureau said, a 1.3% increase from the previous year's level of \$82,690. The median is the midpoint between the highest- and lowest-income households, and helps filter out the impact of very high and very low incomes that can skew averages.

The figures help illustrate why many Americans have been dissatisfied with the economy since the pandemic, even as unemployment has been historically low: Median household incomes are essentially unchanged from five years earlier, the report showed. Median household income was \$83,260 in 2019, the report said, and the slightly higher figure for 2024 is within the margin of error and therefore reflects little change from five years earlier, Census officials said.

That is a sharp contrast from the preceding five-year period, from 2014 to 2019, when median household income rose nearly 21%, according to Census data.

"It's not hard to see why middle-class Americans are frustrated," said Heather Long, chief economist at the Navy Federal Credit Union. "The frozen job market, tariffs and Medicaid cuts are going to put even more of a squeeze in 2025 on middle and lower-income households."

For richest 10% of households, incomes rose 4.2% to \$251,000, while for the poorest one-tenth incomes increased just 2.2% to \$19,900. A household is defined by Census as a family unit or an individual living alone or living with people who aren't relatives.

The agency includes all sources of cash income, including wages, investment income, and payments from government programs such as Social Security and unemployment insurance. It doesn't include non-cash benefits, such as food aid — formerly known as food stamps — or tax credits, or the substantial stimulus payments made by the first Trump administration in 2020 or the Biden administration in 2021 that significantly boosted Americans' finances.

Wages and salaries for most Americans rose at a healthy clip as the economy emerged from the pandemic in 2021 and 2022, as businesses were desperate to find and keep employees.