

State Personal Income

U.S. Department of Commerce



Bureau of Economic Analysis

The Bureau of Economic Analysis prepares estimates of State personal income. The personal income of a State is the income that is received by, or on behalf of, the residents of that State. Personal income consists of the income that is received by persons from participation in production, from government and business transfer payments, and from government interest.

The State personal income accounts are detailed, comprehensive economic time series that provide comparisons among States and among industries within a State. Estimates of labor and proprietors' earnings by place of work indicate economic activity of establishments within the State, and estimates of personal income by place of residence indicate current income within a State that is available for spending. Annual estimates of per capita personal income are an indicator of economic well-being of the residents of a State.

The Bureau prepares quarterly estimates of State personal income and its components, beginning with 1948. The estimates for a quarter are released 4 months after the end of the quarter and are consistent with the quarterly estimates of personal income in the national accounts. Preliminary annual estimates of State personal income are derived as the average of the quarterly estimates for the year and are prepared 4 months after the end of the year. Quarterly State personal income estimates are presented in two tables—the derivation of personal income, including earnings for 14 major industries, and wage and salary disbursements by major industry.

Annual State personal income estimates are presented in six tables—the derivation of personal

income, including per capita personal income and earnings for 77 industries; wage and salary disbursements by industry; transfer payments by major program; the derivation of farm proprietors' income; disposable personal income and tax and nontax payments by government; and State economic profiles. These estimates, which are derived from more detailed and complete source data than the preliminary annual estimates are available 9 months after the end of the year. The annual State personal income estimates begin with 1929. In addition, annual State employment estimates are presented in two tables—total full and part-time employment by industry, and wage and salary employment by industry.

The Bureau prepares regular analyses of the State personal income estimates that accompany the release of new estimates, and it also periodically prepares and releases special data analyses dealing with topics of particular interest.

Uses of the State personal income estimates

The State personal income estimates are used widely in the public and private sectors to study economic trends for States and regions and to measure and track the levels and the types of incomes that are received by the people who live or work in a State. These estimates provide a framework for the analysis of each State's economy, and they serve as a basis for decision making. For example:

- Federal Government agencies use the estimates as a basis for allocating funds and determining matching grants. They also use the estimates in econometric models, such as those used to project energy and water use.

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- State governments use the estimates in econometric models to project tax revenues and the need for public services. Many States have set constitutional or statutory limits on State government revenues and spending that are tied to State personal income or to one of its components.
- Academic researchers use the estimates for theoretical and applied economic research.
- Businesses, trade associations, and labor organizations use the estimates for market research.

Availability

The quarterly and annual State personal income estimates, as well as regular and special analyses of the estimates, are published in the SURVEY OF CURRENT BUSINESS, the monthly journal of the Bureau. Examples of articles involving detailed analyses include:

- “Convergence in State Per Capita Personal Income, 1950–99,” by G. Andrew Bernat, Jr. in the June 2001 SURVEY
- “Comprehensive Revision of State Personal Income:

Revised Estimates 1969–98 and Preliminary Estimates for 1999,” by Robert L. Brown, et. al., in the June 2000 SURVEY

- “Industrial Composition of State Earnings in 1958–98,” by G. Andrew Bernat, Jr. and Eric S. Repice in the February 2000 SURVEY

SURVEY articles for recent years are available on our Web site at <www.bea.gov>. In addition, the estimates are available in an interactively accessible database and in downloadable files on our Web site. The entire database and a statement of the sources and methods used to produce the estimates are also presented on the State Personal Income CD-ROM.

For more information

Call the Regional Economic Information System (REIS) staff at 202–606–5360, or e-mail <reis.remd@bea.gov>. To order the State Personal Income CD-ROM, call our Order Desk at 1–800–704–0415 (outside the United States, call 202–606–9666).

Revised 03/2003

