State Retirement Income Estimates and an Alternative Measure of State Personal Income

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Abstract

This paper proposes a more complete presentation of pension transactions in state personal income data tables by adapting the System of National Accounts' (SNA) pension framework for use in the State Personal Income Accounts. It proposes a definition of retirement income and presents some experimental estimates of retirement income by state for 1997-2002. In addition, it proposes and estimates a new aggregate income concept, tentatively called cash income. The proposed concepts and estimates are offered as supplementary information for BEA's State Personal Income Accounts.

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Introduction. This paper proposes a more complete presentation of pension transactions in state personal income data tables by adapting the System of National Accounts' (SNA) pension framework for use in the State Personal Income Accounts.[1] It proposes a definition of retirement income and presents some experimental estimates of retirement income by state for 1997-2002. In addition, it proposes and estimates a new aggregate income concept, tentatively called cash income, which for some purposes may be more useful than personal income. The proposed concepts and estimates are offered as supplementary information for BEA's State Personal Income Accounts.

The plan of the paper is first to briefly describe the importance of pensions; second, to review the history of BEA's efforts to fit pensions into the state personal income accounts and estimate pension income; third, to present a new definition of pension or retirement income; fourth, to summarize the System of National Accounts' (SNA) framework for recording pension transactions; fifth, to show that the proposed definition would be a valuable supplement to the State Personal Income Accounts; and sixth to present experimental estimates of the major pension transactions and the new cash income measure by state for 1997-2002. Details of the estimation methodology and data sources are provided in an appendix.

Importance. With the imminent retirement of large numbers of workers of the baby boom generation; the recent closing, freezing, or termination of the pension plans of

[1] State personal income is estimated using the accounting principles of the National Income and Product Accounts, except for some minor differences in the treatment of the income U.S. residents working abroad and the income of foreign residents working in the U.S. See Jeffrey L. Newman, "Relation of Personal

several prominent corporations; persistent questions about the solvency of the federal agency (the Pension Benefit Guaranty Corporation) which guarantees private pensions; and the increasing attention Wall Street is giving to the unfunded pension liabilities of state and local government pension funds; the accounting of pensions has been and will continue to be an important public policy issue.

In 2002, U.S. retirees received $486 billion in pension benefits, substantially more than the $447 billion of social security benefits they received that year. Together these two sources of income accounted for more than 11% of "cash income," a variation of personal income defined to count pension benefits when they are received by retirees rather than when they are earned by workers as part of compensation.[2] Pensions are clearly important, but many people—including some economists—are surprised when they are told that personal income, which BEA describes as the "income of all persons from all sources" does not include pension benefits received by retirees.

History. When BEA first published "state income payments" in 1940, pension benefits received was one of its components.[3] In 1955 when BEA adopted the personal income concept for its regional data, it continued to count pension benefits received for government workers (in transfer payments), but for private sector workers it began counting pensions when earned (in other labor income) and the investment income on

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Income in the NIPAs and State Personal," *Survey of Current Business*, October 2007 (Vol. 87, No. 10, p.185).

[2] The concept of cash income could easily be refined by removing from it the in-kind components of personal income, such as Medicare benefits, and imputed income components such as the value of services furnished without payment to persons by financial intermediaries. This paper, however, focuses solely on pensions.

[3] See John L. Martin, "Income payments to individuals, by states, 1929-38," Survey *of Current Business*, April 1940 (Vol. 20, No. 4, pp. 8-15). For a related history of the origin of personal income—for the nation—see Rosemary D. Marcuss and Richard E. Kane, "U.S. National Income and Product Statistics: Born of the Great Depression and World War II," *Survey of Current Business*, February 2007 (Vol. 87, No. 2, pp. 32-46).

pension fund assets (in dividends, interest, and rent).[4] In 1999, BEA altered the definition of personal income and began treating the pensions of all workers alike (with a few minor exceptions).[5] Specifically, BEA began counting pensions when earned (in employer contributions for employee pension and insurance funds) rather than when received as benefits.[6] In addition to making the treatment of private and government workers more consistent, this was an incremental step toward increasing the consistency between the NIPA and the SNA. In particular, it increased the consistency between their concepts of compensation. The NIPA also began counting the property income of all pension funds, both public and private, in dividends, interest, and rent. These changes in the definition of personal income required BEA to stop counting employee contributions to government employee retirement funds as part of personal contributions to social insurance.

This new treatment of pensions led to a 1.5% upward revision in 1997 personal income for the U.S. The effects on states ranged from a 0.5% upward revision in New York to a 6.5% upward revision in Alaska. Needless to say, these are substantial revisions.

Over the years BEA has switched from counting all pensions when they are received by retirees to counting all pensions when they are earned by workers. Each convention has features that are appropriate in different applications, but switching between them has a large effect on the size of personal income.

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[4] See Charles F. Schwartz and Robert E. Graham, Jr., "Personal income by states, 1929-54," *Survey of Current Business*, September 1955 (Vol. 35, No. 9, pp.12-32).

[5] The exceptions are the railroad retirement system and a few small unfunded federal pension plans.

[6] See Robert L. Brown, Kathy A. Albetski, Jeffrey L. Newman, Adrienne T. Pilot, and Duke Tran, "Comprehensive revision of state personal income," *Survey of Current Business*, June 2000 (Vol. 80, No. 6, pp. 64-129).

This prompted BEA to consider whether there might be user interest in alternative definitions of state personal income. Accordingly, shortly after the 1999 comprehensive revision, work began on the development of pension benefit estimates by state. Important research was conducted by Vern Renshaw and Ann Dunbar.[7]

Renshaw prepared some rough estimates of "adjusted personal income" for 1998 by subtracting from personal income items that "accrue" in pension plans and adding the payments of pension benefits.[8] His measure of pension benefits was that published in NIPA Table 6.11 and hence represented defined benefit pensions.[9] He did not have estimates of employee contributions to pension funds and so his estimate of adjusted personal income was incomplete.

Using new data sources from the Internal Revenue Service (IRS), Dunbar prepared careful and complete estimates of adjusted personal income for 1989-97. In particular, she estimated employee contributions to pension funds which Renshaw was unable to do. She also expanded the concept of pension benefits to include distributions from defined contribution plans and Individual Retirement Arrangements (IRAs). She called her concept "total retirement payments."

One criticism of Dunbar's work was that it appeared to let tax laws, rather than economic principles, determine the NIPA accounting treatment of pensions. With tax

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[7] See even earlier work by J. Thomas Romans and Robert E. Graham, Jr., "Interregional transfer payments and the measurement of regional income," *Review of Economics and Statistics* Vol. 58, No. 2, pp.251-5 (May 1976) and Thae S. Park, 1992, "Total private pension benefit payments," 1950-88, [In] *Trends in Pensions*, John A. Turner and Daniel J. Beller (eds.) Washington D.C. U.S Government Printing Office.

[8] His estimates of employer contributions are really cash contributions, not actuarial accruals.

[9] The current NIPA definition of pension benefits counts only funded, tax-qualified, employment-related, deferred compensation plans. The funding requirement excludes pension plans, such as those for the Public Health Service and the Coast Guard, which are financed by general appropriations. The tax-qualified condition excludes the nonqualified pension plans of highly compensated corporate employees. The employment-related requirement excludes plans set up by self-employed persons on their own (or spouse's) behalf and individual retirement accounts set up by persons independently of their employers.

law so unstable, it would be difficult to maintain historically comparable time series estimates. Another concern was that it appeared to be naively defining retirement savings as that which occurs in tax-qualified accounts. In fact, withdrawals from those accounts can be used for other purposes and retirees can use non tax qualified savings as retirement income.

This paper recommends an adaptation of the pension framework used by the System of National Accounts. This framework is independent of tax law and so meets the criticisms on the earlier work. In addition, this framework allows BEA to do more than simply add pension benefits as an addendum to the standard state personal income table. It allows the publication of a new aggregate income concept, here called cash income, that counts pension benefits when they are received by retirees rather than pension contributions when they are earned by workers (as in personal income). Thus, this proposal can be seen as taking another incremental step along the path, begun in 1999, of achieving greater consistency between the NIPA and the international guidelines published in the SNA.[10]

Definition.

Retirement income is defined as personal transfer receipts from a pension fund, insurance company, or other organization according to the terms of a retirement plan.

A core feature of retirement income is insurance against the loss of income because of old age or disability.[11] However, the retirement plan need not offer such

[10] See Brent R. Moulton and Eugene P. Seskin, "Preview of the 2003 Comprehensive Revision of the National Income and Product Accounts: Changes in Definitions and Classifications," Survey *of Current Business*, June 2003 (Vol. 83, No. 6, pp. 17-34).

[11] See Zvi Bodie, "Pensions as retirement income," *Journal of Economic Literature*, March 1990 (Vol. 28, No. 1, pp.28-49).

insurance so long as it was designed for retirement saving and designed with an option of easily converting the accumulated account balance into an annuity.[12]

Note that the taxable status of the retirement plan is irrelevant to this definition. Most plans in the United States happen to be tax qualified because of the enormous value of deferred taxation. However, this definition includes the nonqualified pension plans prevalent in the compensation packages of corporate executives.[13]

Retirement income is a transfer receipt. Both the SNA and the NIPA define a transfer as a transaction in which something is provided without receiving anything in return.[14] Another aspect of a transfer is that it need not arise out of current productive activity. These features distinguish transfer payments from factor payments which are made in return for the services of capital and labor used in current production.

It might be objected that the purchase of insurance entitles the buyer to a benefit, i.e. something is received in return for a payment, violating the definition of a transfer. However, an insurance benefit is uncertain and contingent on future events or conditions. In addition, an insurance benefit provided by a pension may bear no relation to the payment made, as in the case of someone who dies on the way home from his retirement party or who lives to 120.[15]

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[12] The SNA uses the expression "pension benefit" for the benefits paid from defined benefit and defined contribution (money purchase) pension plans (¶¶ 13.78 and 13.79). A pension benefit is classified by the SNA as a type of (1) private funded social benefit, (2) unfunded employee social benefit, or (3) non-life insurance claim in the Secondary Distribution of Income Account (Annex IV ¶ 49(e)). Details of the SNA treatment of pensions will be changed when SNA 1993 Revision 1 is released sometime in 2008. However, the basic structure described in the text will be retained. See *System of National Accounts*, 1993, Prepared under the auspices of the Intersecretariat Working Group on National Accounts consisting of the Commission of the European Communities, International Monetary Fund, Organisation for Economic Co-operation and Development, United Nations, and World Bank.

[13] See Lucian A. Bebchuk and Robert J. Jackson, Jr., "Executive Pensions," NBER Working Paper No. 11907 (2005).

[14] SNA ¶¶ 3.19 and 8.27.

[15] SNA ¶ 8.28.

Although many retirement plans provide for pension benefits to be paid in the form of an annuity, not all annuities are retirement income. The annuitized proceeds from a lottery or a reverse mortgage are not retirement income because the lotteries and reverse mortgages are not retirement plans. They are not plans to defer the receipt of some portion of compensation until one exits the labor force. Although one may want to count lottery proceeds and reverse mortgage payments in personal income, that is a matter beyond the scope of this paper.

The SNA treatment of pensions. In the SNA, a pension plan (either the defined benefit or the defined contribution variety) is an example of an *insurance scheme*.[16] Insurance schemes can be arranged by individuals on their own or collectively on behalf of the members of a specific group (e.g. the members of a fraternal association or the employees of a firm). The collectively arranged or group insurance is called *social insurance* in the SNA.[17] The SNA uses different terminology for these two types of insurance schemes. *Premiums* and *claims* are used for individual insurance where *contributions* and *benefits* are used for social insurance.[18] The SNA also distinguishes between two types of social insurance. When the insurance is organized by a government for the population at large it is called a *social security scheme.* All other social insurance schemes are called *private social insurance schemes.*[19]

A key word in the name of this category is "insurance." A pension plan provides insurance against risks such as of outliving one's wealth or one's ability to generate earnings because of disability or old age.

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[16] SNA Annex IV.

[17] SNA ¶ 8.7. In the U.S., an individual retirement arrangement (IRA) with an annuity payout option is an example of an individual retirement insurance scheme, a simplified employee pension (SEP) is an example of a social insurance scheme.

The SNA classifies both defined benefit and defined contribution plans as pension plans, because some defined contribution plans (e.g. those offered by the Teachers' Insurance and Annuity Association and the College Retirement Equity Fund) are designed with annuity payout options. Whether to include just defined benefit plans or include defined contribution plans as well is a boundary issue.[20]

In the SNA, contributions for insurance consist of two components: a service charge for arranging insurance and a transfer payment which may be returned under specified circumstances.[21] Insurance transactions are therefore essentially redistributive in nature, that is, they consist of transfer payments and receipts. Employer, employee, and self-employed contributions to pension funds are deducted in the derivation of SNA disposable income in the secondary distribution of income account and benefits payable under pension plans are added.[22] This is the same account in which payments and receipts of government social benefits (transfers) are recorded.

As should now be clear, the SNA framework is not subject to the criticisms of prior BEA work on pensions; the SNA framework is based on insurance and transfer concepts, not tax law.

Why should BEA estimate retirement income? The NIPA serves many purposes. One primary purpose is to account for the production of final goods and services in the U.S. economy (gross domestic product) and the income generated from that production (gross domestic income). Another purpose is to account for production of

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[18] SNA Annex IV ¶ 4.
[19] SNA Annex IV ¶ 10.
[20] For an example of research which combines DB and DC pensions in its estimate of pension income, see Sorokina, Webb, and Muldoon, "Pension wealth and income: 1992, 1998, and 2004" Center for Retirement Research at Boston College (January 2008).
[21] SNA Annex IV ¶ 31.
[22] SNA Annex IV ¶ 49(d) and (e).

final goods and services by labor and property belonging to U.S. citizens (gross national product) and the income generated from that production (gross national income). When account is taken of the consumption of fixed capital these measures become net domestic product, etc. These accounts can be developed for each of the major sectors: household, businesses, and governments.

Macroeconomists have found that in studies of consumption and the business cycle it is important to take account of income transfers between households and governments in addition to the income persons receive from their participation in production. Personal income, which adds government social benefits paid to persons net of contributions; personal interest payments; and the net interest paid by government, to the national income accruing to persons is often preferred in these studies. Disposable personal income is a fundamental concept in macroeconomics because it influences spending decisions, output, and employment.

It is worth observing that this definition of personal income is somewhat arbitrary. For instance, why is the in-kind medical care provided to the poor under the Medicaid program counted in government social benefits paid to persons but the in-kind educational services provided to elementary and secondary students not counted? From a macroeconomic perspective, Medicaid is more like unemployment compensation (another government social benefit counted in personal income) than like public schools, because it has countercyclical stabilizing properties.[23]

[23] In this connection Marcuss and Kane make an interesting observation about the origins of personal income. "When the monthly income statistics were first provided early in 1938, the measure provided was national income paid out. Almost immediately, it was apparent that the measure was too narrow to answer the economic questions of the day. Information on the purchasing power of families was important for assessing the effects of income support programs, and a broader measure would be needed for that. So a few months after the initial release, the measure was expanded to include income other than that arising from current production. Those sources of income were rapidly becoming substantial props to family

Other definitions of income have been used, some of which do not even have names. For instance, in the dating of business cycles, the National Bureau of Economic Research uses a measure of aggregate income constructed as personal income less transfer receipts deflated by the national price index for personal consumption expenditures.[24]

One of the strengths of the National Income and Product Accounts is its extensive detail underlying the primary production and income measures. This makes it easy for researchers to readily estimate their own production and income concepts by recombining the published components of NIPA.

There is a large gap, however, in the NIPA: The presentation of pension transactions is incomplete. This limits the usefulness of the NIPA in certain types of studies, particularly of state and regional economic policy, or requires that users supplement the NIPA with data from other sources. For instance:

- Much personal saving is in a tax-qualified manner so that when deferred income is eventually received it is taxable income for individuals on federal income tax returns. States differ in their tax treatment of retirement income, often taxing it at lower rates than labor earnings, because retirees are more "footloose" (much less

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income. For the most part, they were the products of New Deal legislation or other programs of the 1930s aimed at fighting economic hard times and increasing income security for the retired. In particular, the new monthly income measure, referred to as "income payments to individuals," included the unemployment benefits enacted in the Social Security Act of 1935—retirement benefits under the act were first provided in 1940—veterans bonuses, direct relief payments, and Federal Government employee pension benefits. It excluded components of national income that did not provide current purchasing power: Employer and employee social security and unemployment insurance contributions and government employee pension contributions. In 1947, income payments to individuals was renamed *personal income*." Rosemary D. Marcuss and Richard E. Kane, "U.S. National Income and Product Statistics: Born of the Great Depression and World War II," Survey *of Current Business*, February 2007 (Vol. 87, No. 2, p. 36).

[24] See Robert Hall, Martin Feldstein, Jeffrey Frankel, Robert Gordon, Christina Romer, David Romer, and Victor Zarnowitz, "The NBER's business-cycle dating procedure" (October 21, 2003). Available at http://www.nber.org/cycles/recessions.html.

constrained in their choice of state of residence) than workers are. Good pension data are essential for careful analysis of regional tax and migration policy.

- A measure of income that includes pension benefits and excludes contributions to pension funds (e.g. the proposed cash income) is closer to what households actually spend and therefore may be more useful than personal income for purposes such as state sales tax revenue forecasting.
- Survey measures of the economic well-being of the elderly depend on how accurately they account for income from occupational pensions. Researchers often use the NIPA as a benchmark to assess how well various surveys measure income, but in the case of pension income this is not always possible because the NIPA coverage of pension transactions is incomplete.[25]
- On several occasions in recent years state governments and major business enterprises have substantially affected state personal income growth rates and distorted comparisons of compensation across states and industries simply in the process of making a payment to a pension fund. This is because BEA measures employer contributions to employee pension funds on a cash rather than on an actuarial accrual basis. An alternative measure of personal income which counts pension benefits received by retirees rather than the contributions to the funds by employers would not be affected by efforts to reduce unfunded pension liabilities.
- By adding a more complete set of pension transactions to the personal income account it becomes possible to measure the amount that households save in

[25] See for example Barry P. Bosworth, Gary Burtless, and Sarah E. Anders, "Capital income flows and the relative well-being of America's aged population," Center for Retirement Research at Boston College Working Paper 2007-21 (2007).

retirement accounts. This is especially important for states because there are no state estimates of saving in any form, as there are for the nation.

- Just as the unemployment compensation received by a young laid-off worker acts as an important countercyclical stabilizer, so too can the retirement income that an older laid-off worker begins to receive. The income replacement ratio can be higher for someone taking early retirement than for someone taking unemployment compensation.
- Estimates of pension or retirement income makes it possible to construct a time series of something like the Census Bureau's money income which has been found to be an extremely useful concept in the decades since it was first introduced. Although the Census Bureau publishes state estimates of money income, it is not easy to string together these estimates into a time series because the Census Bureau makes very little effort to ensure historical comparability of its state estimates.

In short, publishing a more complete set of estimates of pension transactions would improve the NIPA by adding flexibility for researchers to measure their own concepts of income as appropriate for the particular research project at hand.

The Estimates. The calculations needed to translate personal income into cash income are summarized in Table 1 using national data. Note that some items in the table do not appear anywhere in the NIPA, or only partially or implicitly. For instance, the NIPA does not have an estimate of personal contributions to retirement funds, although an incomplete estimate—for publicly administered government employee retirement plans—appears as an addendum to Table 6.11. In addition, since the property income of

retirement funds is split among several components of personal income (monetary dividends, interest, and rent, and imputed interest) and combined with other sources of personal dividends, interest, and rent, it is not possible to discover its magnitude in the NIPA.

Personal income in 2000 was $8.4 trillion.[26] There are a few technical modifications and reclassifications that ought to be made to better account for pension transactions while keeping the basic national income accounting framework. These amounted to $8.7 billion. In order to convert personal income to cash income, $252 billion of employer contributions and $356 billion of personal contributions to retirement funds must be deducted. As will be discussed below, at the state level an adjustment for residence is needed for employer and personal contributions, but the adjustments sum to zero at the national level. In addition, $355 billion of property income earned by the retirement funds must be deducted. Lastly, $512 billion of retirement income can be added to yield $8.0 trillion cash income.[27] It will be noted that the income received by retirees from retirement funds in 2000 is substantially less the contributions employers and workers made, $608 billion. Cash income is 5% less than personal income. In other words, net saving in retirement funds was 5% of personal income in 2000.

Retirement income peaked at $512 billion in 2000 and fell slightly in 2001 and even more in 2002. The decline was in the IRA and 401(k) components, not the annuitized portion which tends to grow even through stock market declines. Property income of retirement funds exhibits the same rise and fall. This decline imparts to cash

[26] The estimates in this paper are based on state personal income released in September 2006 and NIPA released in August 2006.

income a much slower growth rate in 2002 than personal income displays (0.6% versus 1.8%).

The amount of retirement income per person varies substantially across states. In fact, the dispersion of this income across states is about 3 times greater than the dispersion of retirement, disability, and survivor transfer receipts per person (Table 2). Retirement, disability, and survivor transfers are benefits from Old Age Survivors and Disability Insurance (OASDI), Railroad retirement and disability, Medicare, Supplemental Security Income (SSI), and Veterans pension and disability. To put these measures on a per capita basis I use a count of persons receiving retirement, disability, or survivor benefits from the Social Security Administration. Retirement transfer receipts across states have a very narrow range from $14,717 to $20,450 per person. In contrast, retirement income across states ranges from as low as $4,502 to as high as $18,883 per person. Maine and Mississippi are at the low end while the District of Columbia, Utah, and Alaska are at the high end.

Lastly, as a rough check on the reasonableness of this measure of retirement income, I add it to retirement, disability, and survivor transfer receipts and compare the sum to the share of retirees in the population (Table 3). The first column shows the number of persons receiving retirement, disability, or survivor benefits from the Social Security Administration as a percentage of state population. It ranges from 9% in Alaska to 22% in West Virginia. The second column shows retirement, disability, and survivor transfer receipts as a percent of personal income by state. It ranges from 5% in Alaska to 16% in West Virginia. In the last column I add the new estimate of retirement income to

[27] "Retirement income" is broadly defined—it includes both annuitized benefits such as from traditional pensions and annuities as well as phased withdrawals from IRAs, and 401(k)s. It includes both taxable and

retirement, disability, and survivor transfer receipts. This represents total resources available to retirees. It lines up quite nicely with their share of population in most states: Retirees receive about 11% of income in Alaska and represent about 9% of the population. In Florida they are 20% of the population and receive 20% of the income. Maine is one of the few anomalies. Retirees represent about 20% of the population but receive only 15% of the income.

In general, this comparison accords with the consensus view (based on other data sources) that today's elderly are generally not living in poverty.[28]

Future Directions. The concepts and estimates proposed in this paper enable the users of the NIPA to achieve greater consistency with the SNA in the realm of pension transactions affecting the disposable income of the household sector. However, pension accounting in the SNA continues to evolve. In a revision to the SNA 93 scheduled for 2008, accrual accounting of pension benefits earned will be introduced in compensation. BEA is currently studying this issue as well.

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nontaxable benefits. But, it excludes large lump sum withdrawals such as annuity surrenders.

[28] See, for example, Barry P. Bosworth, Gary Burtless, and Sarah E. Anders, "Capital income flows and the relative well-being of America's aged population," Center for Retirement Research at Boston College Working Paper 2007-21 (2007).

Appendix
Methods and Data Sources

Net reclassifications and modifications. It was felt that a few minor reclassifications and modifications would improve the recording of pension transactions in personal income. For instance, the NIPA treats all railroad retirement benefits as personal current transfer receipts; however, since 1974 these benefits consist of a social security equivalent benefit (Tier 1) and a benefit similar to a private pension benefit (Tier 2). I remove the Tier 2 benefits from personal current transfer receipts (and personal income) and count it as part of retirement income. The NIPA treats employer and employee contributions to fund the Tier 2 benefit as contributions for government social insurance. I remove them from those components and deduct them in the derivation personal income on an SNA basis.

Estimates of personal income by state are presented in Table 4; net reclassifications and modifications are presented by state in Table 5; and personal income plus these modifications are presented in Table 6.

Employer contributions to retirement funds. The NIPA currently publishes an estimate of employer contributions to retirement funds. However, the private sector estimate is only for contributions to noninsured funds. I add an estimate of contributions to insured allocated contracts and for Tier 2 railroad employee retirement insurance. The estimates are based on data from the *American Council of Life Insurers Fact Book,* the *U.S. Railroad Retirement Board Annual Report,* and the *Budget of the United States*.

Total employer contributions to pension funds amounted to $213.1 billion in 1997. Although total contributions grew every year through 2002 they did not keep pace with compensation growth in the 1999 to 2001 period. In 1997 employer contributions to pension funds were 4.6% of compensation but only 4.4% in 2001. Employer contributions surged to 5.4% of compensation in 2002, mostly as a consequence of 47% increase in contributions to privately-administered funds.

The erratic contribution behavior of individual employers, particularly governmental, is evident in the relatively high variance of the state estimates of employer contributions (Table 7). For instance, total employer contributions in New Jersey fell from $7.2 billion in 1997 to $6.5 billion reflecting a decline in state government contributions from $3.06 billion in 1997 to $0.25 billion in 1998. In 1997, the state made a special one-time contribution of $2.8 billion.

Eight states (California, New York, Texas, Florida, Illinois, Ohio, Pennsylvania, and Virginia) account for 46 to 47 percent of national contributions. Virginia's presence in the top 8 probably reflects the presence of the military. Since 1997, employer contributions to pension funds as a percentage of compensation have been highest in the District of Columbia, ranging from 9.7 to 11.4%. Employer contributions were lowest in New Hampshire in 1997 and 1998—only 3.4% and 3.6% respectively. Since 1999, however, they have been lowest in New Jersey. The low employer contribution rate in New Hampshire is perhaps related to a relatively high employee contribution rate—employee contributions as a percentage of compensation in New Hampshire is exceeded only in Delaware.

Personal contributions to retirement funds. Currently, there is no estimate of personal contributions to retirement funds in the NIPA. The amounts are implicitly part of earnings. An estimate of personal contributions must be deducted from earnings because the retirement income counted as part of cash income includes the return of those contributions along with the investment income they earned.

Personal contributions to pension funds consist of contributions made by employees to retirement plans established by their employers, such as 401(k)s; contributions made by sole proprietors and partners to retirement plans set up on their own behalf; and contributions to retirement plans, such as IRAs, established by individuals independently of their employers.

The basic data source for personal contributions to private retirement funds is IRS Form 5500. However, many retirement plans are exempt from filing that form and so other sources (such as IRS Forms W-2, 5498, and 1040 and special tabulations of the Statistics of Income Division) are used to estimate contributions to Section 403(b) plans, Section 457 plans, and IRAs established by employers for their employees. Data from the American Council of Life Insurers' (ACLI) *Life Insurers Fact Book* are used to estimate contributions to insured allocated contracts and nonqualified annuities.

The basic data source for personal contributions to government retirement plans is the NIPA where they are presented as addenda to Table 6.11. These data are adjusted so that the treatment of railroad retirement is consistent with that described above in the section on net reclassifications and modifications.

The national estimates of employee contributions reported on Form 5500 were distributed to states in proportion to private employer contributions to pension and

insurance funds, an unpublished component of state personal income. The national estimate of contributions to Section 403(b) and Section 457 plans and contributions to IRAs established by employers for employees were distributed to states using state-level estimates of deferred compensation, reported on Form W-2, from the expanded Information Returns Master File (IRMF) sample BEA purchases from the Statistics of Income Division (SOI) of the IRS. The national estimate of other IRA contributions was distributed to states in proportion to state-level estimates of contributions reported on IRS Form 5498 from the expanded IRMF sample. The national estimate of federal employee contributions to retirement funds were distributed in proportion to federal wage and salary disbursements. The national estimate of state and local government employee contributions to publicly administered government employee retirement plans is the sum of state level estimates from the Census Bureau's annual F-11 and F-12 surveys. The national estimate of contributions for railroad retirement insurance is distributed to states in proportion to unpublished estimates of railroad wages and salaries from the U.S. Railroad Retirement Board. The national estimate of employee considerations for insured allocated contracts and the estimate of considerations for nonqualified annuities were allocated to states in proportion to total premium receipts of U.S. life insurers from the *Life Insurers Fact Book.* The national estimate of self-employed contributions were distributed to states in proportion to the state-level estimates of the deduction of contributions to Simplified Employee Pension (SEP) plans, the Savings Incentive Match Plan for Employees (SIMPLE), and qualified retirement plans by the self-employed and partners reported on IRS Form 1040 and published in the *SOI Bulletin.*

Personal contributions have been rising as a percentage of compensation since 1997 when they were 5.0 percent. By 2002 they had risen to 6.7 percent. Personal contributions were about 10% more than employer contributions in 1997. Over time personal contributions increased at a faster pace so that by 2001 they were 43% more than employer contributions. But in 2002 there was a surge in employer contributions and the ratio of personal to employer contributions fell to 1.23.

In 2002, contributions as a percent of compensation ranged from 5.0% in Nevada to 13.5% in Delaware. The second highest contribution rate was 8.3% in New Hampshire. The range from Nevada to New Hampshire is quite narrow. This makes the relatively high contributions in Delaware appear suspicious, particularly employee contributions to insured allocated contracts and considerations for nonqualified annuity plans. (Delaware's share of these components is the highest by far in every year 1997-2002.) As mentioned, the national estimates of these two components are allocated to states in proportion to premium receipts of life insurers for annuities. Delaware's share of these receipts in 2002 was 1.2% far greater than its 0.3% share of compensation.

Eight states (California, New York, Texas, Illinois, Pennsylvania, Florida, Ohio, and New Jersey) accounted for 50% of national contributions. Personal contributions by state are presented in Table 8.

Property income of retirement funds. The property income of retirement funds is deducted in the derivation of cash income. Currently, the NIPA recognizes two broad types of pension funds: insured funds (i.e. annuities) and all other funds (noninsured pensions). The property income of noninsured pension funds is attributed to persons and

is a component of personal interest income, personal dividend income, and rental income of persons. The property income of annuities (dividends, interest, rents, and royalties) is a component of imputed interest income.

BEA prepares, but does not publish, estimates of the property income of private noninsured pension funds and publicly-administered government-employee retirement plans. It does not prepare an estimate of the property income of annuities. That property income is part of the property income of the life insurance industry imputed to persons as a component of personal interest income (NIPA Table 7.11, Line 63). The imputed property income consists of all the income earned on reserves held for life insurance policies and for annuities. For this project I prepared an estimate of the property income on annuity reserves by assuming that the share of insurance company property income attributable to annuities is equal to the annuities' share of life insurers' reserves.

BEA prepares, but does not publish, state estimates of the property income of privately-administered noninsured pension funds together with the property income of publicly-administered government-employee retirement funds on a place of residence basis. I add to these my estimate of the property income of annuities. The property income of annuities is distributed to states using state-level annuity premiums and benefits data from the *Life Insurers Fact Book*. Premiums data are used as a proxy for the distribution of workers' share of the property income and benefits data are used as a proxy for the distribution of retirees' share.

Nationally, property income of retirement funds amounted to $305.3 billion in 1997. It increased every year until reaching a peak of $354.6 billion in 2000. It fell in 2001 and 2002, reaching $296.8 billion in the latter year, less than its starting point in

1997. The top eight states in 1997 (California, New York, Texas, Florida, Ohio, Illinois, Pennsylvania, and Michigan) accounted for 49% of property income. This share remained constant through 2001 and then fell to 48% in 2002.

Property income in most states also grew from 1997-2000 (Table 9). It fell a few percentage points from 1998 to 1999 in some states (e.g. Delaware), but that is consistent with the very meager national growth in that period (about 0.5%). Although national property income was lower in 2002 than in 1997, in 21 states it was higher.

Retirement income. Retirement income is measured as the benefits received from traditional defined benefit pension plans as well as distributions received from the modern defined contribution plans, individual retirement arrangements (IRAs), and annuities.[29] Retirement income is (for the most part) the receipt of previously deferred compensation plus the investment income it has earned. The basic source for retirement income is IRS Form 1099-R, an information return which administrators of all retirement plans (including pension funds, mutual funds, and insurance companies) must file annually. IRS Form 5498 is used to estimate rollover distributions to IRAs or other tax qualified accounts. Rollovers are deducted from gross distributions since they represent a capital transfer from one type of plan to another, i.e. they represent continued saving in another form rather than income. Roth IRA conversions, another type of capital transfer reported as a distribution on Form 1099-R, are also deducted from gross distributions. Various other types of out-of-scope distributions reported on Form 1099-R, such as Section 1035 exchanges, Tier 1 Railroad Retirement benefits, benefits paid from the

[29] Annuity surrenders (lump sum withdrawal of funds from an annuity contract) are not reported on Form 1099-R.

revolving fund of the Pension Benefit Guaranty Corporation, and life insurance benefits, are also deducted. Lastly, estimates are made of distributions from Section 457 plans because before 2002 these were not reported on Form 1099-R. National estimates of retirement income and its major components for 1997-2002 are presented in Table 10. Retirement income was $512.3 billion in 2000.

Retirement income rises annually from 1997 to 2000 and then falls in both 2001 and 2002. This mirrors the pattern in taxable IRA distributions and benefits from defined contribution pension plans reported in the *Private Pension Plan Bulletin*. Taxable pensions and benefits from defined benefit pension plans, in contrast, rise over the entire time span. Apparently distributions from defined contribution plans and IRAs will rise and fall with investment returns but annual benefits from defined benefit pension plans are designed to be independent of the annual investment returns of the plan.

In 1997, retirement income was about 9% higher than OASDI benefits ($357 billion). Retirement income grew faster through 2000 at which point they were nearly 28% higher than OASDI benefits. Despite declines in the next two years retirement income was still 9% higher than OASDI benefits in 2002.

California has the most retirement income, about $57 billion in 2000 (Table 11). Florida is second with $39 billion and New York is third with $36 billion. Slightly more than 50% of retirement income is received by eight states; the three just named and Texas, Illinois, Pennsylvania, Ohio, and Michigan.

Residence adjustment for contributions to retirement funds. The state estimates of employer and personal contributions to retirement funds require adjustment

because state personal income is defined as the income of a state's residents but these components are measured according to the location of the worksite. The residence adjustment deducts from personal income the earnings of out-of-state residents and adds the earnings of residents from out-of-state jobs. Since we are removing from personal income employer and employee contributions to retirement funds, we must also remove the residence adjustment which had been made to those estimates.[30]

The state estimates of government employer and private employer contributions to pension funds are combined and multiplied by a set of state-to-state gross flow residence adjustment ratios for supplements to wages and salaries (which includes employer contributions for pension and insurance funds).[31] The resulting outflows from a state are subtracted from the inflows to that state to yield a net residence adjustment for employer contributions to retirement funds. The net residence adjustment for employer contributions to retirement income is deducted from personal income on a NIPA basis in the derivation of cash income.

The sum of the residence adjustment over all states is 0. Except for the District of Columbia, the residence adjustment is generally small (Table 12). The largest net inflow is into Maryland and is only $3 billion in 2002. The largest net outflow is from the District of Columbia and is only $4.8 billion in 2002. The largest flows as a percent of personal income are also associated with Maryland and D.C. Maryland's inflow was as

[30] Even though some industries are not subject to adjustment, the residence adjustment is done at an all-industry level. This is because of the complexity of the calculations. For instance, source data for state and local government employee contributions to retirement funds are presumed to be on a place of residence basis and so should not be adjusted. Another instance is that until recently, military employees were not permitted to contribute to the Thrift Savings Plan that federal civilian employees contribute to. Nevertheless, the adjustment ratios to be discussed include the state and local government as well as the military.

[31] For a discussion of gross flow ratios see chapter VIII of *State Personal Income and Employment Methodology* (September 2007).

high as 1.6% in 1997 and in 2002 was 1.5%. D.C.'s outflow was 19.4% in 1997 and 18.7% in 2002.

Cash income. Lastly, Table 13 presents cash income for all states, Table 14 shows it relative to personal income, and Table 15 shows the dollar difference between personal income and cash income. For the U.S., cash income is 5% lower 1997-2001 and 6% lower in 2002. In other words saving in retirement accounts is 5-6% of personal income. Florida's cash income was only 97% of personal income, the highest of all states 1997-2000. Vermont was slightly higher in 2001 (98%). In 2002 Vermont was again highest of all states, but cash income was only 97% of personal income.

Cash income was only 88% of personal income in the District of Columbia in 1997. It varied between 87 and 89% 1997-2002. No state had a lower percentage.

Table 1. Personal income summary, billions of dollars

	1997	1998	1999	2000	2001	2002
Personal income (NIPA basis)	6,907.3	7,415.7	7,796.1	8,422.1	8,717.0	8,872.9
+ Net modifications and reclassifications	-8.9	0.5	5.2	8.7	14.0	20.1
= Personal income with modifications	6,898.4	7,416.2	7,801.3	8,430.8	8,731.0	8,892.9
– Employer contributions to retirement funds	213.1	232.4	241.5	252.4	261.2	328.4
– Personal contributions to retirement funds	234.8	276.5	318.7	355.8	372.7	404.7
– Res. adjust. for contributions to retirement funds	0	0	0	0	0	0
– Property income of retirement funds	305.3	321.6	323.4	354.6	307.3	296.8
+ Retirement income	387.5	440.1	458.2	512.3	508.1	485.9
= Cash income	6,532.7	7,025.7	7,375.9	7,980.3	8,298.0	8,348.9

Table 2. Retirement transfer receipts and income per capita, by state, dollars, 2002

State	Retirement income	Retirement transfer receipts
Alabama	7,953	16,232
Alaska	16,718	18,138
Arizona	11,332	16,473
Arkansas	6,806	15,592
California	12,811	19,105
Colorado	11,230	16,589
Connecticut	10,972	17,992
Delaware	13,361	16,786
Florida	11,286	17,751
Georgia	9,780	16,511
Hawaii	11,125	15,270
Idaho	5,920	15,354
Illinois	11,905	17,481
Indiana	8,838	16,214
Iowa	7,212	15,276
Kansas	8,634	16,523
Kentucky	8,705	16,104
Louisiana	8,084	17,841
Maine	4,502	15,459
Maryland	15,557	18,344
Massachusetts	12,127	18,164
Michigan	12,417	17,521
Minnesota	10,758	15,870
Mississippi	4,791	15,996
Missouri	8,428	16,253
Montana	8,126	15,411
Nebraska	9,983	16,108
Nevada	13,685	16,905
New Hampshire	9,486	15,590
New Jersey	11,377	18,817
New Mexico	8,874	15,444
New York	11,327	18,961
North Carolina	8,648	15,887
North Dakota	5,754	14,950
Ohio	11,570	16,900
Oklahoma	6,885	16,720
Oregon	12,234	15,966
Pennsylvania	9,721	17,872
Rhode Island	7,873	17,341
South Carolina	10,145	15,935
South Dakota	7,149	14,717
Tennessee	8,214	16,080
Texas	12,006	17,391
Utah	17,581	15,300
Vermont	12,730	15,417
Virginia	13,535	16,100
Washington	11,784	16,831
West Virginia	7,359	17,035
Wisconsin	7,506	15,785
Wyoming	15,916	15,939
District of Columbia	18,823	20,450
U.S.	10,713	17,248

Table 3. Retired, disabled, and survivors, by state, percent

State	Recipients of Social Security Benefits (retired, disabled, or survivor) as a percent of resident population	RDS transfer receipts as a percent of Personal Income	RDS transfer receipts plus Retirement Income as a percent of Cash Income
Alabama	19	12	19
Alaska	9	5	11
Arizona	15	9	17
Arkansas	19	13	20
California	12	7	13
Colorado	12	6	11
Connecticut	17	7	12
Delaware	17	9	18
Florida	20	12	20
Georgia	13	8	13
Hawaii	15	8	15
Idaho	15	9	14
Illinois	15	8	14
Indiana	16	9	16
Iowa	18	10	16
Kansas	16	9	15
Kentucky	18	12	19
Louisiana	16	11	18
Maine	20	11	15
Maryland	14	7	14
Massachusetts	17	8	14
Michigan	17	10	17
Minnesota	15	7	13
Mississippi	18	13	18
Missouri	18	10	17
Montana	18	11	18
Nebraska	17	9	16
Nevada	14	8	15
New Hampshire	16	7	13
New Jersey	16	8	13
New Mexico	15	10	17
New York	16	8	14
North Carolina	17	10	16
North Dakota	18	10	15
Ohio	17	10	18
Oklahoma	17	11	17
Oregon	17	9	17
Pennsylvania	19	11	18
Rhode Island	18	10	15
South Carolina	17	11	19
South Dakota	18	10	16
Tennessee	18	10	16
Texas	12	7	13
Utah	11	7	15
Vermont	17	9	17
Virginia	15	7	14
Washington	14	7	13
West Virginia	22	16	23
Wisconsin	17	9	14
Wyoming	16	8	17
District of Columbia	13	6	13
U.S.	16	9	15

Note: RDS transfer receipts are OASDI, Railroad retirement and disability, Medicare, SSI, and Veterans pension & disability benefits.

Table 4. Personal income, by state, billions of dollars

State	1997	1998	1999	2000	2001	2002
Alabama	91.419	97.012	100.662	105.807	110.421	113.835
Alaska	16.402	17.085	17.557	18.741	20.050	20.722
Arizona	103.557	113.370	120.857	132.558	138.854	144.150
Arkansas	50.955	53.810	56.052	58.726	61.967	63.234
California	860.545	936.009	999.228	1,103.842	1,135.304	1,147.716
Colorado	107.873	118.493	128.860	144.394	152.700	153.066
Connecticut	115.134	123.918	129.807	141.570	147.356	146.997
Delaware	19.895	21.565	22.416	24.277	25.537	26.530
Florida	372.094	402.454	423.834	457.539	478.637	495.489
Georgia	182.868	198.782	212.081	230.356	240.616	244.957
Hawaii	31.002	31.757	32.646	34.451	35.126	36.370
Idaho	25.367	27.287	29.068	31.290	33.054	33.849
Illinois	337.897	360.095	373.385	400.373	407.254	413.711
Indiana	138.794	149.336	154.842	165.285	167.881	172.474
Iowa	68.297	71.704	73.285	77.763	79.456	82.398
Kansas	63.356	67.800	70.158	74.570	77.564	78.606
Kentucky	82.436	87.851	91.462	98.845	101.346	103.866
Louisiana	91.432	96.677	98.200	103.151	110.256	112.744
Maine	27.830	29.710	31.016	33.173	35.107	35.998
Maryland	147.843	157.784	167.075	181.957	191.657	198.824
Massachusetts	189.885	203.987	216.221	240.209	249.095	249.954
Michigan	248.821	265.098	278.062	294.227	299.542	303.465
Minnesota	128.388	139.553	146.722	157.964	162.578	166.968
Mississippi	51.514	54.820	56.719	59.837	62.739	63.979
Missouri	129.992	137.619	142.925	152.722	156.937	161.104
Montana	17.688	18.857	19.373	20.716	22.359	22.819
Nebraska	40.576	43.314	45.116	47.329	49.303	50.390
Nevada	47.388	52.371	56.462	61.428	64.367	66.632
New Hampshire	32.420	35.149	37.125	41.429	42.624	43.393
New Jersey	263.420	282.721	294.385	323.554	332.951	337.009
New Mexico	34.961	37.046	38.046	40.318	44.138	44.987
New York	557.024	591.847	619.659	663.005	679.886	677.604
North Carolina	180.163	193.223	203.187	218.668	225.395	228.684
North Dakota	13.440	14.810	14.934	16.097	16.465	16.743
Ohio	278.049	294.292	304.464	320.538	325.623	333.158
Oklahoma	69.720	74.118	77.565	84.310	90.161	90.178
Oregon	80.854	85.629	89.873	96.402	99.020	101.882
Pennsylvania	311.509	330.161	342.611	364.838	372.339	382.251
Rhode Island	25.983	27.501	28.568	30.697	32.478	33.635
South Carolina	81.004	86.854	91.716	98.270	101.468	104.046
South Dakota	16.335	17.523	18.367	19.438	20.429	20.596
Tennessee	124.699	133.620	140.395	148.833	154.416	159.173
Texas	466.182	507.681	539.661	593.139	619.642	626.604
Utah	43.667	47.019	49.343	53.561	56.594	58.172
Vermont	13.738	14.788	15.650	16.883	17.742	18.051
Virginia	179.654	191.711	204.586	220.845	233.770	240.534
Washington	150.119	163.762	175.491	187.853	193.498	197.452
West Virginia	35.005	36.722	37.557	39.582	41.902	43.312
Wisconsin	129.099	138.667	144.702	153.548	158.888	163.309
Wyoming	11.459	12.189	13.050	14.063	14.972	15.463
District of Columbia	19.580	20.562	21.115	23.102	25.525	25.786
Sum	6,907.332	7,415.709	7,796.137	8,422.074	8,716.992	8,872.871

Table 5. Net modifications reclassifications, by state, billions of dollars

State	1997	1998	1999	2000	2001	2002
Alabama	-0.556	-0.409	-0.138	-0.333	-0.195	-0.023
Alaska	0.006	0.038	-0.017	0.009	0.017	0.005
Arizona	-0.332	-0.098	0.114	0.243	0.190	0.372
Arkansas	-0.259	-0.157	-0.204	-0.285	-0.244	-0.107
California	-1.607	-1.634	-1.209	-1.491	-0.915	0.352
Colorado	-0.086	0.117	0.210	0.121	0.201	0.388
Connecticut	0.549	0.950	1.115	1.706	1.060	1.104
Delaware	0.827	1.007	0.897	1.225	1.176	1.083
Florida	-4.345	-3.424	-2.999	-2.524	-2.113	-1.018
Georgia	-0.588	-0.608	-0.244	-0.410	-0.244	0.034
Hawaii	0.132	0.285	0.311	0.292	0.179	0.218
Idaho	-0.129	-0.008	-0.069	-0.057	-0.018	-0.035
Illinois	-0.534	0.388	1.025	0.381	1.555	0.883
Indiana	-0.098	-0.008	0.134	0.154	0.286	0.496
Iowa	0.278	0.444	0.390	0.586	0.234	-0.076
Kansas	-0.308	-0.265	-0.151	-0.145	-0.031	0.012
Kentucky	-0.046	-0.005	-0.154	-0.207	0.253	-0.103
Louisiana	0.092	0.097	0.291	0.246	0.219	0.324
Maine	-0.194	-0.123	-0.092	-0.080	-0.044	-0.021
Maryland	-0.268	0.143	0.228	0.355	0.747	0.481
Massachusetts	0.740	1.190	1.312	1.495	1.725	1.796
Michigan	0.232	0.326	0.861	0.424	0.761	1.158
Minnesota	0.258	0.461	0.387	0.390	0.677	0.673
Mississippi	-0.214	-0.097	-0.113	-0.126	-0.116	-0.022
Missouri	-0.117	-0.245	-0.303	-0.432	0.005	-0.003
Montana	-0.132	-0.148	-0.160	-0.178	-0.159	-0.169
Nebraska	0.003	0.179	-0.124	0.052	0.090	0.098
Nevada	-0.324	-0.294	-0.365	-0.420	-0.286	-0.330
New Hampshire	-0.053	0.000	0.266	0.134	0.079	0.295
New Jersey	-0.004	0.260	0.123	0.679	0.892	1.608
New Mexico	0.041	-0.078	-0.049	0.174	0.140	0.171
New York	0.762	1.846	1.511	2.943	3.519	3.863
North Carolina	-0.083	0.097	0.284	0.298	0.327	0.573
North Dakota	-0.067	-0.068	-0.079	-0.059	-0.048	-0.028
Ohio	-0.397	-0.112	0.455	1.022	1.554	1.331
Oklahoma	-0.207	-0.077	-0.037	-0.066	-0.073	-0.057
Oregon	-0.298	-0.213	-0.169	-0.144	-0.053	-0.042
Pennsylvania	-0.032	0.560	0.655	1.343	1.656	1.656
Rhode Island	-0.123	-0.011	0.040	0.057	0.063	0.154
South Carolina	-0.268	-0.247	-0.293	-0.259	-0.042	0.130
South Dakota	-0.077	-0.065	-0.085	-0.012	-0.137	-0.177
Tennessee	0.044	0.019	-0.087	0.909	0.212	0.561
Texas	-0.702	0.074	1.189	0.713	0.869	1.412
Utah	0.073	0.122	0.234	0.184	0.213	0.268
Vermont	-0.058	-0.019	-0.023	-0.008	-0.027	0.002
Virginia	-0.585	-0.415	-0.400	-0.492	-0.321	-0.033
Washington	0.013	0.239	0.120	-0.385	-0.179	-0.321
West Virginia	-0.059	0.005	0.024	0.197	0.009	0.097
Wisconsin	0.053	0.348	0.407	0.384	0.269	0.738
Wyoming	-0.078	-0.077	-0.099	-0.116	-0.121	-0.100
District of Columbia	0.235	0.208	0.236	0.216	0.189	0.410
Sum	-8.896	0.497	5.157	8.703	14.001	20.079

Table 6. Personal income with modifications, by state, billions of dollars

State	1997	1998	1999	2000	2001	2002
Alabama	90.863	96.602	100.525	105.473	110.226	113.812
Alaska	16.408	17.123	17.539	18.751	20.066	20.727
Arizona	103.225	113.272	120.971	132.800	139.044	144.522
Arkansas	50.696	53.654	55.848	58.441	61.723	63.128
California	858.938	934.374	998.019	1,102.350	1,134.390	1,148.067
Colorado	107.787	118.610	129.070	144.514	152.901	153.454
Connecticut	115.683	124.867	130.922	143.276	148.415	148.101
Delaware	20.722	22.572	23.313	25.502	26.713	27.613
Florida	367.749	399.030	420.835	455.015	476.524	494.471
Georgia	182.280	198.174	211.838	229.946	240.372	244.991
Hawaii	31.134	32.041	32.957	34.743	35.305	36.588
Idaho	25.238	27.279	28.999	31.233	33.036	33.814
Illinois	337.363	360.483	374.410	400.754	408.809	414.594
Indiana	138.696	149.328	154.976	165.439	168.167	172.970
Iowa	68.575	72.148	73.676	78.349	79.690	82.322
Kansas	63.048	67.535	70.008	74.425	77.533	78.618
Kentucky	82.390	87.845	91.308	98.638	101.600	103.763
Louisiana	91.523	96.774	98.491	103.397	110.475	113.068
Maine	27.635	29.587	30.924	33.093	35.063	35.977
Maryland	147.575	157.926	167.303	182.313	192.404	199.305
Massachusetts	190.625	205.177	217.533	241.703	250.820	251.751
Michigan	249.053	265.423	278.922	294.651	300.303	304.623
Minnesota	128.645	140.014	147.108	158.354	163.255	167.641
Mississippi	51.300	54.723	56.606	59.711	62.623	63.957
Missouri	129.875	137.374	142.622	152.291	156.942	161.101
Montana	17.556	18.709	19.213	20.539	22.200	22.650
Nebraska	40.579	43.493	44.992	47.381	49.393	50.488
Nevada	47.065	52.076	56.098	61.008	64.082	66.302
New Hampshire	32.367	35.149	37.391	41.563	42.702	43.689
New Jersey	263.416	282.981	294.508	324.233	333.844	338.618
New Mexico	35.001	36.968	37.996	40.493	44.278	45.158
New York	557.786	593.693	621.170	665.948	683.404	681.467
North Carolina	180.080	193.319	203.471	218.966	225.722	229.257
North Dakota	13.373	14.743	14.855	16.038	16.418	16.715
Ohio	277.652	294.180	304.919	321.560	327.177	334.489
Oklahoma	69.514	74.041	77.528	84.245	90.088	90.121
Oregon	80.556	85.415	89.705	96.258	98.967	101.840
Pennsylvania	311.477	330.720	343.266	366.181	373.995	383.907
Rhode Island	25.860	27.489	28.609	30.753	32.541	33.790
South Carolina	80.736	86.608	91.422	98.011	101.426	104.177
South Dakota	16.258	17.459	18.281	19.426	20.293	20.419
Tennessee	124.743	133.639	140.308	149.742	154.628	159.734
Texas	465.480	507.756	540.850	593.853	620.511	628.015
Utah	43.740	47.141	49.577	53.745	56.806	58.439
Vermont	13.680	14.769	15.627	16.875	17.715	18.053
Virginia	179.069	191.296	204.186	220.353	233.450	240.501
Washington	150.131	164.001	175.611	187.468	193.320	197.130
West Virginia	34.946	36.727	37.581	39.779	41.911	43.408
Wisconsin	129.152	139.015	145.109	153.931	159.157	164.047
Wyoming	11.381	12.112	12.950	13.947	14.851	15.363
District of Columbia	19.815	20.770	21.351	23.319	25.714	26.196
Sum	6,898.436	7,416.206	7,801.294	8,430.777	8,730.993	8,892.950

Table 7. Employer Contributions to Pension Funds, by state, billions of dollars

State	1997	1998	1999	2000	2001	2002
Alabama	2.953	3.134	3.086	3.212	3.376	4.244
Alaska	0.934	0.933	0.901	0.946	0.987	1.174
Arizona	2.818	3.058	3.302	3.552	3.752	4.714
Arkansas	1.411	1.560	1.609	1.666	1.776	2.265
California	25.157	26.931	27.508	29.370	30.428	38.956
Colorado	3.955	3.950	4.203	4.494	4.640	5.673
Connecticut	3.111	3.472	3.606	3.988	4.079	5.057
Delaware	0.810	0.974	0.984	1.087	1.091	1.358
Florida	11.237	12.397	12.898	13.056	12.895	15.848
Georgia	6.258	6.849	7.290	7.688	7.958	9.788
Hawaii	1.853	1.857	1.737	1.731	1.856	2.223
Idaho	0.777	0.854	0.883	0.901	0.933	1.184
Illinois	9.553	10.841	11.709	11.917	12.574	15.489
Indiana	3.930	4.565	4.837	5.116	5.234	6.784
Iowa	1.632	1.927	1.972	2.066	2.154	2.695
Kansas	1.798	2.003	2.114	2.204	2.306	2.920
Kentucky	2.921	3.195	3.286	3.337	3.479	4.174
Louisiana	3.031	3.273	3.412	3.479	3.597	4.448
Maine	0.878	0.974	1.024	1.052	1.170	1.399
Maryland	5.618	6.054	6.309	6.607	6.987	8.157
Massachusetts	5.947	6.541	7.043	7.684	7.652	9.543
Michigan	7.294	8.448	8.727	8.768	8.505	11.439
Minnesota	3.351	3.748	3.925	4.172	4.500	5.758
Mississippi	1.655	1.821	1.883	1.962	2.035	2.483
Missouri	4.057	4.383	4.590	4.819	5.064	6.377
Montana	0.555	0.604	0.622	0.659	0.690	0.822
Nebraska	1.206	1.370	1.343	1.432	1.494	1.868
Nevada	1.498	1.663	1.802	1.926	2.075	2.487
New Hampshire	0.678	0.788	0.888	0.912	0.953	1.282
New Jersey	7.254	6.584	6.657	7.129	7.343	9.632
New Mexico	1.387	1.435	1.455	1.517	1.604	1.876
New York	13.712	15.092	15.218	16.137	16.968	21.449
North Carolina	5.815	6.342	6.703	7.012	6.864	8.487
North Dakota	0.490	0.512	0.525	0.553	0.582	0.716
Ohio	8.796	9.825	10.422	10.207	10.861	14.242
Oklahoma	2.446	2.644	2.725	2.973	3.031	3.570
Oregon	2.232	2.456	3.111	2.884	3.266	5.382
Pennsylvania	8.234	9.532	8.933	9.210	9.393	11.994
Rhode Island	0.820	0.873	0.900	0.942	0.972	1.211
South Carolina	2.534	2.785	2.948	3.143	3.287	4.104
South Dakota	0.452	0.492	0.527	0.555	0.578	0.722
Tennessee	3.335	3.692	3.868	4.281	4.201	5.547
Texas	13.530	15.217	16.243	17.232	18.111	22.899
Utah	1.539	1.729	1.842	1.949	2.030	2.447
Vermont	0.330	0.376	0.393	0.415	0.437	0.564
Virginia	8.702	9.194	9.572	10.181	10.477	12.330
Washington	5.138	5.574	5.624	5.646	5.752	7.048
West Virginia	1.137	1.231	1.275	1.385	1.411	1.699
Wisconsin	3.588	4.051	4.217	4.356	4.480	5.911
Wyoming	0.370	0.386	0.402	0.421	0.440	0.540
District of Columbia	4.402	4.248	4.497	4.476	4.868	5.388
Sum	213.118	232.436	241.548	252.408	261.195	328.366

Table 8. Personal Contributions to Pension Funds, by state, billions of dollars

State	1997	1998	1999	2000	2001	2002
Alabama	2.393	2.895	3.621	3.756	4.067	4.457
Alaska	0.673	0.679	0.680	0.744	0.782	0.830
Arizona	3.419	4.161	4.911	5.493	5.716	6.487
Arkansas	1.250	1.548	1.746	1.848	1.980	2.262
California	29.640	34.001	39.214	44.285	46.306	50.384
Colorado	3.696	4.566	5.329	6.199	6.353	7.070
Connecticut	4.785	5.578	6.350	6.995	7.297	7.796
Delaware	1.675	2.119	2.379	2.608	2.692	2.771
Florida	10.118	12.660	15.185	17.762	18.785	20.791
Georgia	5.356	6.189	7.409	8.094	8.501	9.369
Hawaii	1.067	1.349	1.564	1.634	1.652	1.694
Idaho	0.827	1.032	1.099	1.190	1.219	1.337
Illinois	12.061	14.353	16.133	18.819	19.057	19.995
Indiana	4.568	5.466	6.293	6.871	7.246	7.986
Iowa	2.607	3.088	3.336	3.712	3.809	3.903
Kansas	1.942	2.320	2.780	3.063	3.237	3.449
Kentucky	2.814	3.368	3.643	3.836	4.025	4.414
Louisiana	2.965	3.449	4.091	4.442	4.484	4.936
Maine	0.806	1.014	1.176	1.305	1.354	1.498
Maryland	4.569	5.413	6.468	7.238	7.940	8.208
Massachusetts	8.262	9.700	10.832	12.647	13.360	14.345
Michigan	8.631	10.521	12.719	13.247	13.473	15.187
Minnesota	4.848	5.759	6.475	7.083	7.875	8.400
Mississippi	1.458	1.703	1.855	2.017	2.116	2.316
Missouri	4.691	5.277	5.743	6.455	6.830	7.171
Montana	0.537	0.654	0.720	0.784	0.808	0.862
Nebraska	1.379	1.574	1.829	2.025	2.125	2.298
Nevada	1.257	1.484	1.747	1.966	2.144	2.277
New Hampshire	1.166	1.371	1.563	1.736	1.780	2.287
New Jersey	9.540	10.656	12.324	13.993	14.494	16.241
New Mexico	1.383	1.450	1.489	1.564	1.679	1.759
New York	20.144	23.315	26.747	30.235	32.196	33.907
North Carolina	5.971	7.045	8.056	8.928	9.271	9.955
North Dakota	0.416	0.480	0.538	0.626	0.653	0.710
Ohio	9.626	11.403	13.341	14.901	15.777	16.821
Oklahoma	2.045	2.419	2.778	3.022	3.072	3.248
Oregon	2.809	3.183	3.567	3.989	4.040	4.439
Pennsylvania	10.790	12.566	14.314	16.753	17.649	18.947
Rhode Island	0.760	0.987	1.178	1.318	1.408	1.632
South Carolina	2.470	2.822	3.092	3.428	3.798	4.264
South Dakota	0.536	0.624	0.691	0.744	0.774	0.847
Tennessee	3.983	4.584	5.138	5.769	6.036	6.821
Texas	14.862	17.978	21.390	23.513	24.480	26.310
Utah	1.402	1.601	1.957	2.109	2.236	2.481
Vermont	0.451	0.565	0.634	0.682	0.704	0.801
Virginia	5.379	6.428	7.329	8.198	8.719	9.845
Washington	5.474	6.507	7.244	7.255	7.441	7.926
West Virginia	1.024	1.212	1.371	1.539	1.604	1.765
Wisconsin	4.185	5.198	6.113	6.659	6.684	7.713
Wyoming	0.365	0.399	0.453	0.481	0.513	0.548
District of Columbia	1.721	1.817	2.040	2.237	2.427	2.987
Sum	234.792	276.530	318.679	355.796	372.666	404.745

Table 9. Property income of Pension Funds, by state, billions of dollars

State	1997	1998	1999	2000	2001	2002
Alabama	3.957	4.243	4.405	4.633	3.972	4.082
Alaska	1.113	1.113	1.045	1.105	1.003	1.034
Arizona	4.414	4.844	4.989	5.711	4.919	4.811
Arkansas	2.020	2.214	2.151	2.330	1.990	2.002
California	39.042	40.792	41.271	44.247	39.269	37.283
Colorado	4.725	5.097	5.161	5.618	5.192	4.893
Connecticut	4.781	5.088	5.210	6.153	4.903	4.628
Delaware	1.551	1.673	1.561	1.898	1.657	1.561
Florida	15.389	16.334	16.640	19.011	17.233	16.636
Georgia	7.806	8.297	8.553	9.158	8.322	7.804
Hawaii	1.772	1.904	1.936	2.026	1.783	1.727
Idaho	0.940	1.073	1.041	1.160	1.064	0.990
Illinois	13.589	14.607	14.727	15.931	14.055	12.845
Indiana	5.241	5.511	5.411	6.089	4.876	5.115
Iowa	3.017	3.221	3.110	3.627	2.668	2.388
Kansas	2.299	2.443	2.488	2.787	2.433	2.376
Kentucky	3.505	3.648	3.506	3.821	3.477	3.179
Louisiana	3.799	3.923	3.965	4.270	3.516	3.568
Maine	0.905	1.017	1.026	1.177	1.058	1.019
Maryland	8.244	8.674	8.810	9.479	9.298	8.793
Massachusetts	7.393	7.907	7.936	8.861	8.131	7.387
Michigan	9.639	9.908	10.067	10.706	8.738	8.841
Minnesota	7.835	8.241	8.172	8.574	7.265	7.107
Mississippi	1.928	2.125	2.073	2.287	1.922	1.950
Missouri	5.343	5.637	5.551	6.066	5.335	5.138
Montana	0.897	0.905	0.889	0.972	0.861	0.830
Nebraska	1.603	1.780	1.532	1.871	1.611	1.587
Nevada	2.071	2.270	2.267	2.454	2.261	2.177
New Hampshire	1.220	1.320	1.514	1.568	1.309	1.388
New Jersey	8.735	9.216	8.909	10.658	9.270	9.024
New Mexico	1.740	1.834	1.844	2.190	2.004	1.884
New York	26.655	26.913	26.561	29.035	24.530	22.547
North Carolina	9.451	9.958	10.275	10.855	9.034	9.033
North Dakota	0.528	0.553	0.530	0.610	0.549	0.528
Ohio	14.244	14.630	14.965	16.258	13.651	13.212
Oklahoma	3.102	3.285	3.269	3.584	3.074	3.010
Oregon	5.013	5.190	5.291	5.563	4.651	4.509
Pennsylvania	13.068	13.928	13.801	15.606	13.195	12.889
Rhode Island	1.025	1.137	1.163	1.287	1.109	1.130
South Carolina	3.792	4.005	4.004	4.387	3.754	3.854
South Dakota	0.683	0.718	0.713	0.855	0.636	0.564
Tennessee	5.279	5.408	5.306	6.549	5.086	5.190
Texas	19.102	20.684	21.354	22.946	19.640	19.353
Utah	1.954	2.087	2.161	2.328	2.083	2.094
Vermont	0.476	0.527	0.521	0.599	0.498	0.499
Virginia	8.725	9.036	9.139	9.924	9.611	9.363
Washington	6.250	6.682	6.573	6.883	6.158	5.814
West Virginia	1.427	1.554	1.539	1.791	1.380	1.445
Wisconsin	5.837	6.243	6.214	6.799	5.264	5.643
Wyoming	0.550	0.582	0.580	0.613	0.508	0.543
District of Columbia	1.607	1.646	1.629	1.615	1.446	1.546
Sum	305.279	321.626	323.350	354.524	307.251	296.815

Table 10. Retirement income, US, billions of dollars

			1997	1998	1999	2000	2001	2002
		1099-R DISTRIBUTIONS						
	1	Gross distributions, Form 1099-R, filers	506.0	639.8	666.9	738.5	697.4	696.5
+	2	Gross distributions, Form 1099-R, nonfilers	41.4	52.3	54.6	77.6	44.3	52.5
+	3	Unreported distributions, filers & nonfilers	41.6	52.6	54.8	62.0	56.3	56.9
=	4	Subtotal, adjusted 1099-R distributions	588.9	744.7	776.2	878.1	798.0	806.0
		OUT-OF-SCOPE DISTRIBUTIONS						
	5	Section 1035 exchanges & other out-of-scope distributions	25.5	32.2	33.6	38.0	38.2	42.5
+	6	Unreported out-of-scope distributions	1.9	2.4	2.6	2.9	2.9	3.2
+	7	Life insurance payments	26.1	29.1	35.3	29.7	33.2	36.1
+	8	Pension Benefit Guaranty Corporation Revolving Fund benefits	0.4	0.4	0.5	0.3	0.4	0.9
=	9	Subtotal, out-of-scope distributions	54.0	64.2	72.0	70.9	74.6	82.8
		ROLLOVERS						
	10	Rollovers to IRAs, Form 5498, filers	124.7	164.9	204.0	230.4	179.6	193.8
+	11	Rollovers to IRAs, Form 5498, nonfilers	2.7	3.6	4.5	19.5	3.8	4.5
+	12	Direct rollovers to other pension plans and annuities, filers	10.9	14.4	17.8	19.4	15.7	17.5
+	13	Direct rollovers to other pension plans and annuities, nonfilers	0.3	0.4	0.5	2.3	0.4	0.4
+	14	Indirect rollovers to other pension plans and annuities	1.0	1.3	1.6	3.1	1.4	1.6
+	15	Unreported rollovers	10.6	14.0	17.4	20.9	15.3	16.5
=	16	Subtotal, rollovers	150.3	198.6	245.8	295.7	216.1	234.3
		ROTH CONVERSIONS						
	17	Roth conversions, matched forms 1040 & 5498 (filers)	a	39.3	3.7	3.2	3.1	2.8
+	18	Roth conversions, Form 5498, nonfilers	a	2.8	0.3	0.2	0.0	0.0
+	19	Unreported Roth conversions	a	3.2	0.3	0.3	0.2	0.2
=	20	Subtotal, Roth conversions	0.0	45.3	4.3	3.7	3.3	3.0
		OTHER DISTRIBUTIONS						
	21	Section 457 plan benefits, net of rollovers	2.8	3.5	3.9	4.5	4.1	a
	22	RETIREMENT INCOME (4-9-16-20+21)	387.5	440.1	458.2	512.3	508.1	485.9
Memorandum:								
		OASDI benefits	356.6	369.2	379.8	401.2	425.1	446.7

a—Not applicable

Table 11. Retirement Income, by state, billions of dollars

State	1997	1998	1999	2000	2001	2002
Alabama	5.828	7.103	7.106	7.709	7.677	6.811
Alaska	0.831	0.862	0.997	1.074	1.036	0.970
Arizona	7.071	8.125	8.414	9.449	9.421	9.395
Arkansas	3.083	3.446	3.644	3.974	3.912	3.627
California	47.959	51.337	52.301	57.469	57.068	54.964
Colorado	5.395	5.959	6.098	6.330	7.493	6.178
Connecticut	4.959	5.619	5.907	6.616	6.556	6.389
Delaware	1.388	1.673	1.781	2.004	1.921	1.869
Florida	28.482	33.029	34.281	38.514	37.521	36.935
Georgia	9.158	10.791	11.425	12.762	12.705	11.200
Hawaii	1.932	2.057	2.110	2.444	2.215	2.127
Idaho	1.149	1.340	1.462	1.624	1.496	1.226
Illinois	17.383	20.441	20.911	23.520	23.118	22.287
Indiana	6.771	7.655	8.091	9.158	9.142	8.992
Iowa	3.061	3.666	3.804	4.201	4.148	3.961
Kansas	3.215	3.911	3.978	4.375	4.302	3.895
Kentucky	4.866	5.696	6.039	6.942	6.871	6.622
Louisiana	4.812	5.332	5.811	6.368	6.271	5.874
Maine	0.944	1.064	1.095	1.224	1.219	1.171
Maryland	10.345	11.803	12.234	13.885	13.493	11.555
Massachusetts	9.147	9.731	10.103	11.377	12.020	12.909
Michigan	15.654	17.577	18.534	20.808	21.022	20.800
Minnesota	5.555	6.586	6.870	7.692	8.234	8.173
Mississippi	1.906	2.179	2.278	2.526	2.591	2.563
Missouri	7.385	9.054	9.192	10.514	9.898	8.688
Montana	1.044	1.265	1.321	1.484	1.464	1.341
Nebraska	2.178	2.595	2.741	3.011	2.951	2.926
Nevada	2.974	3.418	3.606	4.149	4.327	4.222
New Hampshire	1.592	1.996	1.998	2.260	2.075	1.959
New Jersey	13.572	15.839	16.071	17.767	16.218	15.526
New Mexico	2.541	2.995	3.028	3.341	3.281	2.578
New York	26.621	30.618	31.983	35.835	35.607	34.342
North Carolina	9.174	10.946	11.035	12.173	12.120	12.080
North Dakota	0.543	0.698	0.708	0.802	0.707	0.677
Ohio	16.279	19.349	19.828	22.879	23.584	22.464
Oklahoma	4.259	4.935	4.980	5.321	4.287	4.172
Oregon	5.409	6.167	6.510	7.305	7.288	7.180
Pennsylvania	17.386	20.024	20.949	23.675	23.578	23.301
Rhode Island	1.244	1.398	1.415	1.609	1.583	1.511
South Carolina	5.482	6.294	6.809	7.622	8.298	7.255
South Dakota	0.688	0.877	0.949	1.071	1.044	0.987
Tennessee	5.866	7.067	7.251	8.275	8.877	8.446
Texas	25.809	28.951	30.364	33.897	34.089	32.638
Utah	2.960	3.295	3.673	4.123	4.123	4.405
Vermont	0.762	0.936	0.982	1.135	1.343	1.356
Virginia	11.925	12.528	13.764	15.228	14.956	14.496
Washington	9.401	9.873	11.242	12.612	11.113	10.278
West Virginia	2.392	2.500	2.679	2.942	2.871	2.980
Wisconsin	6.940	7.135	7.334	8.603	8.398	6.896
Wyoming	0.786	0.930	1.026	1.127	1.129	1.274
District of Columbia	1.386	1.427	1.475	1.539	1.407	1.383
Sum	387.489	440.097	458.187	512.344	508.071	485.856

Table 12. Residence adjustment, by state, billions of dollars

State	1997	1998	1999	2000	2001	2002
Alabama	0.065	0.074	0.084	0.086	0.090	0.105
Alaska	-0.025	-0.025	-0.024	-0.024	-0.026	-0.030
Arizona	0.051	0.056	0.059	0.061	0.064	0.073
Arkansas	-0.010	-0.010	-0.011	-0.011	-0.014	-0.016
California	-0.015	-0.015	-0.013	-0.018	-0.015	-0.019
Colorado	0.020	0.023	0.023	0.023	0.025	0.030
Connecticut	0.343	0.365	0.385	0.407	0.431	0.511
Delaware	-0.069	-0.080	-0.096	-0.099	-0.095	-0.128
Florida	0.114	0.123	0.131	0.138	0.149	0.177
Georgia	-0.031	-0.038	-0.043	-0.048	-0.052	-0.060
Hawaii	0.000	0.000	0.000	0.000	0.000	0.000
Idaho	0.036	0.039	0.043	0.043	0.045	0.055
Illinois	-0.075	-0.087	-0.107	-0.099	-0.105	-0.111
Indiana	0.226	0.243	0.267	0.266	0.280	0.314
Iowa	0.044	0.047	0.050	0.052	0.055	0.064
Kansas	0.087	0.090	0.093	0.096	0.099	0.112
Kentucky	-0.003	0.001	-0.005	-0.012	-0.003	0.014
Louisiana	-0.034	-0.035	-0.036	-0.035	-0.036	-0.041
Maine	0.044	0.047	0.050	0.053	0.056	0.066
Maryland	2.341	2.316	2.503	2.533	2.749	3.003
Massachusetts	-0.279	-0.298	-0.345	-0.372	-0.370	-0.429
Michigan	0.071	0.073	0.081	0.083	0.095	0.112
Minnesota	-0.039	-0.046	-0.054	-0.058	-0.065	-0.079
Mississippi	0.080	0.089	0.097	0.100	0.106	0.135
Missouri	-0.256	-0.273	-0.288	-0.301	-0.314	-0.369
Montana	0.001	0.001	0.001	0.001	0.001	0.001
Nebraska	-0.045	-0.049	-0.052	-0.054	-0.058	-0.069
Nevada	-0.020	-0.024	-0.028	-0.030	-0.035	-0.037
New Hampshire	0.242	0.254	0.283	0.300	0.306	0.348
New Jersey	1.405	1.635	1.694	1.758	1.924	2.212
New Mexico	0.002	0.005	0.008	0.010	0.011	0.017
New York	-1.922	-2.102	-2.200	-2.298	-2.507	-2.919
North Carolina	-0.047	-0.052	-0.058	-0.058	-0.050	-0.063
North Dakota	-0.036	-0.037	-0.039	-0.040	-0.042	-0.049
Ohio	-0.140	-0.157	-0.172	-0.156	-0.173	-0.229
Oklahoma	0.046	0.051	0.056	0.058	0.063	0.077
Oregon	-0.128	-0.138	-0.177	-0.163	-0.188	-0.291
Pennsylvania	0.248	0.188	0.240	0.261	0.278	0.335
Rhode Island	0.054	0.060	0.071	0.075	0.076	0.099
South Carolina	0.080	0.087	0.094	0.096	0.095	0.115
South Dakota	-0.018	-0.019	-0.021	-0.022	-0.023	-0.024
Tennessee	-0.096	-0.108	-0.119	-0.121	-0.127	-0.167
Texas	-0.022	-0.033	-0.040	-0.049	-0.056	-0.070
Utah	-0.002	-0.003	-0.003	-0.003	-0.003	-0.003
Vermont	0.014	0.016	0.017	0.018	0.019	0.023
Virginia	1.146	1.089	1.186	1.145	1.284	1.388
Washington	0.136	0.144	0.180	0.171	0.197	0.296
West Virginia	0.057	0.065	0.070	0.068	0.070	0.088
Wisconsin	0.156	0.173	0.191	0.197	0.209	0.250
Wyoming	-0.001	0.000	0.000	0.000	0.000	0.000
District of Columbia	-3.794	-3.722	-4.028	-4.031	-4.421	-4.818
Sum	0.000	0.000	0.000	0.000	0.000	0.000

Table 13. Cash income, by state, billions of dollars

State	1997	1998	1999	2000	2001	2002
Alabama	87.322	93.355	96.434	101.496	106.398	107.734
Alaska	14.544	15.282	15.934	17.055	18.355	18.688
Arizona	99.594	109.268	116.123	127.433	134.014	137.832
Arkansas	49.108	51.785	53.996	56.583	59.903	60.241
California	813.073	883.928	942.339	1041.935	1075.470	1076.426
Colorado	100.787	110.923	120.452	134.512	144.184	141.966
Connecticut	107.622	115.964	121.279	132.350	138.262	136.498
Delaware	18.142	20.245	20.265	22.010	23.289	23.919
Florida	359.372	390.504	410.262	443.562	464.982	477.954
Georgia	172.049	187.659	200.054	217.816	228.349	229.291
Hawaii	28.375	28.984	29.829	31.796	32.230	33.071
Idaho	23.807	25.617	27.396	29.562	31.271	31.474
Illinois	319.618	341.174	352.859	377.706	386.346	388.663
Indiana	131.503	141.186	146.260	156.255	159.673	161.763
Iowa	64.335	67.519	69.011	73.092	75.153	77.234
Kansas	60.137	64.585	66.510	70.651	73.761	73.657
Kentucky	78.018	83.323	86.917	94.598	97.493	98.604
Louisiana	86.574	91.489	92.872	97.608	105.185	106.030
Maine	25.946	27.595	28.742	30.728	32.645	33.166
Maryland	137.149	147.261	155.446	170.341	178.923	182.698
Massachusetts	178.449	191.034	202.170	224.260	234.067	233.815
Michigan	239.073	254.026	265.862	282.655	290.514	289.844
Minnesota	118.205	128.883	135.460	146.274	151.914	154.628
Mississippi	48.084	51.160	52.976	55.870	59.036	59.636
Missouri	123.425	131.391	136.217	145.766	149.925	151.472
Montana	16.609	17.809	18.302	19.607	21.305	21.476
Nebraska	38.614	41.402	43.081	45.118	47.171	47.730
Nevada	45.233	50.096	53.916	58.842	61.964	63.620
New Hampshire	30.654	33.408	35.140	39.306	40.429	40.343
New Jersey	250.055	270.704	280.995	308.462	317.031	317.034
New Mexico	33.030	35.237	36.228	38.553	42.261	42.201
New York	525.818	561.035	586.826	628.673	647.825	640.824
North Carolina	168.065	180.959	189.529	204.402	212.723	213.926
North Dakota	12.518	13.931	14.008	15.091	15.382	15.487
Ohio	261.406	277.805	286.192	303.229	310.644	312.907
Oklahoma	66.135	70.571	73.680	79.927	85.135	84.388
Oregon	76.040	80.882	84.423	91.290	94.487	94.981
Pennsylvania	296.524	314.499	326.926	348.026	357.058	363.044
Rhode Island	24.445	25.825	26.711	28.740	30.560	31.229
South Carolina	77.343	83.198	88.092	94.579	98.789	99.096
South Dakota	15.292	16.518	17.320	18.364	19.372	19.298
Tennessee	118.108	127.118	133.366	141.539	148.309	150.788
Texas	443.817	482.821	512.268	564.109	592.424	592.161
Utah	41.807	45.016	47.293	51.485	54.584	55.826
Vermont	13.170	14.220	15.043	16.295	17.400	17.521
Virginia	167.042	178.059	190.724	206.132	218.314	222.071
Washington	142.534	154.942	167.232	180.127	184.885	186.324
West Virginia	33.691	35.162	36.005	37.938	40.318	41.391
Wisconsin	122.326	130.470	135.708	144.524	150.918	151.426
Wyoming	10.883	11.675	12.541	13.560	14.519	15.006
District of Columbia	17.265	18.207	18.688	20.561	22.800	22.477
Sum	6532.737	7025.710	7375.904	7980.393	8297.951	8348.879

Table 14. Cash income relative to Personal income, by state

State	1997	1998	1999	2000	2001	2002
Alabama	0.955	0.962	0.958	0.959	0.964	0.946
Alaska	0.887	0.894	0.908	0.910	0.916	0.902
Arizona	0.962	0.964	0.961	0.961	0.965	0.956
Arkansas	0.964	0.962	0.963	0.964	0.967	0.953
California	0.945	0.944	0.943	0.944	0.947	0.938
Colorado	0.934	0.936	0.935	0.932	0.944	0.927
Connecticut	0.935	0.936	0.934	0.935	0.938	0.929
Delaware	0.912	0.939	0.904	0.907	0.912	0.902
Florida	0.966	0.970	0.968	0.969	0.971	0.965
Georgia	0.941	0.944	0.943	0.946	0.949	0.936
Hawaii	0.915	0.913	0.914	0.923	0.918	0.909
Idaho	0.938	0.939	0.942	0.945	0.946	0.930
Illinois	0.946	0.947	0.945	0.943	0.949	0.939
Indiana	0.947	0.945	0.945	0.945	0.951	0.938
Iowa	0.942	0.942	0.942	0.940	0.946	0.937
Kansas	0.949	0.953	0.948	0.947	0.951	0.937
Kentucky	0.946	0.948	0.950	0.957	0.962	0.949
Louisiana	0.947	0.946	0.946	0.946	0.954	0.940
Maine	0.932	0.929	0.927	0.926	0.930	0.921
Maryland	0.928	0.933	0.930	0.936	0.934	0.919
Massachusetts	0.940	0.937	0.935	0.934	0.940	0.935
Michigan	0.961	0.958	0.956	0.961	0.970	0.955
Minnesota	0.921	0.924	0.923	0.926	0.934	0.926
Mississippi	0.933	0.933	0.934	0.934	0.941	0.932
Missouri	0.949	0.955	0.953	0.954	0.955	0.940
Montana	0.939	0.944	0.945	0.946	0.953	0.941
Nebraska	0.952	0.956	0.955	0.953	0.957	0.947
Nevada	0.955	0.957	0.955	0.958	0.963	0.955
New Hampshire	0.946	0.950	0.947	0.949	0.949	0.930
New Jersey	0.949	0.957	0.955	0.953	0.952	0.941
New Mexico	0.945	0.951	0.952	0.956	0.957	0.938
New York	0.944	0.948	0.947	0.948	0.953	0.946
North Carolina	0.933	0.937	0.933	0.935	0.944	0.935
North Dakota	0.931	0.941	0.938	0.937	0.934	0.925
Ohio	0.940	0.944	0.940	0.946	0.954	0.939
Oklahoma	0.949	0.952	0.950	0.948	0.944	0.936
Oregon	0.940	0.945	0.939	0.947	0.954	0.932
Pennsylvania	0.952	0.953	0.954	0.954	0.959	0.950
Rhode Island	0.941	0.939	0.935	0.936	0.941	0.928
South Carolina	0.955	0.958	0.960	0.962	0.974	0.952
South Dakota	0.936	0.943	0.943	0.945	0.948	0.937
Tennessee	0.947	0.951	0.950	0.951	0.960	0.947
Texas	0.952	0.951	0.949	0.951	0.956	0.945
Utah	0.957	0.957	0.958	0.961	0.964	0.960
Vermont	0.959	0.962	0.961	0.965	0.981	0.971
Virginia	0.930	0.929	0.932	0.933	0.934	0.923
Washington	0.949	0.946	0.953	0.959	0.955	0.944
West Virginia	0.962	0.958	0.959	0.958	0.962	0.956
Wisconsin	0.948	0.941	0.938	0.941	0.950	0.927
Wyoming	0.950	0.958	0.961	0.964	0.970	0.970
District of Columbia	0.882	0.885	0.885	0.890	0.893	0.872
U.S.	0.946	0.947	0.946	0.948	0.952	0.941

Table 15. Personal income less Cash income, by state

State	1997	1998	1999	2000	2001	2002
Alabama	4.097	3.657	4.228	4.311	4.023	6.101
Alaska	1.858	1.803	1.623	1.687	1.694	2.034
Arizona	3.963	4.102	4.734	5.125	4.839	6.318
Arkansas	1.847	2.026	2.056	2.143	2.064	2.993
California	47.472	52.081	56.890	61.907	59.834	71.290
Colorado	7.087	7.570	8.408	9.882	8.516	11.100
Connecticut	7.512	7.953	8.529	9.220	9.094	10.499
Delaware	1.753	1.321	2.151	2.267	2.248	2.611
Florida	12.721	11.950	13.572	13.977	13.655	17.536
Georgia	10.818	11.123	12.027	12.540	12.268	15.666
Hawaii	2.627	2.773	2.817	2.654	2.897	3.299
Idaho	1.560	1.670	1.672	1.727	1.783	2.374
Illinois	18.279	18.921	20.525	22.668	20.907	25.048
Indiana	7.291	8.150	8.582	9.030	8.208	10.712
Iowa	3.962	4.184	4.274	4.671	4.303	5.164
Kansas	3.219	3.215	3.648	3.919	3.803	4.949
Kentucky	4.417	4.528	4.544	4.247	3.853	5.261
Louisiana	4.858	5.188	5.328	5.543	5.071	6.713
Maine	1.884	2.115	2.274	2.445	2.462	2.833
Maryland	10.694	10.522	11.628	11.616	12.734	16.125
Massachusetts	11.436	12.953	14.050	15.948	15.028	16.139
Michigan	9.748	11.072	12.200	11.572	9.028	13.621
Minnesota	10.183	10.670	11.262	11.690	10.664	12.340
Mississippi	3.430	3.660	3.743	3.966	3.703	4.343
Missouri	6.567	6.228	6.708	6.956	7.012	9.633
Montana	1.079	1.048	1.070	1.109	1.055	1.343
Nebraska	1.962	1.912	2.035	2.211	2.132	2.660
Nevada	2.155	2.275	2.546	2.586	2.403	3.012
New Hampshire	1.766	1.741	1.985	2.123	2.195	3.051
New Jersey	13.365	12.018	13.391	15.091	15.920	19.975
New Mexico	1.931	1.809	1.817	1.766	1.877	2.786
New York	31.206	30.812	32.833	34.332	32.061	36.780
North Carolina	12.098	12.263	13.657	14.266	12.672	14.759
North Dakota	0.922	0.879	0.926	1.006	1.083	1.256
Ohio	16.643	16.487	18.272	17.309	14.979	20.251
Oklahoma	3.586	3.547	3.885	4.383	5.025	5.789
Oregon	4.815	4.747	5.451	5.111	4.533	6.901
Pennsylvania	14.985	15.662	15.685	16.812	15.281	19.208
Rhode Island	1.539	1.676	1.857	1.957	1.919	2.406
South Carolina	3.661	3.656	3.623	3.691	2.679	4.951
South Dakota	1.043	1.005	1.047	1.074	1.058	1.298
Tennessee	6.591	6.501	7.029	7.295	6.107	8.385
Texas	22.365	24.860	27.393	29.031	27.218	34.442
Utah	1.860	2.003	2.050	2.077	2.010	2.346
Vermont	0.568	0.568	0.606	0.588	0.341	0.530
Virginia	12.612	13.652	13.862	14.713	15.456	18.463
Washington	7.584	8.819	8.259	7.727	8.614	11.127
West Virginia	1.314	1.560	1.552	1.644	1.585	1.920
Wisconsin	6.772	8.197	8.994	9.023	7.971	11.883
Wyoming	0.576	0.514	0.509	0.504	0.453	0.457
District of Columbia	2.315	2.355	2.427	2.541	2.725	3.309
United States	374.6	390.0	420.2	441.8	419.0	524.0