



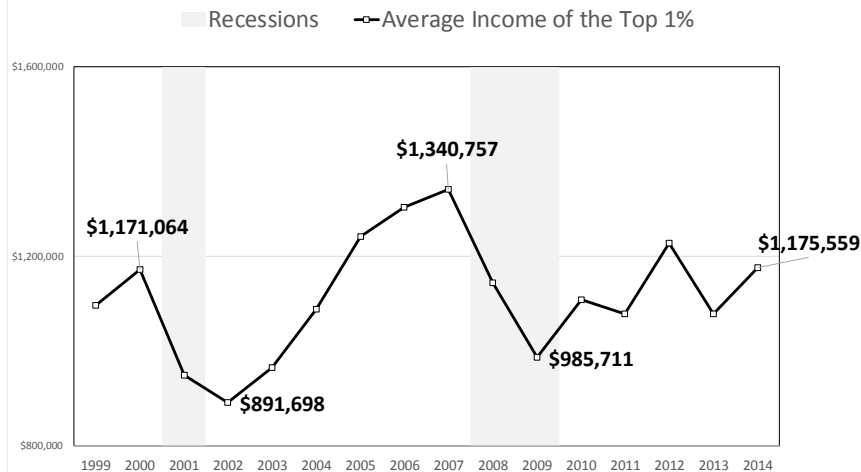
Pennsylvania Top Incomes 2014

By Mark Price & Estelle Sommeiller

Forthcoming in 2017 we will publish our annual comprehensive examination of the change in market incomes in 2014 for all Pennsylvania families based on data from the Internal Revenue Service (see our 2013 analysis <https://goo.gl/ZjzsXE>). This fact sheet provides a preview of that analysis by examining changes in Pennsylvania taxable income for the top 1% of taxpayers utilizing data published by the Pennsylvania Department of Revenue.

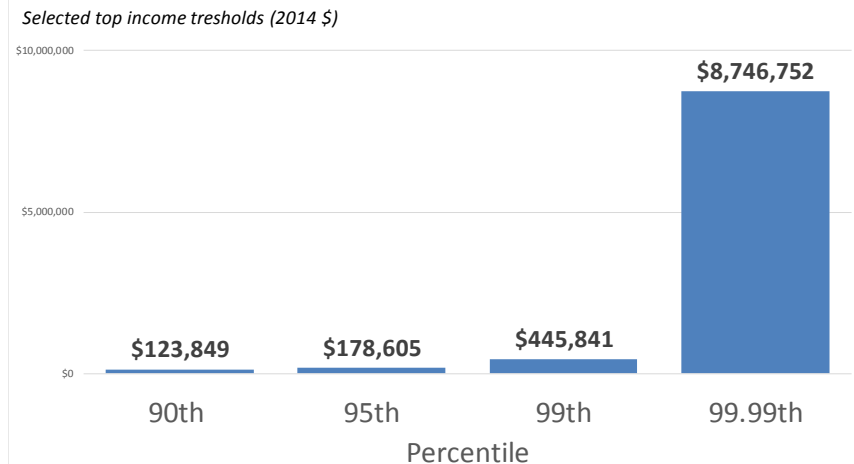
In 2014, the average income of the top 1% of Pennsylvania taxpayers rose 9% from 2013 to 2014. With an average income in 2014 of \$1,175,600, incomes for the highest earners are up 19% (an increase of \$189,800) from their 2009 levels.¹ In 2014 the threshold for entering the top 1% in Pennsylvania was \$445,841, up \$21,668 from 2013 (an increase of 5%). The upper middle class in Pennsylvania, taxpayers with incomes higher than the 90th percentile of \$123,849 but less than the 99th percentile of \$445,841 saw their incomes rise in 2014 by 3%, bringing their income gains since 2009 to 8% (see the 90th–95th and 95th–99th percentiles in Table 1 on the next page). Estimates of income growth for the bottom 90% of taxpayers in Pennsylvania are not yet available but national data (<https://goo.gl/FD8kOd>) current for 2014 and 2015 showed growth for this group.

Figure 1. The Average Income of the Top 1% of Taxpayers in Pennsylvania 1999 to 2014



Source: Keystone Research Center based on Pennsylvania Department of Revenue data

Figure 2. In 2014, to be in the top 1% of Pennsylvania Taxpayers required an income of \$445,841



Source: Keystone Research Center based on Pennsylvania Department of Revenue data

Table 1. Pennsylvania top income averages and thresholds at various percentiles (2014 \$)

Year	Top 10% (90th– 100th percentiles)	Top 5% (95th– 100th percentiles)	Top 1% (99th– 100th percentiles)	Top 0.01% (99.99th– 100th percentiles)		90th–95th percentiles	95th–99th percentiles		90th percentile	95th percentile	99th percentile	99.99th percentile	Number of taxpayers
	(1)	(2)	(3)	(6)		(7)	(8)		(12)	(13)	(12)	(13)	(14)
1999	267,734	400,467	1,096,923	21,016,261		134,999	226,360		116,258	161,261	390,412	8,166,819	5,764,500
2000	276,887	417,522	1,171,064	26,523,835		136,253	229,136		117,192	162,902	394,885	8,691,043	5,856,900
2001	248,756	364,129	948,320	17,660,090		133,386	218,080		115,038	158,575	363,798	6,982,158	5,826,300
2002	243,212	352,365	891,698	14,619,507		134,056	217,535		115,579	159,257	359,801	6,458,657	5,800,900
2003	253,211	370,688	964,095	16,887,016		135,740	222,335		116,826	161,652	373,213	7,182,235	5,775,100
2004	270,870	402,947	1,087,577	19,968,716		138,793	231,793		119,127	166,017	397,505	7,974,506	5,808,300
2005	289,132	438,672	1,242,444	25,872,340		139,586	237,735		119,302	167,859	416,371	10,032,411	5,883,700
2006	299,705	457,179	1,303,917	26,401,989		142,234	245,494		121,216	171,765	434,121	11,057,012	5,987,800
2007	306,216	468,544	1,340,757	28,275,153		143,882	250,494		122,352	174,078	444,145	11,305,612	6,127,500
2008	278,838	417,826	1,143,269	23,700,289		139,848	236,467		119,311	168,254	405,320	8,626,130	6,110,200
2009	260,829	382,114	985,711	18,165,235		139,547	231,216		119,224	167,329	386,050	6,939,666	5,994,400
2010	275,719	411,056	1,107,596	23,220,090		140,376	236,924		119,613	169,030	403,531	8,057,757	6,054,300
2011	272,987	405,957	1,077,412	20,066,759		140,015	238,093		119,093	169,000	407,206	7,926,849	6,113,700
2012	292,324	442,642	1,227,505	23,757,164		142,004	246,427		120,377	172,288	430,584	10,045,614	6,112,100
2013	278,786	413,849	1,077,428	19,009,937		143,722	247,957		121,649	174,444	424,173	7,555,191	6,141,000
2014	293,608	440,590	1,175,559	20,497,510		146,625	256,849		123,849	178,605	445,841	8,746,752	6,206,200

Source. Keystone Research Center based on Pennsylvania Department of Revenue data

¹ The income thresholds and averages reported here are estimated from the database of all tax returns by the Pennsylvania Department of Revenue. Our analysis of data from the Internal Revenue Service imputes (see the Appendix of <https://goo.gl/ZjzsXE> for details) thresholds and averages from published summaries of the number of taxpayers and total taxable income within ranges of income. Our imputations slightly understate top incomes in Pennsylvania.