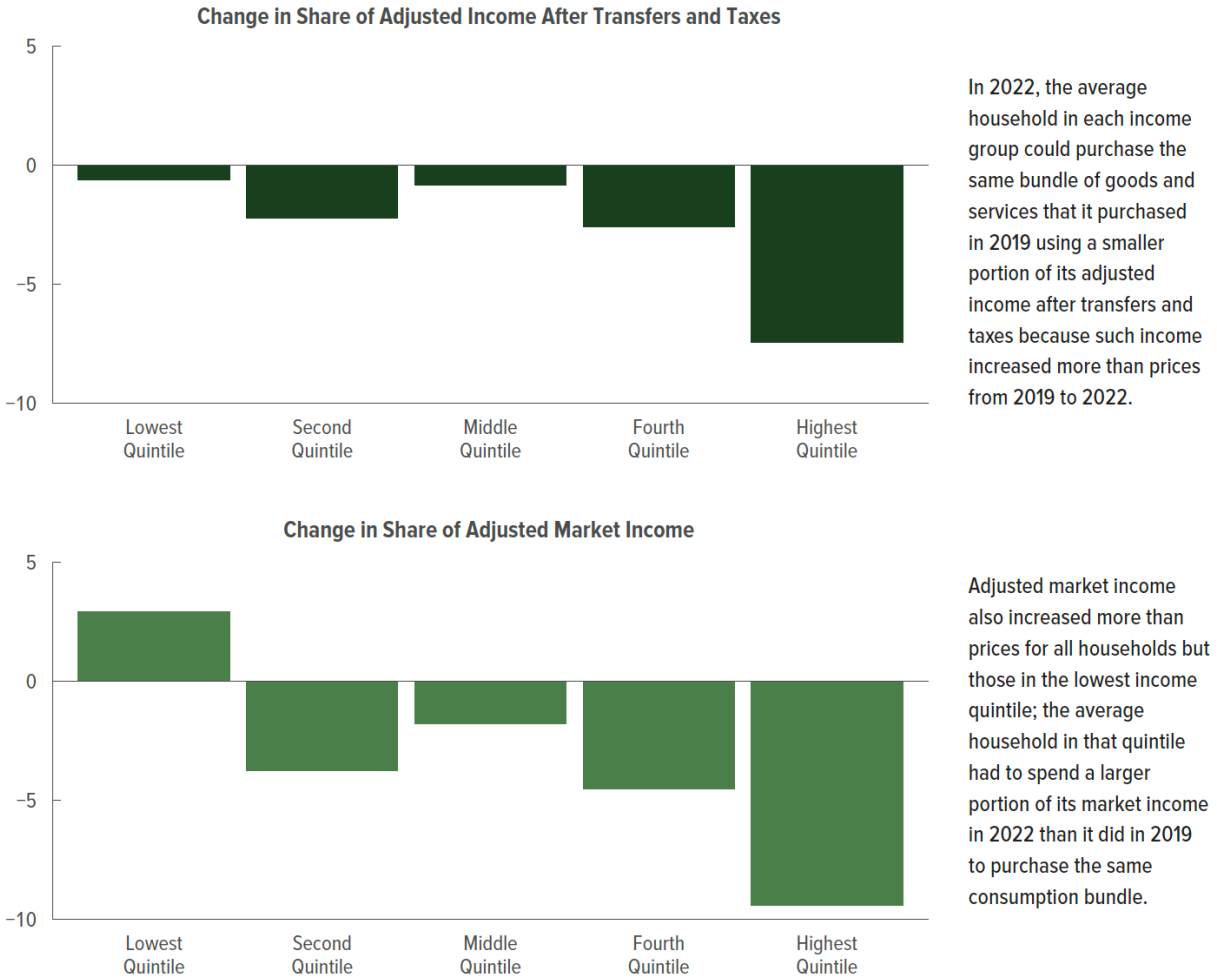


Figure 1.

Change Since 2019 in the Share of Income That Households Would Use to Purchase a 2019 Consumption Bundle, by Income Quintile

Percent



Data source: Congressional Budget Office. See www.cbo.gov/publication/58426#data.

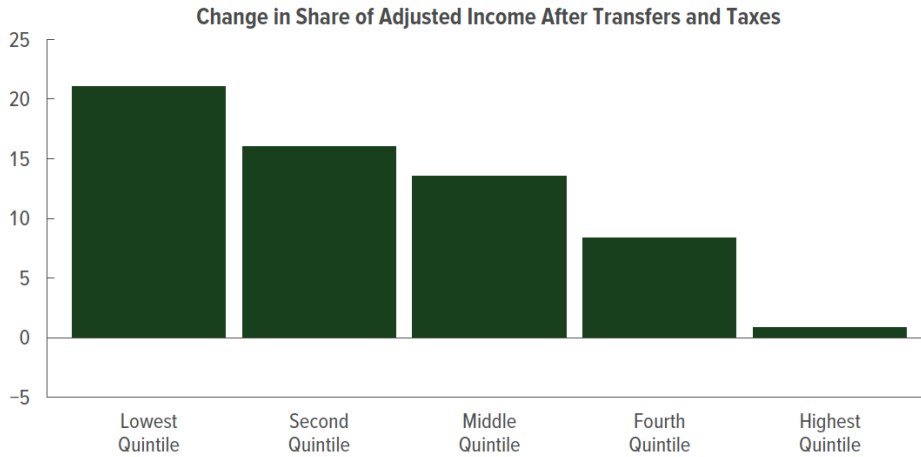
Market income consists of labor income, business income, capital income, and other nongovernmental income. Income after transfers and taxes accounts for additional factors such as cash payments from the government and income taxes. Both measures were adjusted to remove the cost of health care benefits that people receive: Adjusted market income does not include employers' cost for employment-based health insurance, and adjusted income after transfers and taxes does not include employers' cost for employment-based health insurance, the cost of Medicare or Medicaid benefits, or the premium tax credit.

Income groups were created by ranking households by income after transfers and taxes, adjusted for household size. Each quintile (fifth) contains approximately the same number of people. The lowest quintile does not include households with negative income.

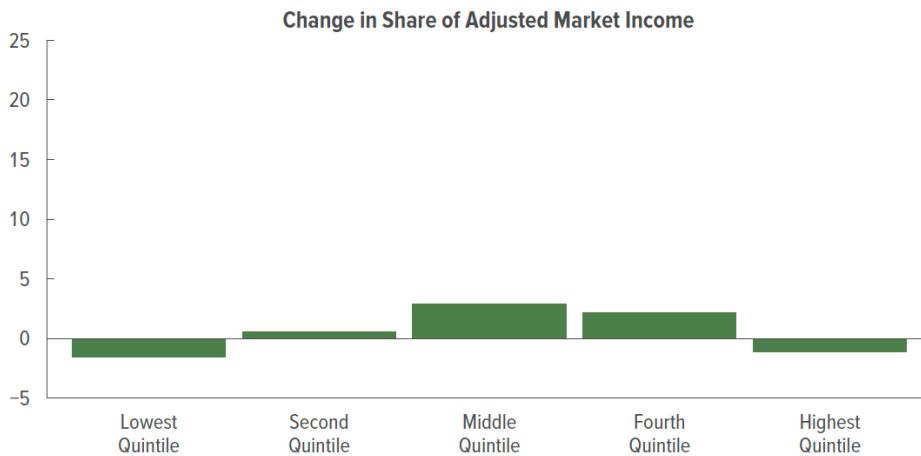
Figure 2.

Change in 2022 in the Share of Income That Households Would Use to Purchase a 2019 Consumption Bundle, by Income Quintile

Percent



For the average household in each quintile, purchasing the same bundle of goods and services required a larger share of its adjusted income after transfers and taxes in 2022 than it did in 2021. The increase was greater for households in lower income groups, primarily because temporary fiscal policies related to the coronavirus pandemic ended.



The share of adjusted market income required to purchase the same bundle changed by less than the share of adjusted income after transfers and taxes did from 2021 to 2022—increasing for the average household in some income quintiles and decreasing for the average household in others.

Data source: Congressional Budget Office. See www.cbo.gov/publication/58426#data.

Market income consists of labor income, business income, capital income, and other nongovernmental income. Income after transfers and taxes accounts for additional factors such as cash payments from the government and income taxes. Both measures were adjusted to remove the cost of health care benefits that people receive: Adjusted market income does not include employers' cost for employment-based health insurance, and adjusted income after transfers and taxes does not include employers' cost for employment-based health insurance, the cost of Medicare or Medicaid benefits, or the premium tax credit.

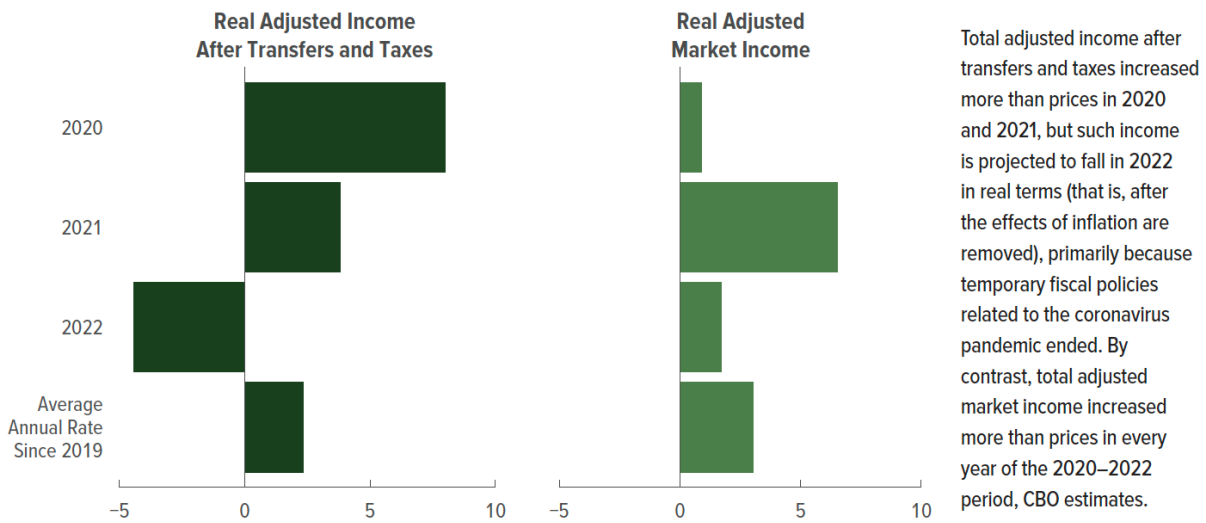
Income groups were created by ranking households by income after transfers and taxes, adjusted for household size. Each quintile (fifth) contains approximately the same number of people. The lowest quintile does not include households with negative income.



Figure 4.

Annual Growth in Real Household Income Since 2019

Percent



Data source: Congressional Budget Office. See www.cbo.gov/publication/58426#data.

Market income consists of labor income, business income, capital income, and other nongovernmental income. Income after transfers and taxes accounts for additional factors such as cash payments from the government and income taxes. Both measures were adjusted to remove the cost of health care benefits that people receive: Adjusted market income does not include employers' cost for employment-based health insurance, and adjusted income after transfers and taxes does not include employers' cost for employment-based health insurance, the cost of Medicare or Medicaid benefits, or the premium tax credit.

Real values for income were calculated by using the consumer price index for all urban consumers to adjust nominal values.