

## How Is Income Collected and Measured in the ACS?

The information on income and earnings presented in this report was collected between January and December 2006. People 15 years and older were asked about income for the previous 12-month period (the reference period), yielding a total time span covering 23 months. For example, data collected in January 2006 had a reference period from January 2005 to December 2005, while data collected in December 2006 had a reference period from December 2005 to November 2006.

All income was inflation-adjusted to reflect calendar year 2006 dollars. That is, the 12 different reference periods were adjusted to reflect a fixed reference period, in this case January 2006 through December 2006, using the Consumer Price Index (CPI). This adjustment took the sum of the 2006 CPI monthly indexes, divided by the sum of the CPI monthly indexes for the income reference period, and multiplied the result by the income.

Example: Consider a household surveyed in June of 2006 with a household income of \$40,000. The sum of the CPI monthly indexes for 2006 was 2,419.1. The sum of the CPI monthly indexes for the reference period for a June 2006 interview was 2,379.5. Dividing 2,419.1 by 2,379.5 creates an adjustment factor of 1.0166. Multiplying the reported household income of \$40,000 by this adjustment factor results in a 2006 inflation-adjusted household income of \$40,664.

For more information on income in the ACS and how it differs from the Current Population Survey Annual Social and Economic Supplement (CPS ASEC), which also collects information on income, visit [www.census.gov/hhes/www/income/factsheet081904.html](http://www.census.gov/hhes/www/income/factsheet081904.html) or [www.census.gov/hhes/www/poverty/acs\\_cpspovcompreport.pdf](http://www.census.gov/hhes/www/poverty/acs_cpspovcompreport.pdf).

For a comparison of median household income data from the ACS and the CPS ASEC, visit [www.census.gov/hhes/www/income/newguidance.html](http://www.census.gov/hhes/www/income/newguidance.html).

The ACS median household income in the United States for all households in 2006 was \$48,451.<sup>6</sup> As shown in Table 1, Asian households had the highest median household income (\$63,642) in 2006, followed by non-Hispanic White households (\$52,375), Native Hawaiian and Other Pacific Islander households (\$49,361), and Some Other Race<sup>7</sup> households (\$38,372). Each of these race groups had a higher median household income than American Indian and Alaska Native households (\$33,762). Black households (\$32,372) had the lowest median household income among the race groups. Median household income for Hispanic households was (\$38,747).<sup>8,9</sup>

<sup>6</sup> The estimates in this report (which may be shown in text, figures, and tables) are based on responses from a sample of the population and may differ from actual values because of sampling variability or other factors. As a result, apparent differences between the estimates for two or more groups may not be statistically significant. All comparative statements have undergone statistical testing and are significant at the 90-percent confidence level unless otherwise noted.

Table 1.  
**Median Household Income in the Past 12 Months by Race and Hispanic Origin: 2006**

(In 2006 inflation-adjusted dollars. Data are limited to the household population and exclude the population living in institutions, college dormitories, and other group quarters. For information on confidentiality protection, sampling error, nonsampling error, and definitions, see [www.census.gov/acs/www/](http://www.census.gov/acs/www/))

Race and Hispanic origin	Median household income (dollars)	
	Estimate	Margin of error <sup>1</sup> (±)
<b>All households</b> .....	<b>48,451</b>	<b>82</b>
White alone .....	51,429	69
White alone, not Hispanic .....	52,375	73
Black alone .....	32,372	155
American Indian and Alaska Native alone .....	33,762	659
Asian alone .....	63,642	652
Native Hawaiian and Other Pacific Islander alone .....	49,361	2,389
Some Other Race alone .....	38,372	349
Two or More Races .....	42,213	443
Hispanic (any race) .....	38,747	205

<sup>1</sup> Data are based on a sample and are subject to sampling variability. The margin of error is a measure of an estimate's variability. The larger the margin of error in relation to the size of the estimate, the less reliable the estimate. The margin of error is the estimated 90-percent confidence interval.

Source: U.S. Census Bureau, 2006 American Community Survey.

<sup>7</sup> "Some Other Race" was selected by respondents who did not identify with the five OMB race categories.

<sup>8</sup> The median household income of Hispanic households was not statistically different from the median household income of Some Other Race households.

<sup>9</sup> Because Hispanics may be any race, data for Hispanics overlap with data for racial groups.