

# Tennessee

## Income Inequality Grew in Tennessee Over the Past Two Decades

### Tennessee's Richest Families vs. Poorest Families

- The *richest* 20 percent of families have average incomes **8.1** times as large as the *poorest* 20 percent of families.
- This ratio was **6.5** in the late 1980s.
- This growth in income inequality is the **13th** largest in the nation.
- The very richest families — top 5% — have average incomes **13.9** times as large as the poorest 20 percent of families.

The gap between Tennessee's richest and poorest families is **5th** largest in the nation.

### Tennessee's Richest Families vs. Families in the Middle

- The *richest* 20 percent of families have average incomes **2.6** times as large as the *middle* 20 percent of families.
- This ratio was **2.3** in the late 1980s.

The gap between Tennessee's richest families and families in the middle is **15th** largest in the nation.

### Gains for Rich Families Outpaced Gains for Poor Families

Between the late 1980s and the mid-2000s:

- The average income of the *poorest* fifth of families did not change significantly.
- The average income of the *middle* fifth of families increased by **\$6,613**, from \$37,054 to \$43,667. This is an increase of \$389 per year.
- The average income of the *richest* fifth of families increased by **\$27,638**, from \$86,758 to \$114,396. This is an increase of \$1,626 per year.

