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## Income Bracket Highlights

[Table 2 U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, 2004 Cash Contributions by Income Level](#)

[Table 3 U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, 2004 Cash Contributions by Higher Income Level](#)

- Did people in different income brackets focus on different contribution categories?

In every income bracket, cash contributions to "church, religious organizations" were highest, whether measured in dollars or as a portion of after-tax income.

- Did very high income people have the same distribution of cash contributions as other income brackets?

Cash contributions to "churches, religious organizations" was the highest category for the \$150,000 and over bracket, as it was for each of the other income brackets. However, the \$150,000 and over bracket posted the highest portion of income to "charities and other organizations" and "educational institutions" of any income bracket in this analysis.

- Can the Consumer Expenditure Survey data be compared across income brackets?

One analysis that may be of interest is a comparison of cash contribution among different income brackets.

However, it should be noted that CE Survey lower income brackets, which for purposes of this analysis would range from \$5,000 through \$29,999, report higher expenses than income. The CE survey observes:

Data users may notice that average annual expenditures presented in the income tables sometimes exceed income before taxes for the lower income groups. The primary reason for that is believed to be the underreporting of income by respondents, a problem common to most household surveys<sup>5</sup>

There are other reasons why expenditures exceed income for the lower income groups. Consumer units whose members experience a spell of unemployment may draw on their savings to maintain their expenditures. Self-employed consumers may experience business losses that result in low or even negative incomes, but are able to maintain their expenditures by borrowing or relying on savings. Students may get by on loans while they are in school, and retirees may rely on savings and investments.<sup>1</sup>

To the extent that income is proportionately underreported across all income levels, but is more evident in lower income brackets, then comparisons across income brackets may be informative on an exploratory basis.

In light of this caveat, it may be observed that consumer units in the "\$10,000 to \$14,999" and "\$15,000 to \$19,999" income brackets reported a higher portion of after-tax income, charitable cash contributions than did those in other income brackets.

**Table 2: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, 2004 Cash Contributions by Income Level**

Item	All consumer units	\$5,000 to \$9,999	\$10,000 to \$14,999	\$15,000 to \$19,999	\$20,000 to \$29,999	\$30,000 to \$39,999	\$40,000 to \$49,999	\$50,000 to \$69,999
Number of consumer units (in thousands)	116,282	7,218	8,950	8,177	14,172	13,125	11,374	18,069
Consumer unit characteristics:								
Income after taxes	\$52,287	\$7,800	\$12,619	\$17,480	\$24,298	\$34,199	\$43,689	\$57,122
<b>Average Annual Expenditures</b>								
<b>Cash Contributions</b>								
Cash contributions to:								

charities and other organizations	\$157.51	\$14.98	\$26.95	\$39.28	\$62.94	\$59.09	\$63.00	\$105.38
church, religious organizations	565.11	112.52	222.35	287.67	324.53	384.81	466.91	641.64
educational institutions	46.06	0.93	1.79	11.29	7.36	10.26	11.41	9.10
Gifts to non-CU members of stocks, bonds, and mutual funds	24.97	0.15	36.11	4.70	1.72	14.96	70.78	31.24
Total (calculated)	\$793.65	\$128.58	\$287.20	\$342.94	\$396.55	\$469.12	\$612.10	\$787.36
<b>Calculated:</b>								
<b>% of Income after Taxes</b>								
Cash contributions to:								
charities and other organizations	0.30%	0.19%	0.21%	0.22%	0.26%	0.17%	0.14%	0.18%
church, religious organizations	1.08%	1.44%	1.76%	1.65%	1.34%	1.13%	1.07%	1.12%
educational institutions	0.09%	0.01%	0.01%	0.06%	0.03%	0.03%	0.03%	0.02%
Gifts to non-CU members of stocks, bonds, and mutual funds	0.05%	0.00%	0.29%	0.03%	0.01%	0.04%	0.16%	0.05%
Total	1.5%	1.6%	2.3%	2.0%	1.6%	1.4%	1.4%	1.4%

Details in the above table may not compute to the numbers shown due to rounding.

Source: empty tomb, inc. 2006 analysis of U.S. Bureau of Labor Statistics CE Survey, 2004

**Table 3: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, 2004 Cash Contributions by Higher Income Level**

Item	All consumer units	\$70,000 to \$79,999	\$80,000 to \$99,999	\$100,000 to \$119,999	\$120,000 to \$149,999	\$150,000 and more
Number of consumer units (in thousands)	116,282	6,461	9,246	5,625	4,245	5,067
Consumer unit characteristics:						
Income after taxes	\$52,287	\$72,236	\$84,884	\$103,801	\$124,273	\$212,610
<b>Average Annual Expenditures</b>						
<b>Cash Contributions</b>						
Cash contributions to:						
charities and other organizations	\$157.51	\$156.40	\$163.40	\$258.90	\$330.10	\$1,553.19
church, religious organizations	565.11	695.64	919.20	1,130.03	1,090.94	1,874.75
educational institutions	46.06	29.73	42.43	62.05	103.97	654.62
Gifts to non-CU members of stocks, bonds, and mutual funds	24.97	15.60	19.40	54.01	22.95	53.25
Total (calculated)	\$793.65	\$897.37	\$1,144.43	\$1,504.99	\$1,547.96	\$4,135.81
<b>Calculated:</b>						
<b>% of Income after Taxes</b>						
Cash contributions to:						
charities and other organizations	0.30%	0.22%	0.19%	0.25%	0.27%	0.73%
church, religious organizations	1.08%	0.96%	1.08%	1.09%	0.88%	0.88%
educational institutions	0.09%	0.04%	0.05%	0.06%	0.08%	0.31%
Gifts to non-CU members of stocks, bonds, and mutual funds	0.05%	0.02%	0.02%	0.05%	0.02%	0.03%
Total	1.5%	1.2%	1.3%	1.4%	1.2%	1.9%

Details in the above table may not compute to the numbers shown due to rounding.

Source: empty tomb, inc. 2006 analysis of U.S. Bureau of Labor Statistics CE Survey, 2004

<sup>1</sup> Consumer Expenditure Survey "Frequently Asked Questions"; U.S. Department of Labor, U.S. Bureau of Labor Statistics, Consumer Expenditure Surveys, Branch of Information and Analysis; Last Modified Date: March 17, 2005; <http://www.bls.gov/cex/csxfqs.htm>; p. 7 of 5/28/05 10:32 AM printout.