

New report shows Americans earning less

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A new government report shows that [American salaries fell in 2005](#) for the fifth straight year in a row. During 2005 the average income for American workers came out to be \$55,238, which is roughly 1% less than the 2000 national average of \$55,714.



For those of us that were born in a post World War II world, this is definitely a trend that we are not used to seeing. Since the end of WWII, there was only one year on record where the average income of Americans fell. But that all changed in 2001 which started the five-year slide between 2001 and 2005.

While the national average was lower in 2005 than it was in 2000, the total incomes of all Americans did rise during the period but so did the actual number of people working, which led to the lower average.

What helped to lift the total income was the increase in the number of people who earn in excess of \$1 million. This demographic of taxpayers grew over 26% between 2000, when there were 239,685 tax payers above the million mark, to 303,817 in 2005.



Most Americans however, are still bringing home far less than a million a year. According to the data, almost 50% of people are making under \$30,000 a year and two-thirds of all workers report incomes under the \$50,000 mark.

The article also discussed another touchy subject.... who exactly has benefited from tax cuts initiated under President George Bush. There are always going to be some that say that Bush has set up his tax cuts to favor the rich, while others (usually the rich) will argue that this is just nonsense.

Well... now we have some actual data:

Taxpayers that earn over \$1 million a year received 62% of the savings from the reduced tax rates on long-term capital gains and dividends President Bush signed in 2003. Of the 134 million taxpayers, only 11,433 of these workers pulled in more than \$10 million, but received 28% of the investment tax cut savings. The 90% of Americans that earn less than \$100,000 a year received only 5.3% of the total savings

According to a poll taken by AOL, AOL users report that (as of the time of this post) 49% are making more than they were in 2000, 38% are making less, and 13% are roughly unchanged.

What about you? We want to hear from our *Bloggingstocks* readers. What is your experience in

this? Are you bringing home more, less, or about the same?

[Michael Fowlkes](#) has worked as a stock trader for seven years and spent the last two years working as an analyst for the online investment advisory service [Investor's Observer](#).

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