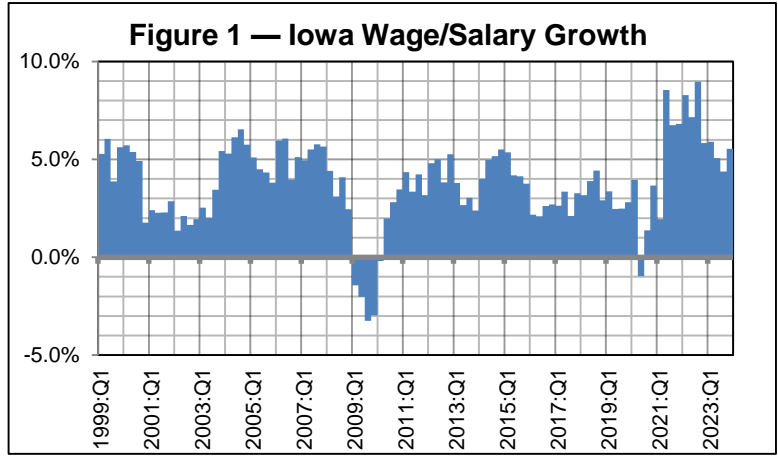


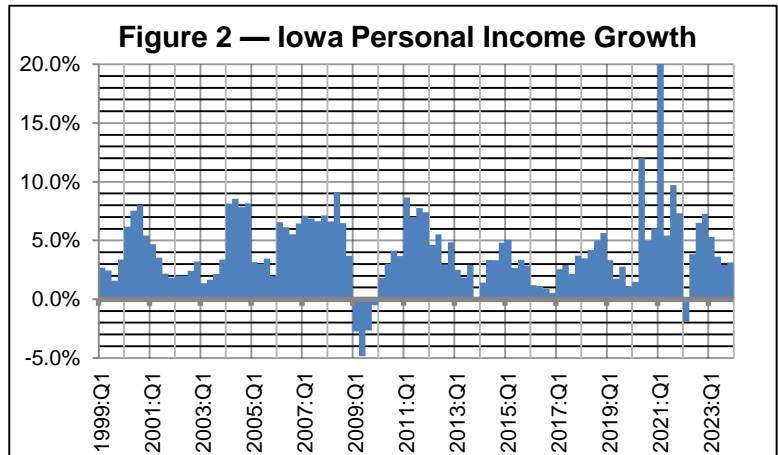
# IOWA PERSONAL INCOME AND WAGE/SALARY INCOME

**Overview.** Personal income includes wage and salary income and income earned through the operation of farms and other businesses, rent, interest, dividends, and government transfer income (Social Security, unemployment insurance, etc.).

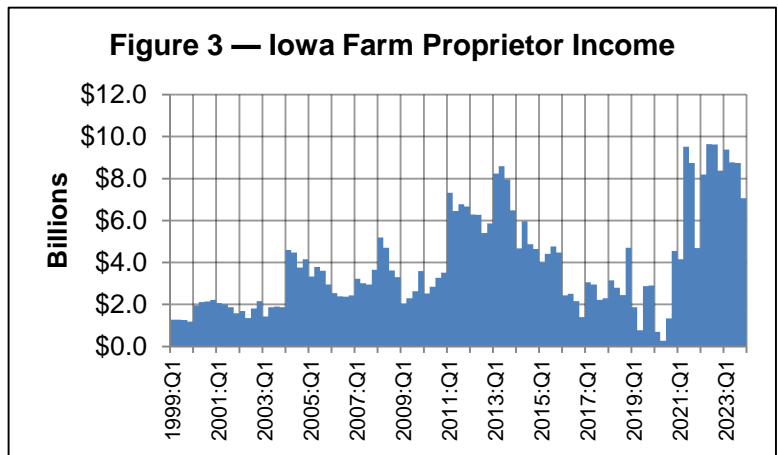
**Iowa Wage and Salary Growth.** Wage and salary income is a component of overall personal income. Over time, Iowa wage and salary income equals about 50.0% of total personal income. Wage and salary income is not as volatile as overall personal income. Since the end of the December 2007 U.S. recession in June 2009, annual Iowa wage and salary income growth has averaged about 3.7%. For the fourth quarter of calendar year (CY) 2023, wage and salary income increased 1.2% compared to the third quarter of CY 2023 and increased 5.5% compared to the same quarter in CY 2022.



**Iowa Personal Income Growth.** For the fourth quarter of CY 2023, personal income increased 0.2% compared to the third quarter of CY 2023 and increased 3.1% since the fourth quarter of CY 2022. Personal income growth may be volatile over time, as is evident in **Figure 2**. In addition to quarterly volatility, reported personal income for Iowa suffers from significant revisions, usually related to changes in estimated farm proprietor income.



**Farm Proprietor Income.** From CY 2012 to CY 2021, overall personal income grew slower than Iowa wage and salary income due to the decline in Iowa farm proprietor income. That income category declined significantly after reaching a high in CY 2013, reflecting a decline in grain prices during that time period. In the most recent quarter, Iowa farm proprietor income produced an annualized estimate of \$8.490 billion, a decrease of 19.2% from the third quarter of CY 2023 and a decrease of 15.7% since the fourth quarter of CY 2022. At its peak in the fourth quarter of CY 2013, farm proprietor income equaled 5.9% of Iowa personal income. For the most recent quarter, that percentage was 4.2%.



**Recession.** The National Bureau of Economic Research declared that the U.S. entered a recession in February 2020 that ended in April 2020. While COVID-19 and the recession had an early negative impact on wages and salaries, federal stimulus and support programs provided a positive impact on personal income and wages. Since the end of the 2020 recession, wage and salary growth as well as farm proprietor income have been higher than average.

**More Data.** Additional information can be found on the Legislative Services Agency's [Economic Trends webpage](#), which includes links to source sites and the underlying data for each Economic Trends indicator.