

Wealth

How Much Income You Need to Crack America's Richest 1%

A new study used IRS data to determine what it takes to be among the wealthiest households in the US.



Photographer: Sanjit Das/Bloomberg

By [Paulina Cachero](#)

July 13, 2023 at 9:00 AM EDT



This article is for **subscribers only**.

It now takes more than \$650,000 a year to be among the top 1% of wealthiest households in the US. And you need much more than that in Connecticut, New York and New Jersey.

That's according to a new study from financial information provider SmartAsset, which ranked states by the income threshold required to join the ultra-wealthy. The firm found that households earning about \$953,000 annually before taxes are in the top 1% in Connecticut, making it one of two states, along with Massachusetts, where it requires more than \$900,000 to make the list.

New Jersey, meanwhile, was fourth on the list at \$817,000, higher than its neighbor New York. In fact, while the money required to make the 1% rose in most states compared with 2022, New York was stagnant at about \$777,000.

What it Takes to Join the Top 1%

The annual income required to make the list is highest in these states

Rank	State	Income Threshold for Top 1%	Top 1% Tax Rate
1	Connecticut	\$952,902	28.4%
2	Massachusetts	903,401	27.1
3	California	844,266	26.9
4	New Jersey	817,346	28.0
5	Washington	804,853	26.0
6	New York	776,662	28.3
7	Colorado	709,092	25.9
8	Florida	694,987	25.8
9	Illinois	660,810	26.4
10	New Hampshire	659,037	26.3

Source: SmartAsset

Note: Figures based on 2020 IRS data adjusted to May 2023 dollars

“It’s easier to get into the 1% in New York than it ever has been,” said Jaclyn DeJohn, SmartAsset’s managing editor of economic analysis.

The income thresholds for the top 1% in various states shift based on a number of factors, including the migration of high-earners, changes in income and how taxes were filed, DeJohn noted.

For the study, SmartAsset analyzed 2020 data from the IRS for individual tax filers and adjusted those figures to May 2023 dollars using the Consumer Price Index.

The report noted that, according to the Congressional Budget Office, the top 1% of US households hold more than a third of the country's wealth.

– *With assistance from Jo Constantz*



 Save

Contact us:

Provide news feedback or report an error

Site feedback:

Take our Survey 

Confidential tip?

Send a tip to our reporters

Before it's here, it's on the **Bloomberg Terminal**

©2025 Bloomberg L.P. All Rights Reserved.
