



Fast Facts from EBRI

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FFE #17, Feb. 7, 2006

Sources of Income of Elderly Population Vary Widely

WASHINGTON—What is the largest source of income for Americans age 65 and older?

For this question, averages can be misleading, because there are large differences in the sources of income for *all* Americans age 65 and older, compared with those in the *lowest* and *highest* income quartiles. A study by the nonpartisan Employee Benefit Research Institute (EBRI) shows Social Security is the largest income source for all elderly Americans (especially so for those with low incomes), while earnings and pension/annuity income are most important for those in the highest brackets.

Here is the breakdown:

All Americans Age 65 and Older in 2004

- Social Security: 41.8 percent
- Pensions and retirement plan income: 20.8 percent
- Income from assets: 12.8 percent
- Income from earnings: 22.7 percent
- Other: 1.8 percent

Lowest Income Quartile (\$7,507 or less in 2004)

- Social Security: 91.8 percent
- Pensions and annuities: 0.5 percent
- Income from assets: 3.0 percent
- Income from earnings: 1.9 percent
- Other: 2.7 percent

Highest Income Quartile (\$30,604 or more in 2004)

- Social Security: 19.6 percent
- Pensions and annuities: 25.5 percent
- Income from assets: 17.5 percent
- Income from earnings: 35.7 percent
- Other: 1.7 percent

The full study is published in the January 2006 *EBRI Notes*, and is available on the Web at www.ebri.org.

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