

Which State Has the Wealthiest 1%?

The wealth gap between states is enormous.

Much has been made of the rapidly increasing American wealth gap. Currently, the top 1% of families hold over a third of the total wealth in the U.S. according to a Congressional Budget Office report from 2022. The bottom 50% of households, meanwhile, control just 2% of total wealth.

But what does it take to be considered part of the 1%? Nationally, households must make \$652,657 to make the cut. Notably, that's more than eight times as much as the median household, which sits around \$75,000. However, that threshold varies wildly when broken down state by state, ranging from as much as \$953,000 to as little as \$368,000.

[SmartAsset analyzed data](#) from the IRS and Bureau of Labor Statistics to determine the minimum income required to be among the top 1% of earners in each state. Connecticut seized the top spot, followed by Massachusetts and California. New York, somewhat surprisingly, sits down at No. 6. On the other end of the spectrum, southern states seem to have the least exclusive 1 percents, with six of the 10 bottom states located in the southeast. Interestingly, if Washington DC were a state, it would rank No. 1 overall the study by a not insubstantial margin, with an annual income threshold of \$1,013,698.

California ranks third with the top 1% having a minimum annual income of \$844,266 and have an average federal tax rate of 26.95%.