



# How much do I need to make to be in the top 1%, 5%, and 10% in the US? It's probably less than you think

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When you think of the top 1% of American earners, the first people who might come to mind are likely well-known investors and entrepreneurs like [Warren Buffett](#) and Bill Gates.

These billionaires make so much money they hardly know what to do with it. Even if they gave away \$20 a second, they'd be at it for 578 days.

And that's just to get rid of the first \$1 billion.

But it might surprise you to learn that those ultra-wealthy Americans make up just 0.001% of the population. You only really need a fraction of their wealth to fall into the top 10%, 5% or even 1% of American earners.

## The top 10%

Landing in the top 10% is a fairly attainable goal for upwardly mobile Americans. A study by the Economic Policy Institute (EPI) found that the average earnings of those in the top 10% were roughly \$173,000 in 2020.

As the latest available data reflects the household's top wage earner, you're looking at quite a jump from Americans in the first 90%, who according to the EPI earned an average of \$40,000 in 2020.

There's also a significant jump between the bottom and the top of 10% earners. Those in the bottom half made about \$133,500 in 2020, where those in the top half pulled in \$223,000.

There is another side to this, though. Studies also show that while it may take less to fall into a top percent bracket, wage gaps overall are [only getting worse](#), especially as they fail to keep up with inflation — making

advancing your family's status less attainable for middle-class hopefuls these days.

## **From the top 5% to the top 1%**

Salaries start to jump significantly the closer you get to the top 1%. You'll start to see dramatic shifts in the top 5%, where the EPI found the average earners significantly increased to \$343,000 in 2020, up from \$324,000 the year before.

While that's certainly a lot, there's a growing trend of even more cash flowing to — flooding even — those at the top of the heap.

What about, say, the top 1%?

Their wages jumped an astounding 20% between 2009 and 2019, and they pulled down \$824,000 in 2020, up 7% from the previous year. That well beat out inflation over the same period, which clocked in at 1.4%.

Bear in mind that cost-of-living numbers mean the top 5% and 1% pan out differently depending on where you hang your silk hat. According to a 2022 study by SmartAsset, the top 1% in Connecticut makes about \$896,490, whereas in Tennessee you'd only need around half that much (\$492,583).

While the income of the top 1% varies, Forbes reported in 2022 that the bracket's minimum net worth is much higher — a cool \$11.1 million.

## **Where does this leave the average American?**

Pew Research Center statistics show that for middle class Americans, average incomes jumped from \$74,000 in 2010 to about \$78,500 in 2016. Today, that figure sits at \$90,000.

And sadly, that larger number doesn't have as much buying power as the 2010 figure did at the time.

Because here's the kicker: While salaries may have headed up, [so has inflation](#). So even if you're an American [making the average wage](#), it's quite likely you're feeling the pressure to pinch pennies.

There's one metric, though, where top percentages of another sort are attainable for all: that is, how your income stacks up against job satisfaction and happiness at home.

Sure, it won't necessarily buy you a yacht (or even a rowboat). But finding a way to balance the two is likely a more direct path to "true" wealth.

## **Get expert financial advice**

Setting yourself up for a comfortable retirement is nerve-racking — no matter how much you make. That's especially true with inflation still hot and potential recession peeking around the corner.

One solution to help you sleep better: Find a financial adviser who can help navigate your finances and make sure your assets are safeguarded.