United States

Sources:
Jain 1975
Sawyer 1976, Table 4 and 6
Paukert 1973, Table 6 p.104-105
Jain 1975
Cromwell 1977, Table 1
Levy and Murnane 1992, Table 2
Atkinson, Rainwater and Smeeding 1995b (based on LIS-data)
Smeeding and Gottschalk 1995 (based on LIS-data)
Brandolini 1998, Table 1A
US Census Bureau web
Luxembourg Income Study (for more information please look at
http://www.lisproject.org/techdoc/us/usindex.htm)

Surveys:
Current Population Survey 1944-2003
The survey is conducted by the US Bureau of the Census. The sample is a probability sample, designed primarily to produce national and state estimates of labour force characteristics. It consists of independent samples with differing designs in each state and the District of Columbia. The sample is a multistage stratified sample of approximately 56000 (1994) household units. Each month, interviewers collect data from the sample housing units. A housing unit is interviewed for 4 consecutive months and then dropped out of the sample for the next 8 months and is brought back in the following 4 months. In all, a housing unit is interviewed 8 times. Households are rotated in and out of the sample in a way that improves the accuracy of the month-to-month and year-to-year change estimates. Results are weighted with the help of auxiliary information obtained from census data and statistics on birth, deaths, immigration and emigration. The March survey contains supplementary questions on income sources and labour market history for the previous calendar year. Information for all household members is typically provided by a single respondent within each household. The data are top-coded to preserve confidentiality.

The survey design has undergone changes several times but the changes have been done with care to minimize comparability problems. The number of income questions has varied over the years. In 1967 they were eight, in 1975 eleven, in 1980 a revised version was fully implemented with more than 50 sources of income and the recording of 27 different amounts. Also the data editing and imputations methods have improved over the years. In 1985, a new weighting procedure for the Hispanic population was developed. In 1994 computer assisted interviews were implemented. This eliminated a lot of errors and has an impact on the comparability. The sample size has varied between 45000 and 65500 households.

The basic income concept used in the CPS is monetary gross income including the following items: earnings, unemployment compensation, workers' compensation, social security, supplemental security income, public assistance, veterans' payment, survivors benefits, disability benefits, pension or retirement income, interest, dividends, rents, royalties, estates and trust, educational assistance, alimony, child support, financial assistance from outside the household and other income. Capital gains are excluded.

The estimates from the US Census Bureau are based on the basic income concept used in the survey. From 1979, estimates using disposable income inclusive of non-cash benefits and capital gains are reported by Brandolini (1998). The estimates for families and unrelated individuals had to be estimated from grouped data before 1967. These estimates are reported by Brandolini (1998) and are based on Budd (1970) who estimated the income distribution for families and unrelated individuals assuming interval means equal to the actual means in 1964 and a polynomial distribution within intervals except for a Gini distribution fitted in the top interval. In Sawyer (1976), the post-tax distribution has been estimated by applying the average tax rates by income class. In Levy and Murnane (1992) gross earnings are used for persons 16 years and older.

The difference between *households* and *families + unrelated individuals* is that *households* consists of all the persons who occupy a house, an apartment, or other group of rooms, or a room, which constitutes a housing unit whereas *families + unrelated individuals* must be maintained by a *family* which is defined as a group of two persons or more residing together and related by birth, marriage, or adoption. It may include any unrelated persons who may be residing there. The number of *families + unrelated individuals* (also called family households) is thereby equal to the number of *families*.