

Income Across the USA - What Does It Take To Be In The Top 5%? Top 1%?

As the income of the GYFG household has continued to grow, being the data-obsessed fellow that I am, I started to wonder where we ranked against other earners across the United States. Most people benchmark their investment returns, so why not benchmark our income?

Lucky for us, the [NY Times has made this extremely easy with the interactive tool](#) they created (based on data from 2012, a little dated, but should be close enough).

(Sidebar: I continue to believe that we live in the best time in history for making money. It has never been easier. **THE INTERNET HAS CHANGED EVERYTHING!!!** Although I recognize that inequalities still exist, the entry barrier to earning big has never been so low, nor has the playing field ever been so level.)

So...what triggered my curiosity in top incomes across America, you might ask?

Well, as I reflect back on 2016, and really the past eight years, it's almost shocking to think about how far we have come in a relatively short period of time (considering we likely still have decades of life ahead of us). My wife and I graduated college in 2008, in the middle of the worst financial recession our generation has ever witnessed.

We came out of school earning a combined income of about \$90,000. At the time this seemed like an incredible sum of money, and to be fair, to most people this is *still* a lot of money (and I do mean **a lot**, as 50% of American households are making \$50,000 or less). I didn't realize this at the time, but based on the stats from the graphic below, our straight-out-of-college number put us in the top 25% of household incomes across the USA (really???).

Then....just eight years later it's even more mind-boggling...

Our income for [2016 finished the year out at \\$340,000](#). As you can see from the

graphic below, this puts us in the top 2% of household incomes in all of the USA.

Take a moment to absorb the graphic below to see where your household income falls. Jot that down. Then right next to it or right below it, jot down where you would like to be.

United States

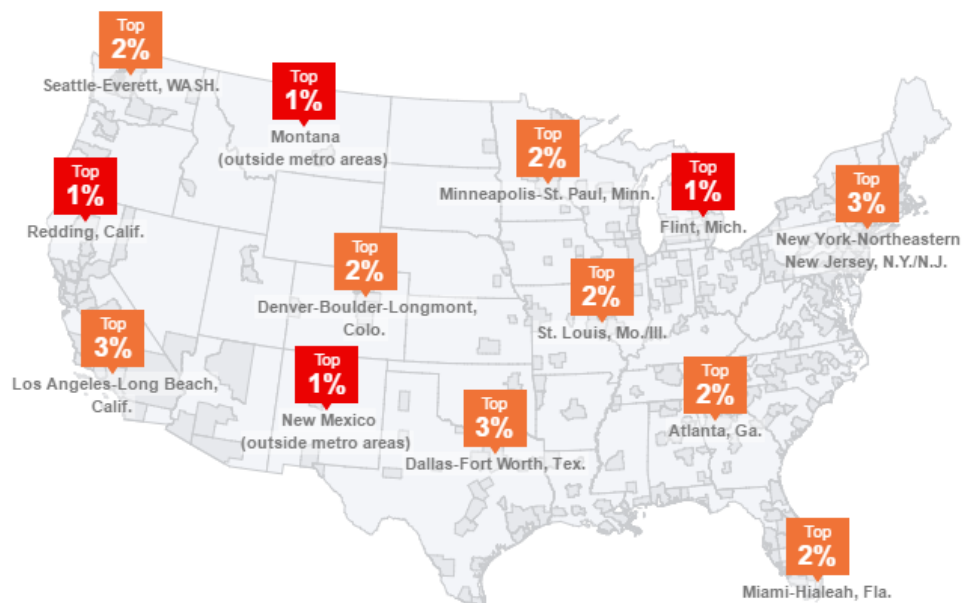
A household income of \$339,000 places you in the

Top 2%

of people who live there.

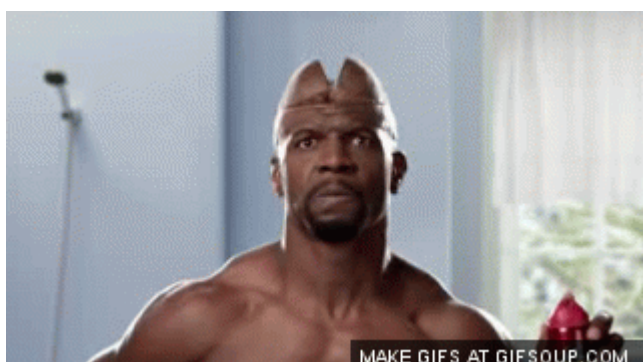
INCOME REQUIRED TO BE IN THE:

TOP 1%	\$383,001
TOP 5%	188,001
TOP 10%	140,001
TOP 25%	89,125
TOP HALF	50,742
BOTTOM 25%	25,411
BOTTOM 10%	12,154



To be honest, I had no idea where our income would fall when ranked against the entire USA, but I sure didn't think we would be in the top 5% (yet!!!). However, not only are we in the top 5%, but we are within arm's length from the top 1%.

This is truly mind blowing!!!




The next question that pops into my head as I absorb this reality is “**how did we**

get here so fast?"

What did we do to get here? And more importantly, what can you do to get where you want to go?

My hope is that by sharing this stream of consciousness below, you will be able to use some of these factors as tools in advancing your own income.

1. We worked our asses off ([long hours](#), while our friends were out at happy hour). I was not born innately gifted, but I realized early on that most people were lazy, and that I could outwork all of my peers (even the gifted ones).
2. We asked for more money every opportunity we could (even after a raise, we never settled for 3% adjustments). **The reality is that those who ask for more money, make more money.**
3. We made some strategic jumps from one employer to another. Sometimes you have to jump employers to extract your true value from the market place. You need to be careful with this one though and be very strategic in your moves (otherwise it could backfire on you).
4. We invested in ourselves (you have to be a perpetual student).
5. We helped others get what they wanted, and in the end we always got what we wanted. **This is a Universal Law that just works!**
6. We set goals and crushed them (we under-promised, and over-delivered).
7. We found great mentors (people that already were where we wanted to be).
8. We said **YES** to just about any request (you have to early in your career).
9. We obtained a rare and valuable skill set in the market place (you need to be marketable).
10. We marketed ourselves within our respective organizations (you need to be able to market yourself).
11. We were proactive in defining success with our managers (get expectations for advancement in writing).
12. We leveraged the power of compounding and lived by the code of [The Slight Edge](#)  (the book that changed our lives).
13. We realized that if we were willing to live our life like most won't, that we could live the rest of our lives like most can't.
14. We found creative ways to increase our income outside of our day jobs, more popularly known as the "[Side Hustle](#)." Not only did this allow us to continue growing our income, but it also helped us develop new skills that we could deploy at work, that once again made us more valuable (so then we asked for more money).

15. We also got **LUCKY**. But not in the lottery sense of luck. Rather in the sense of being prepared for that unpredictable moment when opportunity comes knocking: luck is what happens when preparation meets opportunity (see #4).
16. We were willing to live outside of our comfort zone and disrupt the status quo. We convinced management to value grey matter over grey hair.
17. We learned very early on to place a dollar value on our big accomplishments within an organization. When you can show management that you just saved them \$250,000 it's pretty hard for them not to give you your \$25,000 raise. Quantify everything you do in terms of impact to the bottom line of the company. The goal is to deliver 10X your compensation.

There may be a few other important things to remember that I am missing, but for the most part I think I have captured the most valuable. Do these 17, and you will be far and above any competition. You can [see the trajectory of my career income here](#) (I give my job and salary history from 2003 through early 2016; as of 2017 my income has jumped to \$175,000 plus a \$90,000 bonus). Or you can even check out the [trajectory of the earnings for the GYFG household here](#).

(Update: Our household income is projected to finish 2018 at \$450,000+, which certainly puts us in the top 1%)

Have you found any of the 17 items listed above useful in increasing your own income? Any items I left off that have been critical in increasing your own income? Do you need any clarification on any of the 17 items?

- Gen Y Finance Guy



Gen Y Finance Guy

Hey, I'm Dom - the man behind the cartoon. You'll notice that I sign off as "Gen Y Finance Guy" on all my posts, due to the fact that I write this blog anonymously (at least for now). I like to think of myself as the *Chief Freedom Officer* here of my little

corner of the internet. In the real world, I'm a 30-something former C-Suite executive turned entrepreneur turned capital allocator. I am trying to humanize finance by sharing my own journey to Financial Freedom. I believe in total *honesty* and *transparency*. That is why before I ever started blogging, I decided that I would share all of my own [financial stats](#). I do this not to brag, but instead to inspire motivate, and also to hold myself accountable. My goal is to be a beacon of hope, motivation, and inspiration for *you*, the reader, by living life by example and sharing it **all** here on the blog. My sincere hope is that you will be able to learn from me - both from my successes and my failures! [Read More](#)