

Median Household Income Underperformance Selected Washington Region Jurisdictions from 1997 to 2023

February 28th, 2025

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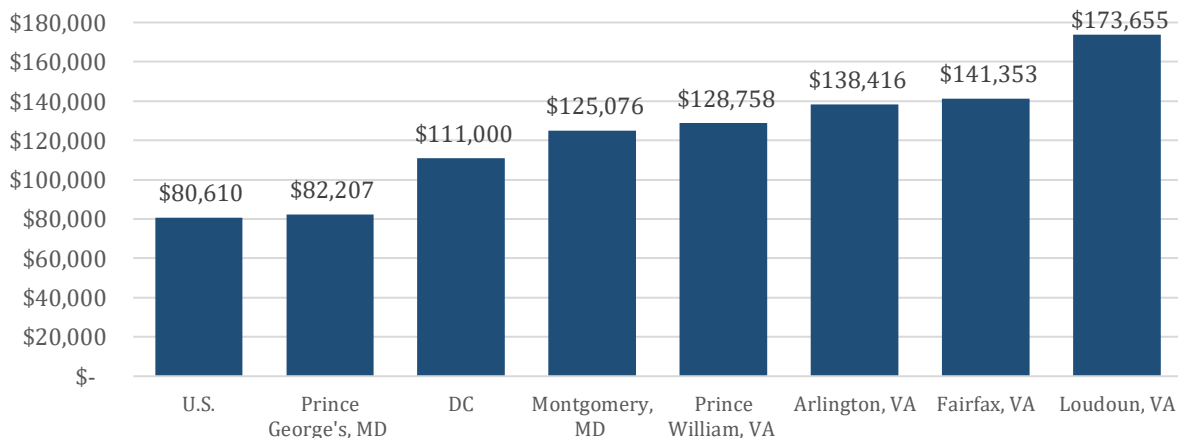
While employment and spending reductions from the new administration will have substantial negative impacts on the region, the Washington Region has been underperforming relative to peers and the U.S. as a whole for over a decade in job growth ([here](#)) and economic output ([here](#)). Another tangible expression of this underperformance is in terms of median household income. Here, we examine the median household income of selected jurisdictions in the Washington Region and compare them to that of the U.S. overall. While Virginia outperforms DC and Maryland, the District has been the only jurisdiction to record increases in median household income relative to the U.S. from 2011 to 2023.

Median Household Income

In 2023, the median household income in selected Washington region jurisdictions were all higher than the national median household income of \$80,610. Among selected jurisdictions in the Washington area, Prince George's County, MD, had the lowest median household income at \$82,207. The District of Columbia followed with a median income of \$110,000. In contrast, Montgomery County, MD, reported a median income of \$125,076, which is 55.2% higher than the national median. However, this figure was still lower than the median incomes in all major Washington area jurisdictions in Virginia.

Among Virginia jurisdictions examined, Loudoun County, VA, had the highest median household income at \$173,655, followed by Fairfax County, Arlington County, and Prince William County. Overall, while the Washington region boasts higher incomes than the national average, the wealthiest jurisdictions are in Virginia.

Median Household Income in Selected Jurisdictions
2023



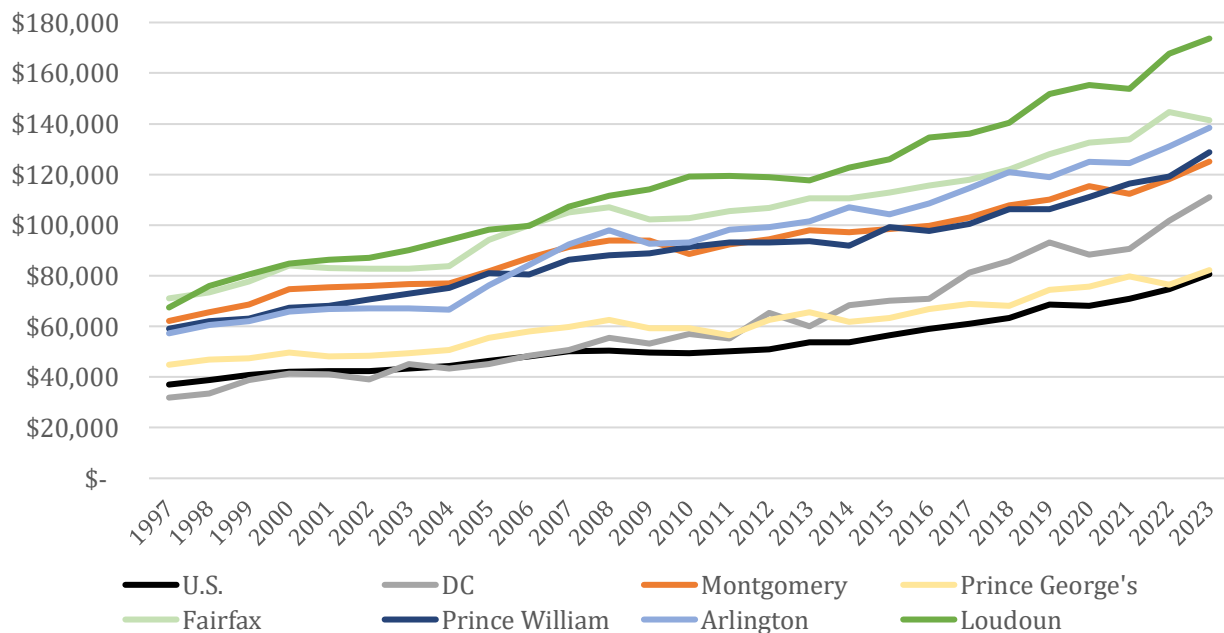
Source: Census Bureau, St. Louis Federal Reserve Bank, Stephen S. Fuller Institute

Median household incomes in the Washington Region have been consistently high and have shown steady growth over the past two and a half decades. From 1997 through 2023, median household incomes in this region have almost always surpassed the U.S. median income for all jurisdictions. Two major themes are noticeable from the chart below.

First, most jurisdictions in Virginia have consistently matched or exceeded the incomes of Maryland jurisdictions since 2010, particularly after Montgomery County experienced stagnation. Throughout this period, Montgomery County in Maryland has generally mirrored Prince William County, VA.

Second, although the median household income in the District was below the national median income in 1997, it has since risen to nearly match the incomes of the suburban jurisdictions of Montgomery and Prince William counties. However, it continues to lag far behind Loudoun and Fairfax counties.

Median Household Income
1997 to 2023



Source: Census Bureau, St. Louis Federal Reserve Bank, Stephen S. Fuller Institute

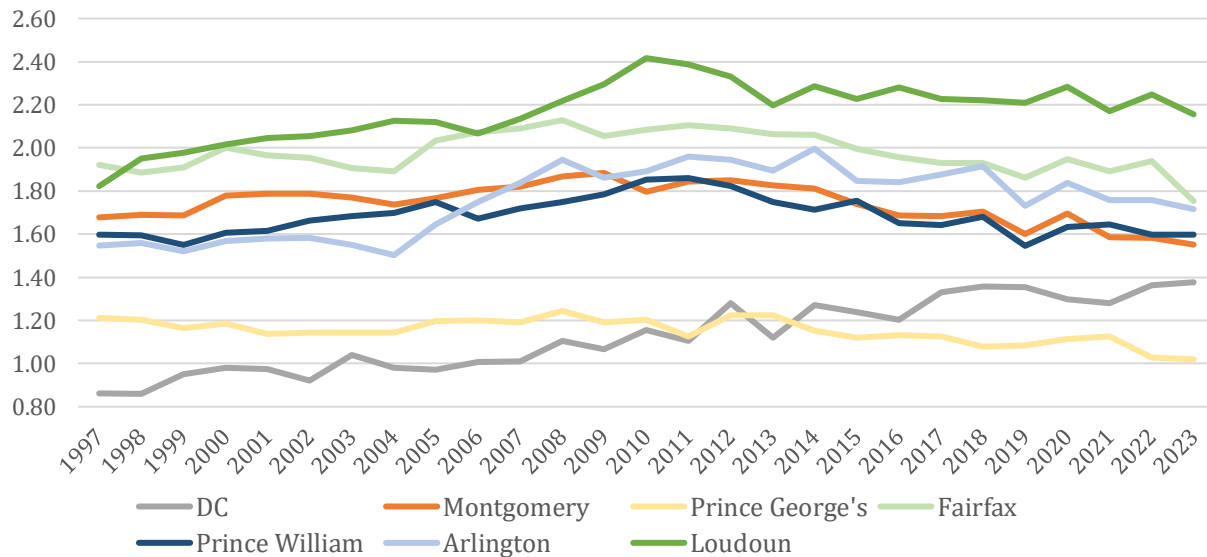
While median household incomes in the region are higher than the U.S., the median income in the U.S. has been rising faster than median incomes in the region for over a decade. To illustrate this, the chart below shows median incomes of the selected jurisdictions relative to the U.S. from 1997 to 2023. A measure of 1.0 indicates that the jurisdiction has the same median household income as the U.S. overall.

The median household income in Loudoun County relative to the U.S. increased from 1.82 in 1997 to 2.42 in 2010. That is, in 2010, the median household income in Loudoun County was 2.42 times the U.S. median household income. After this peak, the relative income in Loudoun

slowly declined to 2.15 in 2023. Overall, the median household incomes in suburban jurisdictions in Maryland and Virginia have all declined relative to the U.S. since approximately 2011. While Loudoun County declined the most modestly, the trend remained negative after 2011. Prince William County, VA and Montgomery County, MD are again strikingly similar.

The only outlier to the trend of declining household income relative to the U.S. is the District, which recorded relatively steady household income gains over the entire period examined. In 1997, the District had a median household income relative to the U.S. of 0.86. That is, the Median household income in DC was just 86% of the national household income. However, in 2023, the relative median household income had increased to 1.38, or 38% higher than the national household income.

Median Household Income Relative to U.S.
1997 to 2023



Source: Census Bureau, St. Louis Federal Reserve Bank, Stephen S. Fuller Institute

Conclusion

Overall, median household incomes in the Washington Region remain above the national median household income. Median household incomes in Maryland and DC remain below all counterpart jurisdictions in Virginia. Examining the median household incomes in local jurisdictions relative to the nation reveals that relative median household incomes in suburban jurisdictions have declined for over a decade while relative median household incomes in the District continued to increase over the entire period.