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INSIGHT

Poverty in 2024

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The official *poverty rate* in the United States, or percentage of people who live in poverty, fell to 10.6% in 2024, down from 11.1% the previous year. In 2024, 35.9 million people lived in poverty.

This decline in the national official poverty rate was reflected in poverty rate declines among children (14.3% in 2024, down from 15.3% in 2023), adults 18 to 64 (9.6%, down from 10.0%), persons living in the West region (9.9%, down from 11.0%), residents of principal cities within metropolitan areas (13.0%, down from 13.8%), persons 25 and older with no high school diploma (23.1%, down from 25.1%), and nonworkers (28.2%, down from 29.7%). Additional poverty rates by demographic group may be viewed in Table A-1 and Table A-2 of the Census Bureau's report, *Poverty in the United States: 2024*. Statistically significant changes in poverty rates are marked with asterisks (rightmost column).

Poverty is defined using dollar amounts called "poverty thresholds" that represent a low level of basic needs. Poverty status is determined using family income if a person lives in a family; otherwise, the individual's own income is used. If a family's or individual's income is below the threshold, they are considered to be in poverty. The poverty thresholds are scaled by family size and composition, and are updated annually for inflation. For a single individual under 65 (not in a family), the official poverty threshold in 2024 was $16,320; for a family of four, with two adults and two children, it was $31,812. These official poverty thresholds are the same nationwide. In official poverty statistics, income before taxes is used, which does not include refundable tax credits nor the value of noncash benefits like the Supplemental Nutrition Assistance Program (SNAP) or housing subsidies. (For further details, see CRS report, *An Introduction to Poverty Measurement*.)

These data are from the Current Population Survey Annual Social and Economic Supplement (CPS ASEC). Like all survey data, these are estimates that have margins of error due to sampling. In addition, the estimates tend to understate poverty because persons with low income are less likely to answer the survey, meaning that those who do respond tend to have higher income. Nonresponse bias is not uniform across all demographic groups; for example, nonresponse among low-income Hispanic households was more prevalent in the 2025 CPS ASEC than among Black or non-Hispanic White households (see the Census Bureau's "Research Matters" blog post by Adam Bee and Jonathan Rothbaum for details). The bias can complicate poverty rate comparisons over time and by race or origin.

Another measure of poverty, the Supplemental Poverty Measure (SPM), tells a different story from the official poverty measure. The SPM registers a higher poverty rate (12.9% in 2024) than the official measure, with no decline from 2023. The SPM differs from the official poverty measure in that it uses

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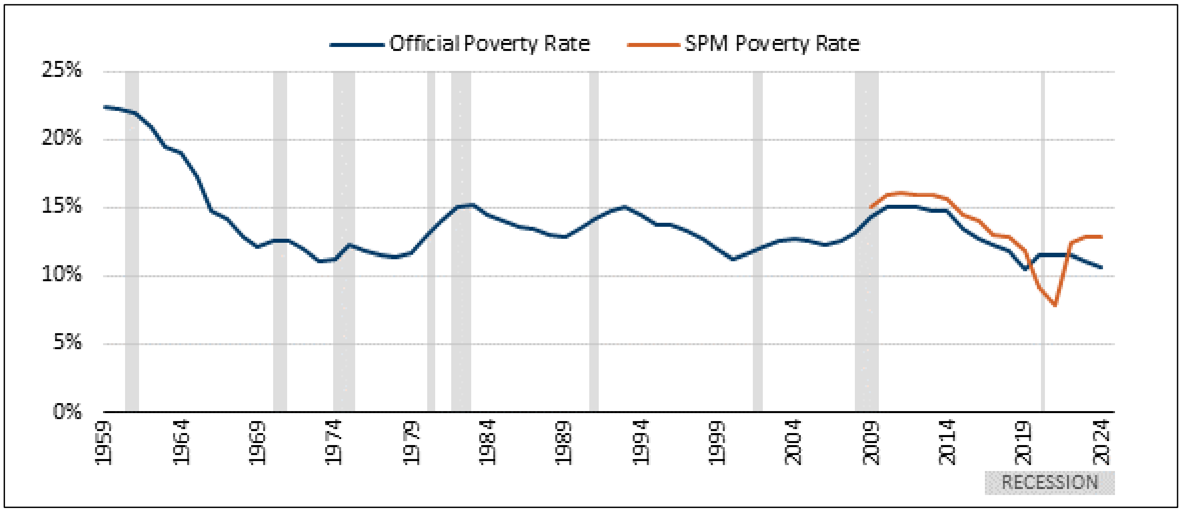
after-tax income, includes refundable tax credits, includes the value of noncash benefits, and subtracts certain expenses from income (such as work-related expenses and out-of-pocket medical expenses) because that money cannot be used toward meeting the basic needs of food, clothing, shelter, and utilities, upon which the SPM thresholds are based. Further, the SPM thresholds are adjusted for housing costs by metropolitan area and for nonmetropolitan areas. The SPM is a research measure, and is not tied to the eligibility of any federal assistance programs. It captures the effects of policy changes in ways the official measure does not.

Figure 1 illustrates poverty rates from the first year available to the latest year available: from 1959 to 2024 for the official poverty measure, and from 2009 to 2024 for the SPM.

Figure 1. Historical Series of Poverty Rates: Official Measure and SPM

(percentage)



Source: Congressional Research Service, using data from U.S. Census Bureau, Current Population Survey, 1960-2025 Annual Social and Economic Supplements. Recession periods are from the National Bureau of Economic Research.

The official poverty rate tends to rise during and just after recessions, and fall during economic expansions. It reflects cash income before taxes, which for most people is money earned from current or past work, either from their own work or that of family members. From its first publication up to the COVID-19 pandemic, the SPM generally followed the poverty rate trends of the official measure, and then diverged from it thereafter. In these latter years, which were marked by pandemic-related job losses, the expansions to SNAP and refundable tax credits provided families with financial resources that were not reflected in the official poverty measure, thereby bringing the SPM poverty rate below that of the official measure. After 2022, the SPM poverty rate once again surpassed the official poverty rate. This rise reflects the expiration of certain refundable tax credits such as the expanded child tax credit and the stimulus payments made during the pandemic.

Additionally, the SPM thresholds are affected by inflation differently than the official thresholds, and that difference can affect poverty rate trends shown by the two measures. The SPM thresholds are based on five years of consumer spending data on food, clothing, shelter, and utilities, whereas the official thresholds are updated using the Consumer Price Index (CPI-U), which is based on prices for a wider range of goods and services. The amount consumers spend on the basic goods used in the SPM thresholds does not necessarily rise at the same rate as the prices used in the CPI-U.

Author Information

Joseph Dalaker
Analyst in Social Policy

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