Congressional Research Service
Informing the legislative debate since 1914

INSIGHT

Poverty in 2025

September 16, 2026

The official *poverty rate* in the United States, or percentage of people who live in poverty, fell to 10.2% in 2025, down from 10.7% the previous year. In 2025, 34.5 million people lived in poverty, down 1.5 million from the previous year.

This decline in the national official poverty rate was reflected in poverty rate declines among children (13.4% in 2025, down from 14.4% in 2024), adults ages 18 to 64 (9.2%, down from 9.6%), persons living in the Northeast region (9.0%, down from 9.9%), and full-time year-round workers (1.6%, down from 1.8%). Additional poverty rates by demographic group may be viewed in Table 1 and Table 2 accompanying the Census Bureau's annual report on poverty from September 2026. Statistically significant changes in poverty rates are marked with asterisks (rightmost two columns).

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, or the individual's own income otherwise. If a family's or individual's annual 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 age 65 (not in a family), the official poverty threshold in 2025 was $16,749; for a family of four with two adults and two children, it was $32,649. 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 such as those from the Supplemental Nutrition Assistance Program (SNAP) or housing subsidies. (Further details are available in CRS Report R44780, *An Introduction to Poverty Measurement.*)

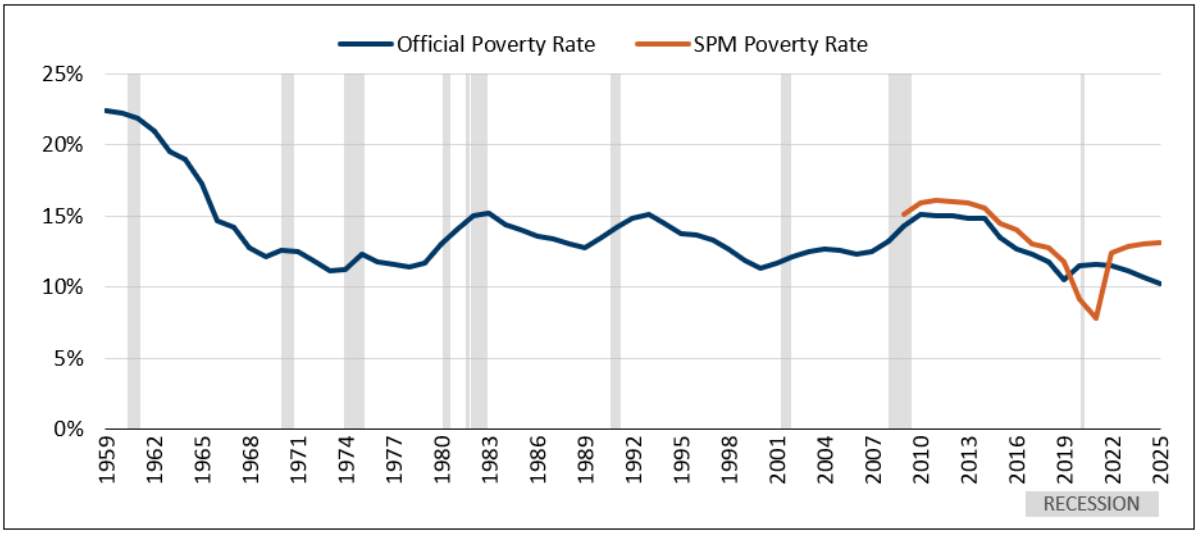
Another measure of poverty, the Supplemental Poverty Measure (SPM), tells a different story from the official poverty measure. The SPM registered a higher poverty rate (13.1% in 2025) than the official measure, with no statistically significant change from 2024. The SPM differs from the official poverty measure in that it uses after-tax income, includes refundable tax credits, includes the value of noncash benefits, and subtracts certain expenses from income (e.g., 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 poverty measure does not.

Congressional Research Service
https://crsreports.congress.gov
IN12737

Figure 1 illustrates poverty rates from the first year available to the latest year available: from 1959 through 2025 for the official poverty measure, and from 2009 through 2025 for the SPM.

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

(percent)



Source: CRS, using data from U.S. Census Bureau, Current Population Survey, 1960-2026 Annual Social and Economic Supplements. Recession dates 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 their family members. From its first publication in 2009 up to the COVID-19 pandemic, the SPM generally followed the poverty rate trends of the official measure, and diverged from it thereafter. In the latter years, which were marked by pandemic-related job losses, the expansions to SNAP and refundable tax credits (such as stimulus payments and the expanded child tax credit) 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, reflecting the expiration of certain policies that were implemented during the pandemic. The 2025 SPM poverty rate continued this divergence from the official poverty rate.

The SPM thresholds are affected by inflation differently from 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 from the Consumer Expenditure Survey (CES) on food, clothing, shelter, and utilities, whereas the official thresholds are updated using annual index averages from 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.

The poverty estimates from the official measure and the SPM are both 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, and are subject to an unmeasured amount of nonsampling error such as underreporting of income or other resources, or errors made during processing. For example, underreporting of noncash benefits and underestimating refundable tax benefits received can lead to the SPM overstating poverty rates (the official measure does not include those resources). Nonresponse to the

CPS ASEC overall tends to bias poverty rates down because persons with low income are less likely to answer the survey, meaning that those who do respond tend to have higher income (see the Census Bureau's "Research Matters" blog post by Adam Bee and Jonathan Rothbaum for details). Nonresponse bias has not traditionally been uniform across all demographic groups; for example, nonresponse among low-income Hispanic households was measured to be more prevalent in the 2025 CPS ASEC than among Black or non-Hispanic White households (see a previous blog post by Bee and Rothbaum for details that accompanied last year's Census Bureau reports). The bias can complicate poverty rate comparisons over time and by race or origin.

Author Information

Joseph Dalaker
Analyst in Social Policy

Disclaimer