

Macro Roundup Article

Headline: [Tax Data Reveals Large Flight of High Earners from Major Cities During the Pandemic](#)

Article Link: <https://eig.org/high-earners-migration/>

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Summary: The country's large urban areas were hit hard by the pandemic and subsequent economic recovery on a number of fronts. Between 2020 and 2021, IRS data shows that net migration subtracted more than \$68 billion (Adjusted Gross Income, or AGI) from large urban counties' aggregate taxable income. Meanwhile migration added to taxable income in all other types of counties, even smaller urban peers. The scale of decline in large urban areas was equivalent to nearly two percent of total taxable incomes in such counties. In contrast, newcomers to rural counties have added more than 1.5% to taxable income in each of 2020 and 2021. Manhattan alone lost more than \$16 billion in federally-taxable income (spread across more than 37,000 returns) through net migration, equivalent to more than 13% of remaining residents' combined taxable incomes. Net migration out of San Francisco left that city's federal income tax base more than \$8 billion—or 20% —smaller between 2020 and 2021 alone. Related: [Young Families Have Not Returned to Large Cities Post-Pandemic](#) and [Sunbelt Cities Nashville and Austin Are Nation's Hottest Job Markets](#) and [Taxing Billionaires: Estate Taxes and the Geographical Location of the Ultra-Wealthy](#)

Primary Topic: Taxation

Topics: Fiscal Policy, Op-Ed/Blog Post, Taxation, Weekly

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