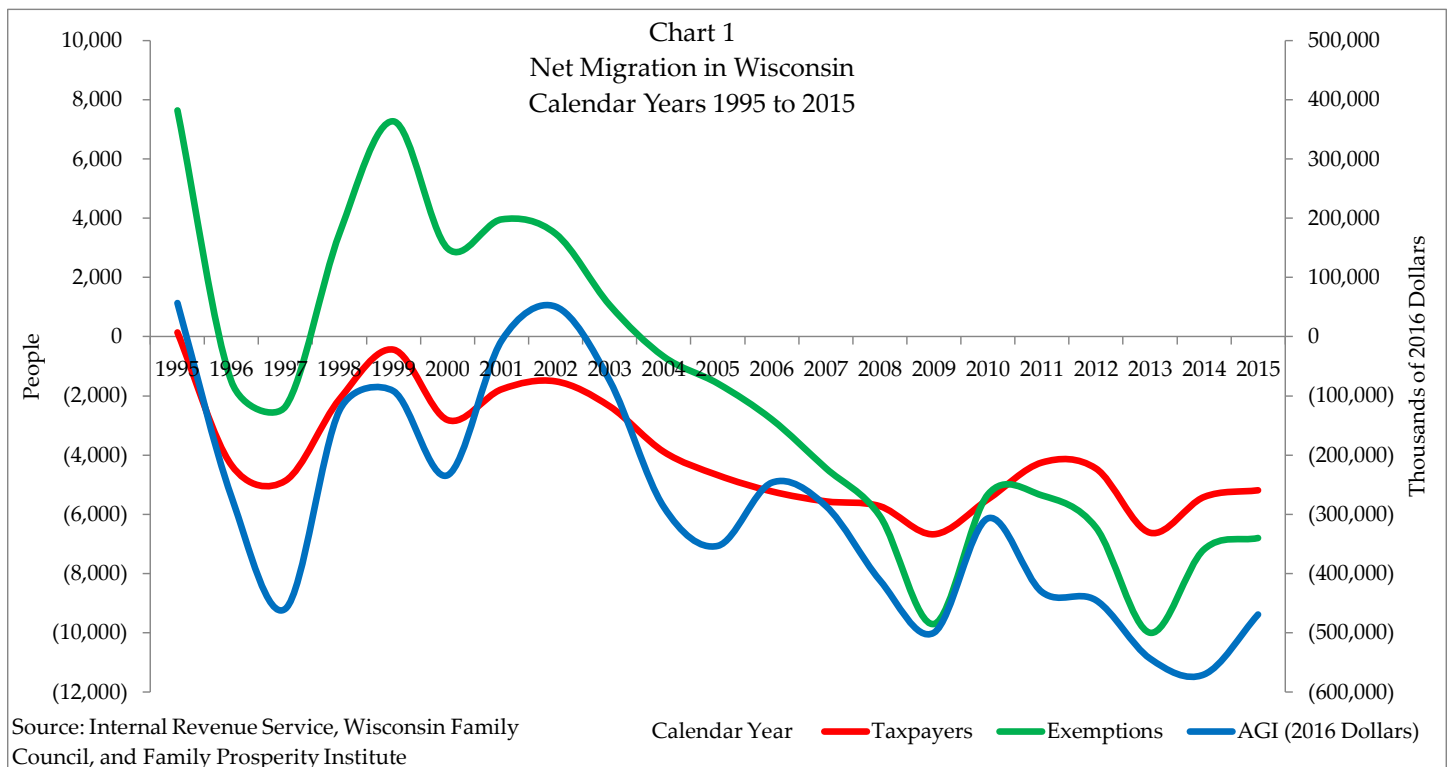




## Wisconsin Out-Migration Update

The June 2016 study, “Wisconsin Family Prosperity Index,” found that Wisconsin has a serious, and growing, out-migration problem. In particular, Wisconsin is losing its business and community leaders.<sup>1</sup> This further saps the state’s entrepreneurial vitality as well as its share of successful, intact families.

The IRS recently released new migration data for 2015 which provides some good news on the migration front. As shown in Chart 1 and Table 1, the good news is that the 2015 out-migration of households and people has not worsened from 2014 and that the out-migration of income has modestly declined, albeit from historically large out-flows.



In 2014, the average in-migrant household had income of \$54,374 while the average out-migrant household had an income of \$62,079—a difference of \$7,705 (in real 2016 dollars). In 2015, the average in-migrant household had income of \$62,266 while the average out-migrant household had an income of \$65,165—a difference of \$2,899 (in real 2016 dollars).

<sup>1</sup> <http://www.familyprosperity.org/application/files/9215/2625/6169/WisconsinFPI-Paper-DRAFT4.pdf>

Table 1  
Wisconsin's Net Taxpayer Migration  
Calendar Years 1995 to 2015

Calendar Year	In-Migrants				Out-Migrants				Net Migration			
	Taxpayers	Exemptions	AGI (\$ Thousands)	AGI (2016 Dollars)	Taxpayers	Exemptions	AGI (\$ Thousands)	AGI (2016 Dollars)	Taxpayers	Exemptions	AGI (\$ Thousands)	AGI (2016 Dollars)
1995	40,388	81,303	1,388,186	2,273,296	40,250	73,665	1,353,485	2,216,469	138	7,638	34,701	56,826
1996	39,834	79,410	1,450,893	2,289,081	44,173	80,927	1,622,258	2,559,444	(4,339)	(1,517)	(171,365)	(270,363)
1997	40,534	80,313	1,548,234	2,337,776	45,396	82,670	1,852,299	2,796,903	(4,862)	(2,357)	(304,065)	(459,127)
1998	42,854	84,301	1,755,415	2,537,673	44,964	80,809	1,841,331	2,661,876	(2,110)	3,492	(85,916)	(124,202)
1999	44,056	86,238	1,969,544	2,719,803	44,499	78,969	2,036,090	2,811,698	(443)	7,269	(66,546)	(91,895)
2000	43,606	84,575	1,972,316	2,616,539	46,421	81,598	2,148,583	2,850,381	(2,815)	2,977	(176,267)	(233,842)
2001	43,435	83,404	1,947,424	2,558,550	45,214	79,445	1,952,354	2,565,027	(1,779)	3,959	(4,930)	(6,477)
2002	42,561	81,371	1,859,785	2,400,533	44,073	77,896	1,820,474	2,349,792	(1,512)	3,475	39,311	50,741
2003	41,440	78,644	1,839,792	2,309,889	43,794	77,580	1,898,877	2,384,072	(2,354)	1,064	(59,085)	(74,182)
2004	42,171	80,809	1,960,891	2,372,139	46,057	81,483	2,198,359	2,659,410	(3,886)	(674)	(237,468)	(287,271)
2005	43,408	82,946	2,048,193	2,397,560	48,084	84,527	2,349,884	2,750,712	(4,676)	(1,581)	(301,691)	(353,151)
2006	42,498	81,002	2,138,561	2,438,309	47,722	83,796	2,354,708	2,684,752	(5,224)	(2,794)	(216,147)	(246,443)
2007	43,545	81,060	2,182,853	2,445,309	49,104	85,500	2,437,855	2,730,971	(5,559)	(4,440)	(255,002)	(285,662)
2008	41,507	76,166	1,951,687	2,192,747	47,229	82,223	2,317,636	2,603,896	(5,722)	(6,057)	(365,949)	(411,149)
2009	37,112	67,527	1,570,401	1,814,740	43,781	77,230	2,002,902	2,314,534	(6,669)	(9,703)	(432,501)	(499,794)
2010	39,974	73,884	1,847,363	2,082,076	45,464	79,212	2,119,463	2,388,747	(5,490)	(5,328)	(272,100)	(306,671)
2011	44,364	82,643	2,223,857	2,466,899	48,613	88,004	2,612,383	2,897,886	(4,249)	(5,361)	(388,526)	(430,987)
2012	46,696	87,392	2,604,965	2,826,785	51,147	93,836	3,014,977	3,271,711	(4,451)	(6,444)	(410,012)	(444,926)
2013	42,939	79,598	2,303,206	2,458,105	49,555	89,596	2,812,330	3,001,469	(6,616)	(9,998)	(509,124)	(543,364)
2014	30,412	53,697	1,586,144	1,653,614	35,824	60,882	2,133,167	2,223,906	(5,412)	(7,185)	(547,023)	(570,292)
2015	45,236	82,630	2,771,879	2,816,679	50,421	89,430	3,233,436	3,285,696	(5,185)	(6,800)	(461,557)	(469,017)
<b>Total</b>	<b>833,334</b>	<b>1,586,283</b>	<b>38,149,710</b>	<b>47,191,423</b>	<b>911,364</b>	<b>1,619,848</b>	<b>42,879,415</b>	<b>52,723,655</b>	<b>(78,030)</b>	<b>(33,565)</b>	<b>(4,729,705)</b>	<b>(5,532,232)</b>

Source: Internal Revenue Service, Wisconsin Family Council, and Family Prosperity Institute

As shown in Table 2, a compelling insight from this IRS data is that most of the net out-migration of income is from taxpayers over the age of 45 earning more than \$100,000—67 percent in 2011, 53 percent in 2012, 57 percent in 2013, 56 percent in 2014, and 57 percent in 2015. Overall, this is a loss of \$1.3 billion in income (unadjusted for inflation). As such, Wisconsin is suffering from out-migration of those most likely to be community and business leaders, who are the most entrepreneurial, have the highest marriage rates, and have the largest families.

Table 2  
Percent and Amount of Net Out-Migrant Income  
from Taxpayers over the Age of 45 and Earning  
more than \$100,000  
Calendar Years

Year	Percent	Amount (\$Millions)
2011	67%	-\$289
2012	53%	-\$230
2013	57%	-\$258
2014	56%	-\$287
2015	57%	-\$228

Source: Internal Revenue Service, Wisconsin Family Council, and Family Prosperity Institute

An examination of Wisconsin's high rate of out-migration offers a starting point for state policymakers, activists, civic leaders and private individuals and institutions to attack the root of the problem. One important reason for this phenomenon is Wisconsin's state and local tax burden that, while lower than in years past, is still high enough to encourage people to seek greener pastures, especially in Texas and Florida which have no personal income tax.

Therefore, further reductions in Wisconsin's state and local tax burden on families and

businesses should still be an immediate policy priority.