

Migration by Age and Income for Maryland in 2012 and 2013

In late July 2015, the IRS, Statistics of Income Division released a file of state-level migration over the 2011-2012 period that has some detail by age groups and income categories. In mid-August 2015, the IRS released the same data for the 2012-2013 period. These migration tabulations are based on the geocoding of federal tax returns to state and county locations in two consecutive tax years to determine if there was a move from one county (and/or state) to another. The following is a summary of some of the key points of these data sets.

Overall Migration

- Maryland had a relatively small net out-migration (-4,035) for 2011-2012 (called migration year 2012) which increased for 2012-2013 (called migration year 2013) to -10,821.¹ In all, 30 states experienced net out-migration and 21 had net in-migration in 2012, while in 2013, 28 states had net out-migration and 23 experienced net in-migration.
- Most of the Northeastern and Midwestern states experienced net out-migration in 2012 and 2013, while most of the Southeastern, Southwestern and Western states had net in-migration. Most states that had net out-migration in 2012 had increased net out-migration in 2013 and most of the states that had net in-migration in 2012 had increased net in-migration in 2013. These increasing flows were in keeping with the improvement in the overall job and housing markets in the U.S. which allowed for increasing mobility throughout the country.
- There were some exceptions in which states went from net in-migration to net out-migration. One example was Virginia which went from a net in-migration total of 3,296 in 2012 to a net out-migration total of -5,623 in 2013.
- By far, the largest net gains nationally were to Texas, both in 2012 (114,628) and 2013 (152,477). For each migration year, the net gains to Texas were more than twice the second largest gains to Florida in 2012(49,305) and 2013 (73,789). North and South Carolina, Colorado, Washington, Arizona and Tennessee all net significant net in-migration in both 2012 and 2013.
- The largest net losses in both migration years was from New York (-95,765 in 2012 and -113,861 in 2013) and Illinois (-51,277 in 2012 and -68,245 in 2013). New Jersey, California, Ohio, Michigan, Pennsylvania and Connecticut all had significant net out-migration totals in 2012 and 2013.
- To account for different population sizes among the states, a net migration rate per 1,000 exemptions was calculated for each state. Maryland's rate of -0.8 net out-migrants per 1,000 exemptions was ranked 29th overall (where 1 is equal to the highest net in-migration rate and 51 the highest net out-migration rate). Among those states which experienced net out-migration, Maryland's rate was the eighth smallest (22 states had higher net-outmigration rates).
- For migration year 2013, Maryland's net out-migration rate increased to -2.3 per 1,000 exemptions and was ranked 41st overall. Among the states which experienced net out-migration

¹ Net migration is equal to the number of in-migrants minus the number of out-migrants, with the number of claimed exemptions on the federal tax returns used as proxies for the number of migrants.

that year, Maryland's rate was the 18th smallest, with 10 states having higher net out-migration rates.

- Nationally, far and away the highest net in-migration rate was in North Dakota for both 2012 (17.2) and 2013 (15.0). These high rates were a function of the state's relatively small population and the extremely strong in-migration fueled by the boom in oil shale extraction (or fracking). In the top five for both 2012 and 2013 besides North Dakota were South Carolina, Texas and Colorado. The strength of the mining sector (including oil extraction) was probably a key factor in Texas and Colorado.
- Illinois, New Mexico, the District of Columbia, Alaska and New York were among the bottom five net out-migration rates in both 2012 and 2013, with Alaska and New York the bottom two in 2012 and Alaska and the District of Columbia the bottom two in 2013.
- The net out-migration rate for Washington, D.C. in 2012 (-5.1) and 2013 (-7.7) is a bit of a puzzler, not only because of how high it was (ranked 50th in 2012 and 49th in 2013) but also because the U.S. Census Bureau has reported strong overall population growth in the District since 2010, including population gains from net domestic in-migration.² The overall net out-migration rate based strictly on tax returns may be a sign that some of the population gain to the District cannot be captured since many of the people moving in are first time tax filers and thus cannot be tracked between places in two consecutive years (although the District did have the highest net in-migration rate in the country for those under the age of 26).
- Several states had a significant change in their relative ranking of net migration rates between the two years. Besides Maryland, which went from 29th to 41st, other significant changes include West Virginia (21st to 32nd), Virginia (17th to 28th), Utah (38th to 24th), and Alabama (32nd to 20th). Virginia and West Virginia went from having net in-migration in 2012 to having net out-migration in 2013, while Maryland had increased net out-migration, Utah decreased net out-migration and Alabama went from net out-migration to net in-migration

Migration by Age

- The IRS migration flows are broken into six age cohorts. Both the returns and claimed exemptions (migrants) are assigned to one of the six age cohorts based on the age of the primary tax filer.³ Given that this is the way that the data is processed, it probably makes more sense to view the age data broken out by return rather than by exemptions since only the primary tax filer is accurately assigned to an age group.
- In 2012 Maryland had net migration gains (based on returns) from the three youngest age groups of tax filers: less than age 26 (150), ages 26 to 34 (563) and ages 35 to 44 (476). The State experienced net out migration for the three older age cohorts: ages 45 to 54 (-366), ages 55 to 64 (-2,089) and ages 65 and over (-886).

² For a discussion of population growth, see [Population Estimates for Maryland and all States](#). For net domestic migration estimates, see [Table 4](#) and [Table 5](#).

³ So, for example, if the age of the primary tax filer was 45 with four other claimed exemptions (wife/husband and two children), then all the exemptions would get assigned to the 45 to 54 age group.

- In 2013, with the increased overall net out-migration from the state, only the 26 to 34 age group (33) had a net gain as measured by returns. A net outflow of returns were seen for less than age 26 (-158), ages 35 to 44 (-383), ages 45 to 54 (-1,012), ages 55 to 64 (-2,688) and ages 65 and over (-1,301).
- Maryland's highest net in-migration rate by age based on returns was for the 26 to 34 age group in both 2012 (1.5, ranked 15th) and 2013 (0.1, ranked 23rd). Although Maryland's net gain for this age group fell sharply in 2013, it still did better than the Mid-Atlantic portion of the Northeastern states and most of the Midwestern states as most of these states experienced net out-migration for this age group. Maryland's net in-migration rate was even higher than Virginia's in both 2012 and 2013 (when Virginia had net out-migration for the group in the later year).
- Maryland was one of only a few Northeastern or Midwestern states which had net in-migration for the youngest age group, under age 26, in 2012 (0.7, ranked 15th, New York and Massachusetts were the only other states from these regions). In 2013, however, Maryland flipped to having net out-migration for this group (-0.7, ranked 20th), but its out-migration rate was less than virtually every other Northeastern and Midwestern state. The relatively good migration experience for both this age group and those ages 25 to 34 is perhaps an indication of the attraction of Baltimore City and other urban areas of the state to the adult millennial population.
- Like the youngest age group, net migration patterns flipped for the age 35 to 44 group from a net gain rate of 1.2 per 1,000 returns in 2012 (ranked 18th) to a net loss of 1.0 per 1,000 returns in 2013 (ranked 33rd). Its net in-migration in 2012 was one of the few among the Northeastern and Midwestern states and its net out-migration rate in 2013 was one of the lowest among these same states.
- Maryland had an increasing net out-migration rate for the 45 to 54 age group between 2012 (-0.8, ranked 32nd) and 2013 (-2.2, ranked 42nd). In both years, Maryland's out-migration experience dovetailed with what was happening in all of the Northeastern states and most of the Midwestern States. In 2012, however, Maryland's net out-migration rate was below most of these states, while in 2013 it was above many of them.
- Maryland's highest net out-migration rates are for the "young-old" age group of 55 to 64 in both 2012 (-5.4, ranked 45th) and 2013 (-6.9, ranked 48th). While Maryland's net out-migration patterns was similar to most Northeastern and Midwestern states for this age group in 2012, by 2013 only three states had a higher net out-migration rate per 1,000 returns: Connecticut (-8.0), New Jersey (-8.0) and Alaska (-18.9).
- For the oldest age category, those ages 65 and over, Maryland's net out-migration rate was ranked 41st among the 50 states and the District of Columbia in both 2012 and 2013 but saw its net out-migration rate increase from -2.4 to -3.4. Within the Northeast Region, only New York, New Jersey and Connecticut had higher net out-migration rates for this group than Maryland in 2012 and 2013.

Migration by Income

- It is also more practical to analyze the income data by returns (a very rough proxy for households) rather than exemptions since the income is by return. Overall, Maryland had a modest net loss of returns (-2,152) for migration year 2012 which more than doubled to -5,509 in 2013.
- Befitting its net in-migration of younger age groups in 2012 and slight net out-migration of these age groups in 2013, Maryland had net gains (as measured by returns) for incomes under \$50,000, and net losses for income groups \$50,000 and greater for 2012 and 2013. For the three income groups less than \$50,000, Maryland had a net gain of 1,690 returns in 2012, which dropped to a net gain of 688 returns in 2013. Within these three income groups, there was a sharp increase in the net inflow of returns in the under \$10,000 group (from 55 in 2012 to 454 in 2013), while there were substantial drops in the combined net gains of returns in the \$10,000 to \$24,999 and \$25,000 to \$49,999 income groups (from 1,635 in 2012 to 234 in 2013).
- Net outflows of returns for incomes of \$50,000 and greater increased from -3,842 in 2012 to -6,197 in 2013. While there were increases in net outflows in all four of the income groups over \$50,000, the biggest increase was in the \$100,000 to \$199,999 income group with a net outflow of 1,766 in 2012 rising to a net outflow of 2,621 in 2013.
- Per 1,000 returns, Maryland's overall net-outmigration rate of -0.9 was ranked 28th among the 50 states and the District of Columbia and increased to -2.5 (ranked 40th) in 2013. As with the exemptions, its net out-migration in 2012 was in line with most of the Northeastern and Midwestern states that also have net out-migration, but with lower rates than most of these states which experienced net out-migration. In 2013, Maryland's increased net out-migration was still below most of the mid-Atlantic states within the Northeast Region.
- By income category, Maryland's net in-migration rate varied between 17th and 19th in 2012 for the three income groups below \$50,000 for which Maryland had net gains, and between 14th and 23rd in 2013 for the same groups. Its net out-migration rate for the four income groups above \$50,000 varied between 39th and 43rd in 2012 and between 38th and 47th in 2013. Maryland's largest net out-migration rate was for the highest income group, \$200,000 or more, in both 2012 (-5.4) and 2013 (-9.9), and with its lowest rank in 2012 (43rd) and 2013 (47th).
- For the \$200,000 plus income group, many of the states with the highest net in-migration rates in both years, such as Florida, North and South Carolina, Maine and Arizona, are states which have been attractive to retirees.
- There has been much discussion about whether the wealthy elderly in Maryland are leaving the state in substantial numbers. There certainly was a marked increase between 2012 and 2013. To put these numbers in perspective:
 - For those ages 55 to 64 with an income of \$100,000 to \$199,999 in 2012, there was a net out-migration of 735 returns out of 93,984 total returns (0.8%).⁴ In 2013, this same

⁴ Total returns is equal to the sum of non-migrant returns (i.e. those that did not move), the number of inflow returns, and the number of same state returns (i.e. moved somewhere else within the same state).

age and income group had a net out-migration of 900 returns out of 95,941 total returns (0.9%).

- For those ages 55 to 64 with an income of \$200,000 or more in 2012, there was a net out-migration of 368 returns out of a total of 35,389 returns (1.0%). In 2013, this same age and income group had a net out-migration of 575 returns out of a total of 37,719 returns (1.5%).
- For those ages 65 and over with an income of \$100,000 to \$199,999 in 2012, there was a net out-migration of 507 returns out of 59,748 total returns (0.8%). In 2013, this same age and income group had a net out-migration of 671 returns out of 67,312 returns (1.0%).
- For those ages 65 and over with an income of \$200,000 and greater in 2012, there was a net out-migration of 231 returns out a total of 19,978 returns (1.2%). In 2013, this same age and income group had a net out-migration of 297 returns out of a total of 23,626 returns (1.3%).

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