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Senior Citizens' Incomes Fall Short in 47 of 50 States

Northern States Fare Worst in New Analysis

NEW YORK – May 23, 2016 – Senior citizens in 47 states and the District of Columbia aren't replacing enough of their pre-retirement incomes, according to a new Bankrate.com (NYSE: RATE) study. Many financial experts believe retirees need at least 70% of the income they earned in their working years, but only seniors in Hawaii, Alaska and South Carolina meet that threshold.

Nationally, the median income for those who are 65 and older is just 60% of the median income among 45 to 64 year-olds. The 15 states with the largest retirement income gaps are all located in the northern half of the country; Massachusetts has the largest gap. Click here for the complete rankings:

http://www.bankrate.com/finance/retirement/study-seniors-incomes-dont-go-far-enough.aspx

"These numbers help illustrate how underprepared many Americans are for retirement," said Greg McBride, CFA, Bankrate.com's chief financial analyst. "It's especially important for millennials to save aggressively because they face the biggest retirement savings burden of any generation in American history."

Bankrate.com examined the U.S. Census Bureau's 2014 American Community Survey (the most recent edition). For each state and Washington, D.C., Bankrate divided the median annual household income for those who are 65 and older by the median annual household income for those between 45 and 64 years old.

The Census Bureau broadly defines income to include wages, salaries, tips, social security, welfare, interest, dividends, pensions, income from defined contribution retirement plans (such as 401(k)s and IRAs), rental properties, royalties and other sources.

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