

## IRS: County is richest

Teton soared in 2008 despite collapse of financial markets.

*By Angus M. Thuermer Jr., Jackson Hole, Wyo.  
April 7, 2010*

If you've been forced to yield to a Mercedes, shared a latte line with someone wearing too much fur or had to shop early for your lobster and cabernets, there's a reason.

We're rich. The richest, in fact.

Teton County had the highest adjusted gross income per tax return for 2008, the latest year available, according to the IRS. A compilation by Syracuse University shows Teton County tax returns averaging \$142,048 for taxes paid by April 15, 2009.

The U.S. average was \$55,361. Wyoming's average was \$62,077, meaning the Teton County figure is more than double the Equality State's.

In the last decade, Teton County has frequently been in the running as the wealthiest county based on the IRS figure. In the previous four years, it ranked second, fifth, second and seventh.

What's amazing, said Jonathan Schechter, a consultant and News&Guide columnist who perused the data this week, is that Teton County's average adjusted income increased in the year of the financial meltdown, that it increased significantly and that the increase left other wealthy counties in the dust.

"I don't have an explanation for it," he said Tuesday. "That, to me, is the great mystery."

Teton County's average income for 2008 was up from the 2007 figure of \$126,998, an increase of 12 percent. The increase came despite the financial turmoil of September 2008.

In contrast to Teton County's increase, average adjusted gross income in the U.S. fell from \$57,067 in the 2007 tax year to \$55,361, a decline of 3 percent.

The next wealthiest county after Teton is Fairfield County, Conn., location of the town of Danbury. Adjusted income per return in that location was \$118,286 for 2008. Lowest in the U.S. was Douglas County, Mo., at \$18,262.

"There's a 20 percent gap between us and Fairfield County," Schechter said.

Usually the wealthiest are not separated by so large a margin.

"In 2007, the gap between us and first place was 9 percent," he said. "Between first and second, it was 3 percent in 2006. This is unbelievable."

Teton County had a similar separation from other high-end counties in 1999, when it also was the richest in the IRS accounting.

Also-rans in 2008 include Falls Church, Va., Marin County, Calif., and Hunterdon County, N.J. Pitkin County, Colo., location of Aspen, ranked 11th in 2008.

The IRS figures show wages and salaries made up only a portion of Teton County income in 2008. They registered \$50,047, compared with a national average of \$37,860 and a Wyoming average of \$40,132.

Interest income in Teton County averaged \$7,963 in 2008, well above the U.S. average of \$1,870 and the next highest Wyoming county, Sublette, which averaged \$3,032.

Teton County also saw an average of \$11,179 in dividends per income tax return in 2008. The U.S.

averaged \$1,181 and Wyoming \$1,674.

What's missing from the picture is the difference between the sum of wages, interest and dividends and the total reported income, Schechter said. He said he deduces that capital gains is the category that would make up the difference.

Teton County is heavily populated by people whose money earns money, according to the picture Schechter painted and the Syracuse compilation.

"Only 35 percent of our total income is wages and salaries, and the rest is investments," he said.

In contrast, in Teton County, Idaho, 62 percent of income comes from wages and salaries. In Blaine County, Idaho, home of the Sun Valley ski resort, 45 percent of income is wages. In Pitkin County, it is 43 percent, he said.

Schechter said he also found demographic data interesting, especially the exemption category on tax returns. That indicates the number of children in a household.

Teton County, with 1.83 exemptions, was 41st from the bottom of more than 3,000 counties, with 1.83 exemptions. Teton County was second lowest in the state in exemptions, behind Albany County, home of Laramie and the University of Wyoming.

Mormon country leads the IRS data in this category. Utah is the state that averages the most exemptions, at 2.46. In Wyoming, with a 2.04 state average, Lincoln County, home of heavily Mormon Star Valley, had the highest average at 2.33.

Manhattan had the lowest average number of exemptions at 1.54. Aspen's Pitkin and San Francisco were tied at 1.6, fourth from the bottom.

"Our demographic profile is similar to that of major metropolitan areas and university towns – Boston, New York, Washington, D.C., Schechter said. "We're similar to a financial center or one of its suburbs demographically. We're similar to a college town or a major metropolitan area that's a magnet to college graduates like San Francisco or Manhattan."