

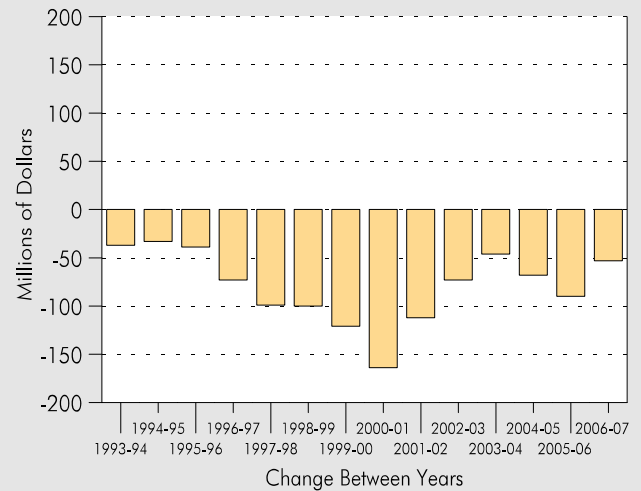
Net Taxable Income Flow Due to Migration for North Dakota: 1993 to 2007

Recently released data from the IRS provide the opportunity to monitor the flow of income into and out of North Dakota counties as it relates to the migration of people. Analysis from the past 15 years reveals that North Dakota has experienced a continued net loss of taxable income as a direct result of migration (Figure 1). From 1993 (when IRS records were first made available for county flow analysis) through 2007 (the most current data available), people moving to North Dakota brought with them \$6.7 billion in taxable income. People moving out of the state took with them \$7.8 billion. Thus, since 1993, North Dakota has lost \$1.1 billion in net taxable income as a result of migration (Table 1).

From 1993 through 2007, Grand Forks County showed the largest net loss of taxable income due to migration with a net out-flow of \$297.2 million. Ward County had the second largest net loss in taxable income (\$189.0 million) followed by Cass County (\$61.9 million). Three counties in the state experienced a net gain in taxable income due to migration during the past 15 years: Burleigh County (\$38.0 million), Morton County (\$11.7 million), and Bottineau County (\$2.9 million) (Figure 2).

For information on methodology and limitations of these data, along with further discussion and additional tables, visit www.ndsu.edu/sdc/publications/research.htm#migration to obtain *North Dakota County Migration Flows: 1998-99 to 2000-01*, a North Dakota State Data Center report in PDF format.

Figure 1. Annual Net Taxable Income Flow Due to Migration for North Dakota: 1993 to 2007



Source: U.S. Internal Revenue Service (IRS), County-to-County Migration Flow files for North Dakota, 1993-94 to 2006-07.

Figure 2. Net Taxable Income Flow Due to Migration for North Dakota by County: 1993 to 2007

Source: U.S. Internal Revenue Service (IRS), County-to-County Migration Flow files for North Dakota, 1993-94 to 2006-07.

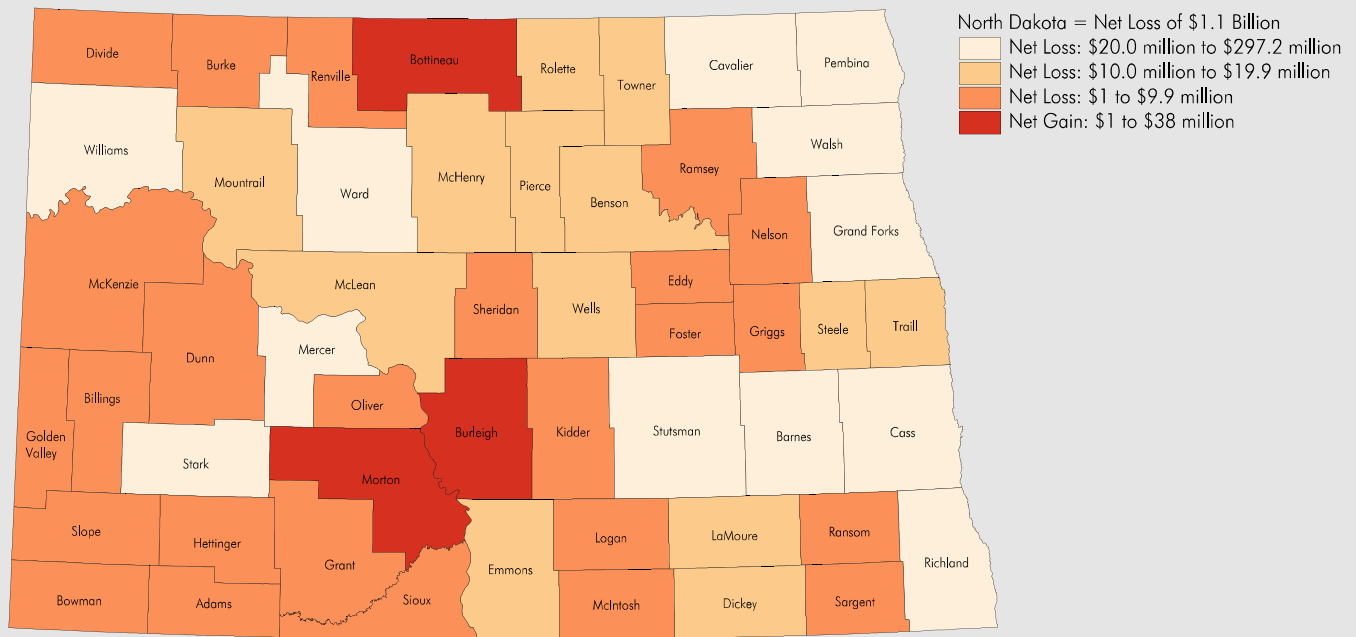


Table 1. Annual Net Taxable Income Flow Due to Migration for North Dakota by County: 1993 to 2007

Note: Data are in thousands of dollars (\$1,000). For example, \$-52,990 equals a net loss of \$52,990,000. NR=Data are suppressed if based on less than 10 records. Source: U.S. Internal Revenue Service (IRS), County-to-County Migration Flow files for North Dakota, 1993-94 to 2006-07. For information on methodology and limitations of these data, along with further discussion and additional tables, visit www.ndsu.edu/sdc/publications/research.htm#migration to obtain *North Dakota County Migration Flows: 1998-99 to 2000-01*, a North Dakota State Data Center report in PDF format.

Area	Net Taxable Income Flow Due to Migration (\$1,000)													
	1993 to 1994	1994 to 1995	1995 to 1996	1996 to 1997	1997 to 1998	1998 to 1999	1999 to 2000	2000 to 2001	2001 to 2002	2002 to 2003	2003 to 2004	2004 to 2005	2005 to 2006	2006 to 2007
North Dakota	-37,365	-33,468	-38,506	-73,050	-98,857	-100,383	-120,634	-163,560	-111,953	-72,890	-45,906	-67,859	-90,333	-52,990
Adams	123	-557	-186	-432	-963	-396	-1,750	-447	-836	-822	157	-424	-427	1,236
Barnes	-1,547	-188	-180	-39	-1,354	-1,181	-2,959	-4,167	-2,396	-2,235	-845	-382	-1,374	-1,527
Benson	210	-173	-1,324	-327	-866	-1,267	-1,585	-1,450	-1,278	-215	-397	-1,223	-1,539	-265
Billings	NR	NR	NR	-354	NR	-50	NR	NR	-535	-233	NR	-18	-239	323
Boftineau	-65	-160	-630	-359	-668	-1,272	6,051	-1,189	-1,176	556	6,550	-1,099	-1,418	-2,245
Bowman	-1,479	-687	-257	939	-133	-346	-734	-1,583	247	-25	508	-716	-10	-420
Burke	-872	-630	-515	-760	-599	-459	216	-279	-908	-364	-2	-896	-1,066	-833
Burleigh	1,891	5,180	4,727	-1,839	-4,495	-6,735	-2,801	2,718	5,812	387	-769	14,888	1,060	17,986
Cass	-4,446	3,067	-1,182	1,519	484	-1,183	-8,453	-16,293	-13,856	-9,135	-6,055	-3,804	-12,808	10,265
Cavalier	-1,127	-1,653	-851	-1,539	-950	-2,567	-1,606	-2,194	-1,047	-1,841	-1,911	-1,627	-1,508	-3,106
Dickey	100	-877	-838	400	-252	-2,234	-649	-1,381	-1,474	-2,680	-498	-39	59	-1,196
Divide	-328	-621	-675	-543	-570	-547	-552	-637	-653	345	37	-851	-883	-339
Dunn	-185	-335	-626	-787	-712	-1,095	-63	69	-142	-476	-878	-304	-747	-123
Eddy	-98	-73	334	-131	140	-1,044	-196	-785	-614	-980	362	464	-962	-814
Emmons	-506	71	-967	-311	-1,269	-667	-765	-1,107	-1,091	-983	-2,268	-1,118	-533	-831
Foster	298	-101	56	-1,054	447	295	-416	-2,075	-755	-963	-169	350	-880	-1,566
Golden Valley	-222	-622	-457	-367	-486	-1,023	-353	-975	-329	-454	-611	631	-529	385
Grand Forks	-6,365	-13,338	-18,776	-26,909	-37,939	-34,387	-26,064	-33,819	-21,406	-14,650	-4,605	-20,810	-15,068	-23,033
Grant	-362	-206	-809	-378	-954	-568	-29	-570	-911	-597	-693	-13	-207	-680
Griggs	-136	-435	-1,176	-546	-96	-1,306	-792	-540	-577	249	-229	-92	-738	-645
Hettinger	-404	-695	-374	-700	-1,473	-612	-955	-787	-575	-270	-740	-1,037	-435	-304
Kidder	-1,135	-984	-56	-775	-142	-914	-690	-226	-818	-376	-499	-699	440	-1,793
La Moure	-1,088	-120	-769	-505	-2,294	-1,080	-1,199	-846	-1,491	-422	-1,044	-1,811	-1,422	-251
Logan	-110	-1,134	-69	-323	-421	-603	-520	-652	-675	-325	-263	-925	-899	-994
McHenry	-961	108	-421	262	-1,451	-1,466	-1,190	-3,340	-558	-192	-1,708	-842	-754	-2,360
McIntosh	-333	82	-355	-612	-783	-959	-179	-790	-540	-425	-1,170	-831	-799	-861
McKenzie	-929	-1,529	47	-914	-1,145	773	-1,337	-410	-1,829	-1,078	-191	198	-360	1,162
McLean	-1,000	-472	-578	-1,313	-292	-1,207	-2,509	-1,989	-2,147	-699	-494	-1,594	-2,188	633
Mercer	-1,685	490	-84	-1,670	-1,364	-3,990	-3,210	-2,378	-945	-1,209	-1,725	-1,838	-1,293	-1,415
Morton	40	2,066	92	1,455	478	-2,055	-1,066	-6,741	-1,826	1,543	3,012	2,585	8,892	3,186
Mountrial	-257	790	-1,714	-1,577	-1,728	-816	-467	-835	-975	-958	-212	-850	-2,095	-884
Nelson	-173	-160	-1,194	-264	-1,482	-938	-832	-962	-1,227	168	295	-29	-1,152	-176
Oliver	-433	-23	410	56	-354	-536	-448	-1,975	94	-17	-1,019	-975	-389	-534
Pembina	-615	-146	-154	-2,005	-2,147	-2,556	-2,327	-3,303	-1,704	-1,329	-1,593	-2,409	-1,574	-4,738
Pierce	-82	135	-1,011	-421	-406	-872	-8,576	464	-1,750	-707	-1,415	-965	-477	-1,015
Ramsey	56	-975	-1,137	-1,072	-3,260	16,467	-2,387	-5,682	-2,367	-1,571	-1,403	-1,873	-620	-1,225
Ransom	-567	-325	64	-43	-593	148	-227	-182	-24	-26	-518	-1,786	-2,249	-357
Renville	-369	-1,218	-363	-362	-534	-477	-595	-691	-371	-406	-822	168	-794	-1,403
Richland	-622	-1,257	-619	-2,211	-3,009	-5,880	-5,569	-7,695	-2,760	-1,122	-1,777	-2,766	-5,527	-5,164
Rolette	2,005	654	-518	-622	-639	-1,906	-1,668	-1,352	-2,234	-1,589	-256	-1,713	-2,340	-1,405
Sargent	44	456	-1,007	-68	129	-826	-592	-1,199	-1,172	-916	-1,832	73	528	-1,167
Sheridan	-211	-139	-399	NR	-515	306	-656	-465	95	-243	-826	-425	-577	-174
Sioux	-164	-109	-257	-144	-444	-418	-582	-166	128	85	-68	-1,444	110	-1,200
Slope	NR	NR	NR	NR	NR	-29	NR	NR	-203	-159	NR	NR	144	-384
Stark	-3,139	-7,435	-2,288	-793	-1,258	-5,831	-5,819	-5,702	-4,013	-883	-336	-1,979	-1,876	2,896
Steele	-322	-218	-153	-436	-909	-817	-362	-698	-1,982	-666	-280	-1,625	-1,807	-438
Stutsman	-232	-5,079	-520	-560	-1,764	-2,316	-2,496	-8,904	-5,421	-4,655	-2,231	-2,428	-6,127	-5,199
Towner	-421	34	-626	-757	-1,075	-930	-947	-1,864	-1,068	-982	-983	-856	-565	-1,426
Traill	-55	-496	361	-854	NR	-57	-1,319	-1,437	-461	-2,059	-621	84	-1,492	-1,660
Walsh	-2,373	-596	-917	-1,000	-1,555	-2,446	-2,005	-2,965	-3,081	-2,444	-1,119	-2,166	-2,210	-3,159
Ward	-2,639	-631	1,577	-18,618	-13,416	-13,982	-18,683	-26,537	-24,670	-9,067	-9,820	-19,506	-19,483	-13,574
Wells	-882	-601	-376	-429	-98	-593	-2,168	-3,008	-694	-659	-548	-1,458	-2,281	-1,098
Williams	-3,193	-1,603	-710	-1,771	-1,891	-4,941	-4,395	-3,634	-760	-4,115	-887	1,025	1,154	916

Date of Release: November 20, 2008

Immigration in Western North Dakota Counties Boosts Taxable Income

In 2006-07, 10 counties in North Dakota reported a net gain in taxable income due to migration, nine of which are located in the western part of the state. "Migration in this region has been fueled by recent energy development activity," said Richard Rathge, Director of the State Data Center. "Losses in the remaining 42 counties, however, combined to produce a net loss of \$53 million in taxable income in North Dakota due to migration alone," said Rathge.

This month's "Economic Brief," a monthly publication from the North Dakota State Data Center at North Dakota State University, focuses on the analysis of federal individual income tax returns from the past 15 years released by the IRS. These records reveal that North Dakota has experienced a continued net loss of taxable income as a direct result of migration.

North Dakota's general trend of outmigration has produced long-term economic consequences. Since 1993, North Dakota has lost \$1.1 billion in net taxable income as a direct result of migration. From 1993 through 2007, people moving to North Dakota brought with them \$6.7 billion in taxable income, while people moving out of the state took with them \$7.8 billion. Grand Forks County showed the largest loss in taxable income due to migration with a net outflow of \$297 million in taxable income. Much of this loss can be attributed to the devastation caused by the 1997 flood and the losses at the Grand Forks Air Force Base with the missile wing closure. Ward County, also home to an air force base, had the second largest net outflow of \$189 million.

Three counties in the state experienced a net gain in taxable income due to migration during the past 15 years. Burleigh County had a net increase of \$38 million in taxable income due to migration, Morton County had a \$12 million increase, and Bottineau County had a net increase of \$3 million.

One needs to keep in mind that the IRS data have important limitations, such as the need to match returns between years and misreporting due to address changes. Nonetheless, these data offer one way to document the economic consequences of migration.

The economic impact of migration can be significant even in areas that have a net increase in tax filers, or net in-migration. Over the past 15 years, Cass County, the state's largest population center, had a net growth of 6,626 tax filers. However, those tax filers leaving the county had higher incomes than those arriving. Therefore, even though Cass County gained tax filers, it lost \$62 million in taxable income during that period due to migration. This trend may be reversing, however. For the period of 2006-2007, Cass County reported a net gain of 634 tax filers and a net gain in taxable income of \$10 million.

For information on methodology and limitations of these data, along with further discussion and additional tables, visit <http://www.ndsu.edu/sdc/publications/research.htm#migration>.
