

Best States to Make a Living 2019

Richard Barrington | MoneyRates.com Senior Financial Analyst, CFA

Posted: April 25, 2019



The US economy is having some ups and downs - not just from month to month, but from state to state.

It may appear that Americans live in a homogeneous economy, but it is more accurate to describe it as living in 50 separate economies. The reality is that cost

of living, wages, taxes, unemployment and working conditions vary greatly from state to state.

These differences can have a huge impact on your ability to make a living. Whether you are a recent graduate trying to decide where to look for a job or an experienced worker considering a job offer in a different state, it's helpful to know how local economic conditions could affect your bottom line.

Making a living in 2019: demonstrating the extremes

Every year, MoneyRates.com considers specific quantitative factors that measure how favorable - or unfavorable - economic conditions in each state are for workers. The study confirms that crossing a state line to work can really make a difference in your financial stability.

To illustrate how making a living in one state might be radically different than in another state, we culled some examples of the extremes out from the data:

- **Median-income extremes**

At \$48,680, the median wage in Massachusetts is the highest in the nation and more than \$18,000 a year higher than the median wage in Mississippi, which is the lowest. Vastly differing wage conditions are not always that far apart geographically, however. For example, Maryland, which has one of the nation's ten [highest median wages](#) shares a border with West Virginia, which has one of the ten lowest.

- **Cost-of-living extremes**

Though wages are low in Mississippi, on the plus side it is one of the cheapest states to live in with a cost of living that is more than 14 percent lower than the national norm. This contrasts sharply with Hawaii, where the cost of living is more than twice that of Mississippi and of 19 other states as well.

- **State-income-tax extremes**

Seven states have no income taxes, and two others have income taxes that apply only to interest and dividends and not to wages. At the other end of the scale, a single taxpayer in Oregon earning the median wage for that state and taking the standard deduction would be paying 7.81 percent of income in taxes, the highest state tax burden in the nation. For taxpayers in Oregon, this must make for some lively conversations with their neighbors in Washington, which is one of the states with no income tax.

- **Unemployment-rate extremes**

Four states - Iowa, New Hampshire, North Dakota and Vermont - have unemployment rates of just 2.4 percent. There are six states where people are more than twice as likely as that to be unemployed. Here again, our analysis shows that a short move can make a big difference in your job prospects sometimes: Virginia has one of the lowest unemployment rates in the nation

while West Virginia's is the second highest.

- **Workplace-safety extremes**

The danger of workplace conditions is much greater in some states than in others. You are more than six times as likely to be killed on the job in Alaska or North Dakota as in New Hampshire, New Jersey and Rhode Island, which are the three states tied for having the lowest rates of workplace fatalities.

With the magnitude of some of these differences in mind, this study highlights the states that, on balance, have the best overall conditions for making a living.

Top ten states to make a living in 2019

Based on a formula that factors in cost of living, median wages, state taxes, unemployment rates and workplace safety, the following are the ten best states in which to make a living in 2019:

1. Wyoming



With no state income tax, Wyoming's appeal is to help workers hang on to more of their income, and that income goes an especially long way because Wyoming is also one of the ten cheapest states in which to live.

Those earnings are pretty strong to begin with -- the state has the 15th highest median income of any state. These advantages help Wyoming overcome its main occupational drawback, which is that the state is the fourth worst for workplace safety.

2. Washington



Despite an end to Washington's two-year reign as the top state in this study, it continues its history of being extraordinarily competitive. Washington has finished either first or second in all nine years this study has been conducted.

3. Texas



A combination of no state income tax and a relatively low cost of living helped Texas repeat last year's strong third-place finish.

4. Minnesota



A strong job market is the main reason for Minnesota's success this year. The state is in the top ten for median income and has a lower unemployment rate than most states.

5. Michigan



Affordability is the primary attraction of Michigan as a place to make a living because it ranks fifth among states with the lowest cost of living.

6. Missouri



Despite having a lower median income than most states, Missouri makes up for it with a very low cost of living and low unemployment.

7. Illinois



Even with a relatively high state tax burden, Illinois was able to place seventh thanks to excellent workplace safety and a higher median income than most states.

8. Ohio



The reason for Ohio's success is that the state did better than most of its peers in every category except employment.

9. North Dakota



At just 2.4 percent, North Dakota's jobless rate is tied with three other states for the lowest in the nation. It also benefits from a good median income and relatively low state taxes, though it is the second-worst state for workplace safety.



10. Colorado

The main strengths of Colorado were relatively high rankings for median income and workplace safety.

>> Looking for a salary increase? Read [The 45-minute fortune: 9 tips to get more from annual employee reviews](#)

Methodology

To measure the best states to live in from a career perspective, MoneyRates.com looked at five state-wide factors affecting people trying to make a living in each state:

1. **Median wages**

Using figures from the Bureau of Labor Statistics (BLS) across all occupations in each state, MoneyRates.com measured pay levels for typical workers.

2. **Cost of living**

A high wage is less valuable if the cost of living is also high, so MoneyRates.com also took into account cost of living by state based on figures from the Council for Community and Economic Research. This helps assess the purchasing power of wages in each state.

3. **State income taxes**

Besides cost of living, another factor that affects the value of wages depending on where you live is the state's income-tax environment. Based on each state's

income-tax schedule, MoneyRates.com calculated the tax burden a median wage earner would face.

4. Unemployment rates

Having the opportunity to earn an income depends on how likely you are to get a job in each state. MoneyRates.com factored this in by looking at state unemployment figures from the BLS to determine the best states for jobs from the standpoint of supply and demand.

5. Workplace safety

Compensation is important, but another key condition for making a living is workplace safety. MoneyRates factored that in by looking at rates for both fatal and non-fatal workplace illnesses and injuries in each state, according to data from the BLS.

While some of the above conditions depend greatly on what occupation you pursue and skills you have, besides providing a broad overview of conditions in each state, another intention of this study is that this methodology provides some ideas of things to consider as you think about where to look for your next job.

Full Ranking of All 50 States

Didn't see your home state among the best and worst states to live in? Here is the full ranking of 50 states:

| Rank | State | COL | Median Income | Tax Burden (as a % of Income) | Unemployment Rate | Work-related Injury, Illness, and Fatality Rates |
|------|------------|-------|---------------|-------------------------------|-------------------|--|
| 1 | Wyoming | 90.5 | \$40,240 | 0.00% | 3.9 | 11.4 |
| 2 | Washington | 109.4 | \$46,100 | 0.00% | 4.5 | 6.7 |

| Rank | State | COL | Median Income | Tax Burden (as a % of Income) | Unemployment Rate | Work-related Injury, Illness, and Fatality Rates |
|------|---------------|-------|---------------|-------------------------------|-------------------|--|
| 3 | Texas | 91.6 | \$37,100 | 0.00% | 3.8 | 6.6 |
| 4 | Minnesota | 101.4 | \$42,630 | 4.19% | 3.1 | 6.8 |
| 5 | Michigan | 89.2 | \$37,620 | 3.75% | 4 | 6.7 |
| 6 | Missouri | 88.8 | \$36,040 | 3.07% | 3.2 | 7.2 |
| 7 | Illinois | 96.1 | \$39,950 | 4.67% | 4.3 | 5.7 |
| 8 | Ohio | 92.8 | \$37,360 | 1.74% | 4.6 | 6 |
| 9 | North Dakota | 98.7 | \$41,340 | 0.66% | 2.4 | 13.3 |
| 10 | Colorado | 105.4 | \$42,310 | 3.29% | 3.7 | 6 |
| 11 | Virginia | 101.8 | \$40,820 | 4.57% | 2.9 | 5.5 |
| 12 | Tennessee | 89.5 | \$34,890 | 0.00% | 3.2 | 7.4 |
| 13 | Iowa | 91.7 | \$37,100 | 4.34% | 2.4 | 8.3 |
| 14 | Wisconsin | 95.7 | \$37,970 | 3.52% | 2.9 | 7.2 |
| 15 | Nebraska | 94.7 | \$37,130 | 3.15% | 2.8 | 6.6 |
| 16 | Kansas | 89.6 | \$35,950 | 3.38% | 3.4 | 8.4 |
| 17 | Indiana | 90.0 | \$35,730 | 3.14% | 3.5 | 8 |
| 18 | Oklahoma | 87.7 | \$34,560 | 2.47% | 3.3 | 8.7 |
| 19 | New Hampshire | 109.2 | \$39,870 | 0.00% | 2.4 | 4.8 |
| 20 | Georgia | 91.3 | \$35,950 | 4.10% | 3.9 | 6.8 |
| 21 | Kentucky | 91.7 | \$34,650 | 4.63% | 4.1 | 7.1 |
| 22 | Pennsylvania | 101.1 | \$38,450 | 3.07% | 4 | 6.1 |

| Rank | State | COL | Median Income | Tax Burden (as a % of Income) | Unemployment Rate | Work-related Injury, Illness, and Fatality Rates |
|------|----------------|-------|---------------|-------------------------------|-------------------|--|
| 23 | Delaware | 105.9 | \$39,900 | 4.11% | 3.4 | 4.9 |
| 24 | Arizona | 98.2 | \$37,020 | 2.21% | 5.1 | 6 |
| 25 | North Carolina | 94.2 | \$35,750 | 3.78% | 3.9 | 6.4 |
| 26 | Massachusetts | 129.5 | \$48,680 | 4.59% | 3 | 5.9 |
| 27 | Utah | 98.1 | \$36,790 | 4.95% | 3 | 5.9 |
| 28 | Alabama | 89.4 | \$33,740 | 4.29% | 3.7 | 6.7 |
| 29 | New Jersey | 122.3 | \$43,600 | 1.98% | 4 | 4.5 |
| 30 | Florida | 98.8 | \$34,560 | 0.00% | 3.5 | 6.5 |
| 31 | New Mexico | 92.7 | \$34,120 | 2.33% | 5.1 | 7.8 |
| 32 | Idaho | 94.1 | \$34,260 | 3.68% | 2.9 | 8 |
| 33 | Connecticut | 133.3 | \$46,920 | 2.98% | 3.8 | 5.5 |
| 34 | Rhode Island | 122.3 | \$42,040 | 2.60% | 3.9 | 4.8 |
| 35 | Arkansas | 88.3 | \$31,850 | 3.38% | 3.8 | 8.8 |
| 36 | Louisiana | 93.6 | \$33,390 | 2.71% | 4.9 | 8.5 |
| 37 | South Carolina | 98.2 | \$33,750 | 2.79% | 3.2 | 7 |
| 38 | Mississippi | 85.6 | \$30,580 | 3.05% | 4.8 | 9.4 |
| 39 | Maryland | 131.1 | \$44,690 | 4.05% | 3.7 | 6 |
| 40 | Alaska | 130.4 | \$48,020 | 0.00% | 6.5 | 14.1 |
| 41 | South Dakota | 99.9 | \$33,450 | 0.00% | 2.9 | 10.5 |
| 42 | New York | 135.5 | \$44,990 | 4.47% | 3.9 | 6.3 |

| Rank | State | COL | Median Income | Tax Burden (as a % of Income) | Unemployment Rate | Work-related Injury, Illness, and Fatality Rates |
|------|---------------|-------|---------------|-------------------------------|-------------------|--|
| 43 | Nevada | 111.8 | \$35,550 | 0.00% | 4.3 | 6.2 |
| 44 | West Virginia | 94.6 | \$32,640 | 3.53% | 5.2 | 10.5 |
| 45 | Vermont | 118.6 | \$39,720 | 2.48% | 2.4 | 11.5 |
| 46 | Montana | 103.9 | \$35,080 | 3.81% | 3.8 | 11.3 |
| 47 | Maine | 117.1 | \$37,120 | 3.21% | 3.4 | 7.5 |
| 48 | California | 142.2 | \$42,430 | 2.70% | 4.2 | 5.8 |
| 49 | Oregon | 131.0 | \$39,580 | 7.81% | 4.4 | 7 |
| 50 | Hawaii | 189.7 | \$42,480 | 5.92% | 2.7 | 5.9 |