



Super rich New Yorkers — including billionaire Carl Icahn — are fleeing the Big Apple in droves. Here are the top 3 states they're quickly escaping to

up to restore default view.

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Haven't you heard? New York is so 2018. At least, that's the case for the super wealthy.

Between 2019 and 2020, the number of New Yorkers earning between \$150,000 and \$750,000 fell by nearly 6%, according to the New York City Independent Budget Office.

Moreover, the number of real high earners — those making over \$750,000 — dropped by nearly 10% during the same period.

Some speculate that the wealthy elites are leaving New York because of the state's high tax rates. While it's hard to say exactly why people move, the loss of high earners can impact the city's income tax revenue.

For perspective, the 41,000 filers in the city's top 1% pay more than 40% of all its income taxes. The 450,000 filers in the top 10% pay about two-thirds of all income taxes.

In other words, the remaining 90% of taxpayers contribute about one-third of the city's income tax revenue.

In its most recent report, financial technology company SmartAsset found that in 2020, New York had a net outflow of almost 20,000 high-earning households — defined as households earning over \$200,000. That was more than any state in the study.

So where are these folks moving?

Florida

No state attracted more high-earning households than the Sunshine State.

According to SmartAsset, Florida added 32,019 tax filers who reported at least \$200,000 in income in 2020. While the state also lost 11,756 such filers during the year, the end result was a net gain of 20,263 high-income filers.

One of the ultra-high earners who moved to Florida was billionaire activist investor Carl Icahn. The 86-year-old was born in New York City and had run his business from the city for decades. He relocated his office to Sunny Isles Beach, Florida in 2020.

An obvious advantage of moving to Florida — especially for those who live in the Snowbelt — is the weather. But the main reason Florida is the top destination for high earners could be financial: it's [one of the few states in the country](#) that doesn't charge its residents state income taxes.

Texas

Texas is another warm state that doesn't have a state income tax. So it's no surprise that high-income households are flocking to it.

In 2020, 18,417 tax filers who made at least \$200,000 moved to Texas, while 13,061 high-earning filers left it. Simple math shows a net gain of 5,356 high-income households for the Lone Star State.

Other than the absence of a state income tax, Texas also attracts newcomers with its reasonable cost of living. The typical home value in Texas is \$315,451 according to real estate marketplace Zillow, which is lower than the national average of \$357,319. New York City, on the other hand, has a typical home value of \$782,365.

At the same time, Texas boasts a booming economy and plenty of job opportunities. According to the Texas Workforce Commission, the state led the nation for the fastest annual jobs growth rate at 5.4% from October 2021 to October 2022.

Arizona

With a net gain of 5,268 tax filers with at least \$200,000 in income in 2020, Arizona is the third most popular destination for high-earning migrants.

Arizona does have a state income tax, but it's moving towards a 2.5% percent flat tax rate for this tax year. With that rate now in effect, the state now has the lowest flat tax in the country.

“It’s time to deliver lasting tax relief to Arizona families and small businesses so they can keep more of their hard-earned money,” says Governor Doug Ducey. “This tax relief keeps Arizona competitive and preserves our reputation as a jobs magnet and generator of opportunity.”

One last thing: while Florida is known as the Sunshine State, Arizona actually gets the most sun. It receives an annual average sunlight of 5,755 kJ per square meter — more than any other state in the country.