An Extension of the Use of Administrative Records to Estimate Internal Migration in the Intercensal Population Estimates

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Each year, the Population Division of the US Census Bureau prepares annual population estimates for the nation, states, and counties by demographic characteristics. The development of the intercensal estimates for states and counties has long relied upon the use of an extract of Internal Revenue Service (IRS) 1040 tax data to develop estimates of the rate of internal migration. These data are matched over a one year period to develop estimates of nonmovers, in and out migrants for states and counties. The data are then converted to rates of net migration and used in the intercensal estimates process to develop the domestic migration component of the annual intercensal population estimates for states and counties.

While, on average, the file of IRS 1040 tax filers and exemptions appears to cover approximately 80 percent of the population residing in the United States, it is thought that the migration patters of filers and exemptions developed from this file represent a biased picture of the true internal migration pattern for states and counties.

Over the last few years, the interest in and use of administrative records data has increased throughout the Census Bureau. With this recent extension, the Census Bureau has had the opportunity to acquire and explore various other administrative records data including data from the Medicare, IRS W2 and 1099, and various HUD programs.

With the availability of these additional datasets, it is possible to extend the IRS 1040 tax database to include data from these additional data sets. Using this extended administrative records database, rates of domestic migration could be developed and used in the intercensal estimates process. It is thought, a priori, that the extension of the database to include data from these additional datasets will lead to the development of migration rates that more accurately reflect the true internal migration patterns for states and counties.

This paper will explore whether extending the administrative records database used in the intercensal estimates to estimates internal migration to include Medicare, IRS 1099 and W2 records, plus selected HUD records increases the representativeness of the database. The paper will describe the various issues involved in extending the database from the current use of IRS 1040 filers and exemptions to include the additional administrative data on the Medicare, IRS W2 and 1099, and HUD program files. It will examine the cost and benefit of each additional administrative records data file.

The Census 2000 sample data provide a one-time measure of migration patterns for states and counties. It is assumed that the census data, while a 5-year measure, do provide a true measure of migration for states and counties. The new American Community Survey includes a question on residence one year ago. These data provide an opportunity to examine migration patterns for

states and large counties. By matching data from the extended administrative records data base to the Census 2000 and to the American Community Survey, we have the opportunity to examine whether the migration characteristics of those we match are similar to those who appear on the Census sample or ACS and do not appear in the extended administrative records database.

As a final step in the evaluation process, we will explore methods for using the Census 2000 sample data and data from the continuously available ACS along with the data from the extended administrative records database to develop rates of domestic migration for states and counties that represent the total population.