

# Is the millionaires tax driving wealthy residents from Mass.? There's new data, but still no clear answer.

By [Dana Gerber](#), [Jon Chesto](#) and [Christina Prignano](#) Globe Staff, Updated March 20, 2026, 9:54 a.m.



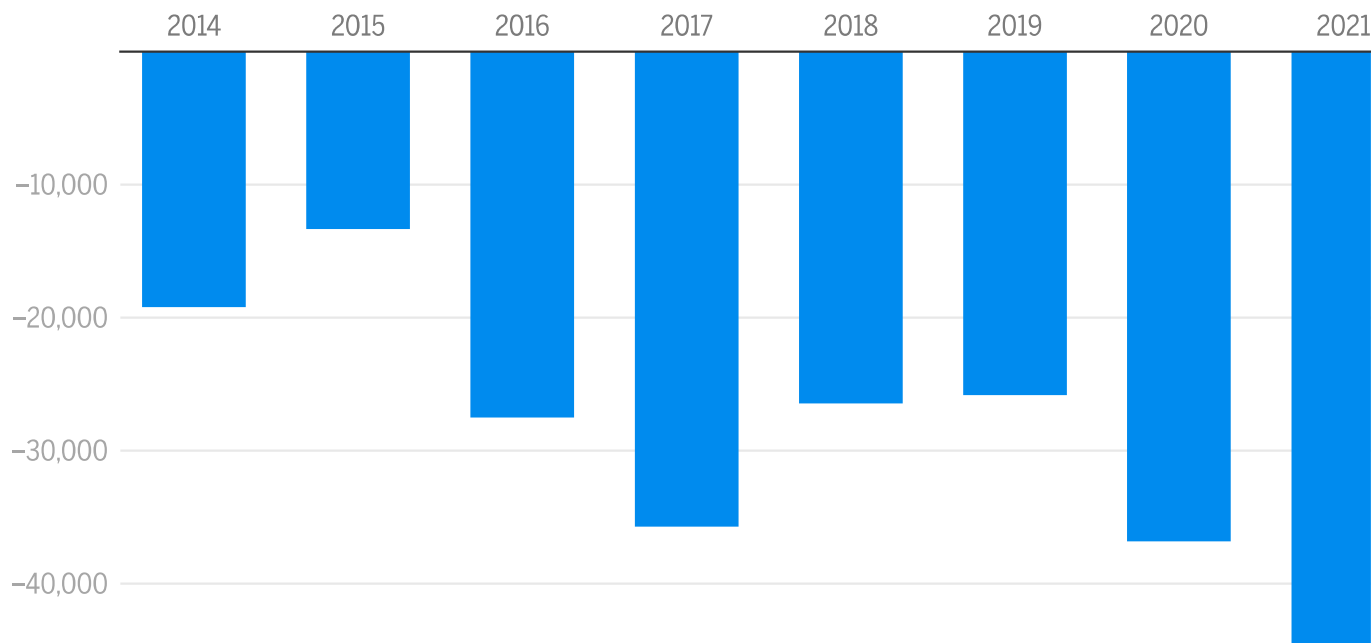
Voters walk past a "Yes On 1" sign outside of an East Boston polling location in 2022. Voters passed Question 1, also known as the millionaires tax, by a slim margin. JESSICA RINALDI/GLOBE STAFF

It's the million-dollar question: Is [Massachusetts' surtax on high-earners](#), which kicked in three years ago, [driving residents away](#)?

It depends on who you ask, even after the [Internal Revenue Service released](#) on Thursday the most detailed look yet on who, exactly, left the state as the so-called millionaires tax took effect.

The IRS data found that nearly 30,000 more people left Massachusetts than came into it from 2022 to 2023, according to tax returns — one of the highest numbers of any state in the country. Those departures represented a net loss of about \$4.2 billion in adjusted gross income. That's actually fewer people than left in the prior year — about 45,000 individuals, on balance, moved out in 2021-2022 — but the lost income was up from a net of \$3.9 billion.

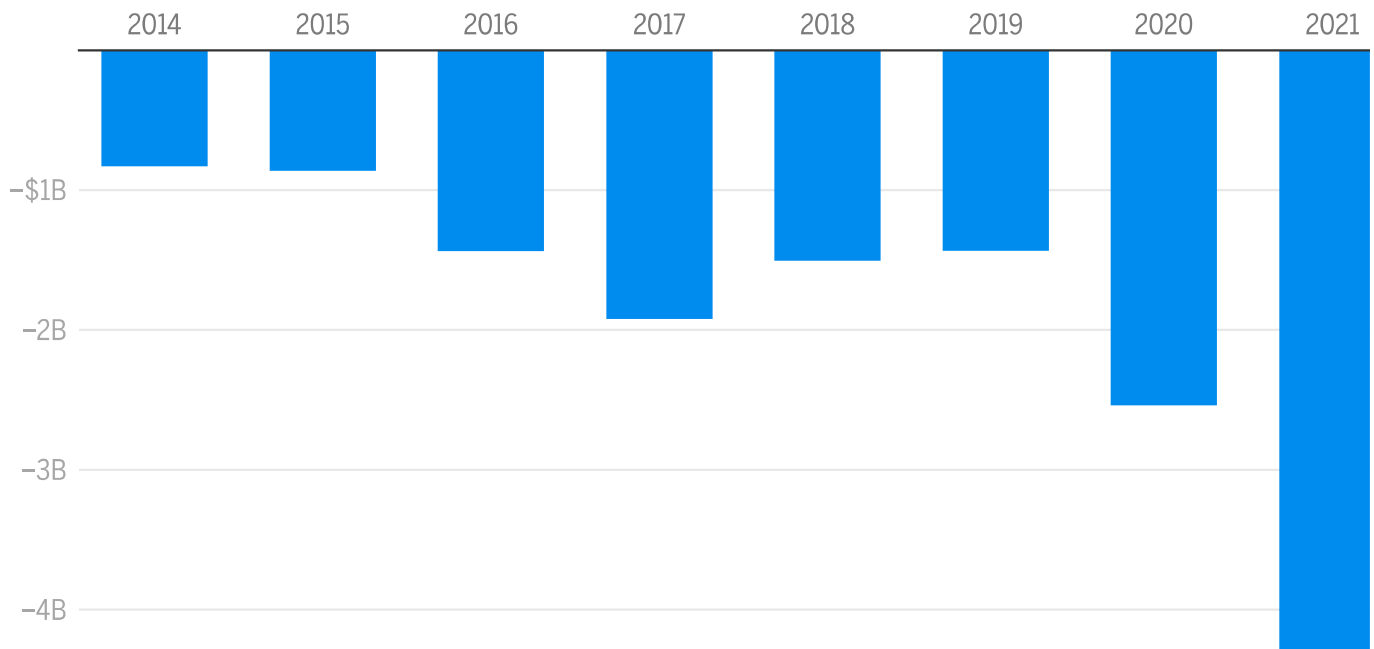
### Net loss of Massachusetts residents slowed in 2023



NOTES: Migration data are based on the population of Forms 1040. Addresses shown on tax returns are mailing addresses that may not reflect the taxpayer's actual residence nor the location of the taxpayer when the income was earned. Returns in a given year represent income earned the prior year.

Chart: CHRISTINA PRIGNANO/GLOBE STAFF • Source: Internal Revenue Service

## Net loss of adjusted gross income soared amid the pandemic

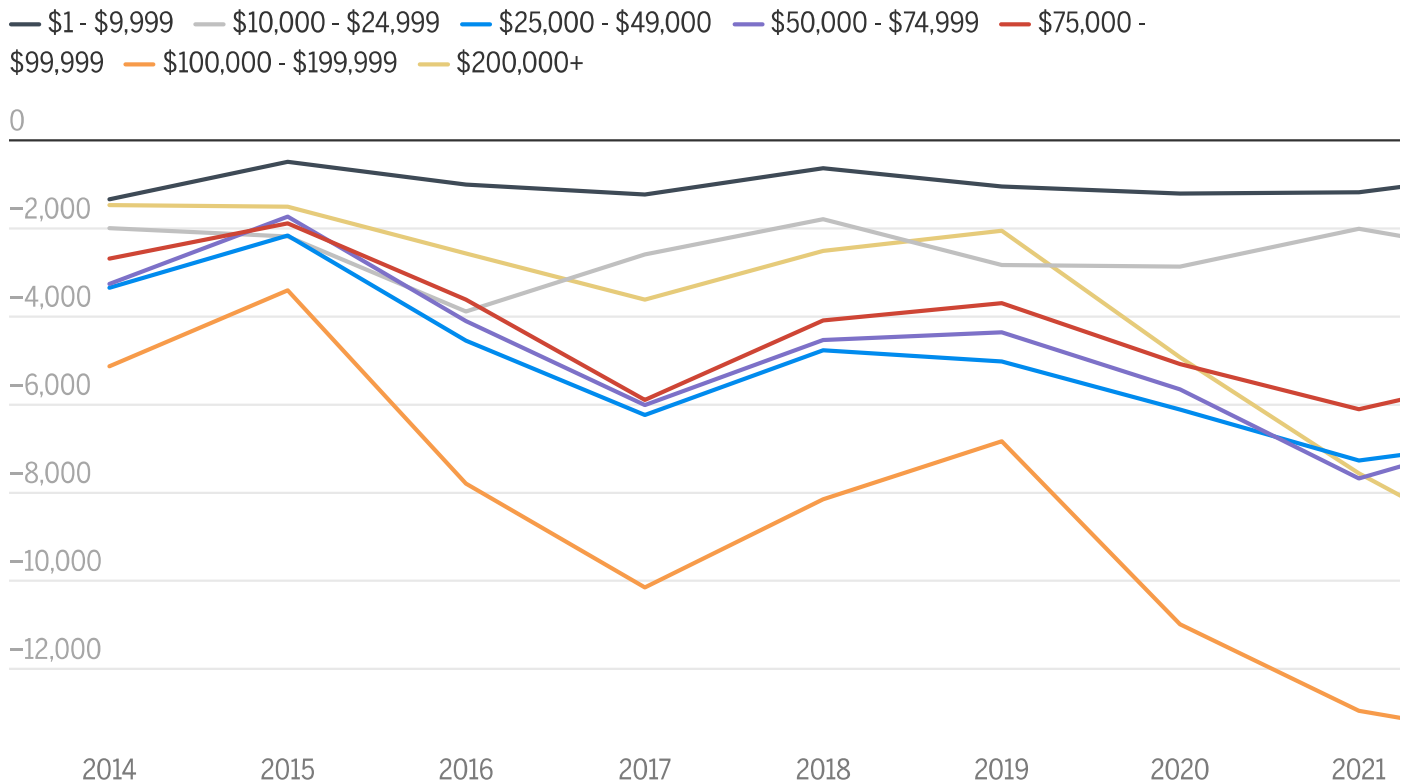


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Chart: CHRISTINA PRIGNANO/GLOBE STAFF • Source: Internal Revenue Service

Meanwhile, within the highest-earning bracket — those earning \$200,000 or more — 8,676 more individuals left the state than came into it from 2022 to 2023, representing around 29 percent of the total net loss. Compare that to the 9,735 top earners who left, on balance, in 2021-2022, comprising about 22 percent of the net loss. Individuals who earned \$200,000 or more and left Massachusetts in 2022-2023 amounted to about 2.1 percent of the total population of the highest earners who came into Massachusetts, those who left, those who moved within the state, and those who stayed put. That was a slight decrease from the 2021-2022 figure of 2.5 percent.

## Net loss of Massachusetts residents over time, by income



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Chart: CHRISTINA BRIGLIANO/CLORE STAFF • Source: Internal Revenue Service

The numbers do not break out information about residents subject to the millionaires tax. Even so, state policy wonks are deeply divided on what they mean about the early effects of [the 2022 vote](#) that placed an extra 4 percent tax on annual income above \$1 million (though [inflation has since nudged that benchmark](#) up slightly), on top of the state's standard 5 percent levy.

After voters passed the ballot question [by a slim margin](#), opponents argued that the tax would cause a [mass exodus of wealthy residents](#), while advocates focused on the [much-needed revenue](#) it would generate for the state's education and transportation sectors — estimated at [more than \\$3 billion](#) last fiscal year alone.

Both camps used the latest wide-ranging IRS numbers to burnish their arguments.

“This was one of the concerns, that we would lose taxpayers, that we would lose higher income earners,” said Christopher Carlozzi, the Massachusetts state director of the

National Federation of Independent Business, [which opposed the levy](#). “Now there’s data showing that. It’s starting to have a real effect.”

Jim Stergios, executive director of the libertarian-leaning Pioneer Institute think tank, which on Thursday published [a gloomy analysis of the data](#), said the higher loss of adjusted gross income from the smaller group of people who left indicates that a larger number of wealthier people left.

“[The IRS report] suggests that these are higher earners that are leaving,” Stergios said.

The Massachusetts Budget and Policy Center reads the numbers differently. The progressive think tank pointed to the shrinking net loss of \$200,000-and-over households leaving the state as a sign that the wealthiest residents are not the ones bearing the brunt of the state’s economic squeeze.

“To the extent that economics play a role, for these households that are leaving, it’s questions of affordability, about housing, affordability of education, affordability of child care, affordability of transportation,” said Kurt Wise, a senior policy analyst at MassBudget. “Those are the economic factors weighing on these households, which might push them to look for opportunities outside of Massachusetts.”

Phineas Baxandall, the director of research and policy analysis at MassBudget, also pointed out that early estimates of surtax collections for the current fiscal year show the state is on track to collect even more this fiscal year than the last one.

“The proof in the pudding is the money that’s actually coming in,” Baxandall said. “If the millionaires were leaving, they wouldn’t be continuing, quarter to quarter, to pay this tax.”

Back in 2022, when the debate over the millionaires tax was just picking up steam, [the Center for State Policy Analysis at Tufts University put out a report](#) estimating that the tax would lead perhaps 500 families to leave Massachusetts. But to Evan Horowitz,

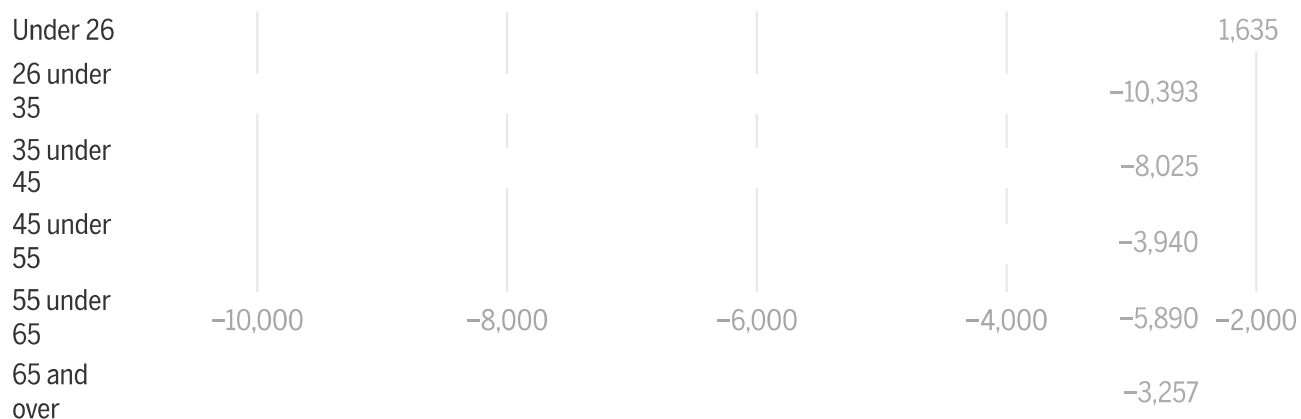
the center’s executive director, the story the new IRS numbers tell is one not about the millionaires tax, but about [the pandemic, which spurred a dramatic acceleration in outmigration](#) well before the Fair Share Amendment took effect.

“The clear pivot point in the data seems to be COVID,” said Horowitz in a phone interview from a trip to Florida — the top state for Massachusetts departures from 2022 to 2023. “I don’t see any evidence that the millionaires tax is affecting these trends. I’m open to this as a possibility, but it doesn’t look like it to me.”

Aside from income, the IRS also broke down migration data by age group.

From 2022-2023, the biggest cohort of net departures — more than 10,000 individuals on balance — was people ages 26 to 34. The loss of residents in their prime working years is a key concern for government officials [looking to shore up the state’s competitiveness](#).

### Net change in migration between 2022 and 2023, by age



By comparison, the state saw a net loss of around 5,900 individuals ages 55 to 64. But those older residents took with them more adjusted gross income: about \$1.3 billion on balance, compared with just under \$940 million from the 20-and-30-somethings. Susan Strate, senior program manager of the population estimates program at the UMass Donahue Institute, said that basic demographic realities — beyond public policy — are a

big factor in the data showing an income drain from the state, especially as the outsized — [and affluent](#) — baby boomer generation gets older.

“You’ve got this large population hitting retirement age. They are the ones holding the income. And if they are continuing to move to Florida at the same rate that they always have, you’re going to see an increase in the [adjusted gross income] leaving the state,” she said.

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