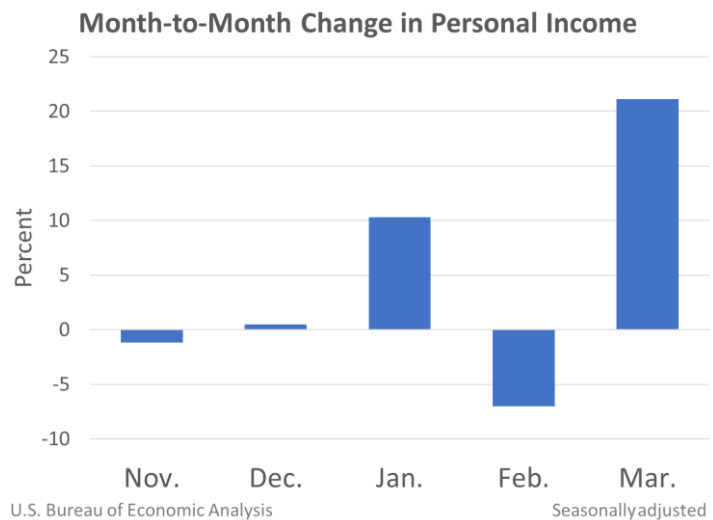


Personal Income and Outlays, March 2021

Personal income increased \$4.21 trillion, or 21.1 percent at a monthly rate, while consumer spending increased \$616.0 billion, or 4.2 percent, in March. Economic impact payments established by the American Rescue Plan Act of 2021, which was enacted on March 11, 2021, were distributed. In addition to presenting estimates for March 2021, these highlights provide comparisons to February 2020, the last month before the onset of the COVID-19 pandemic in the United States.

Personal income for March 2021

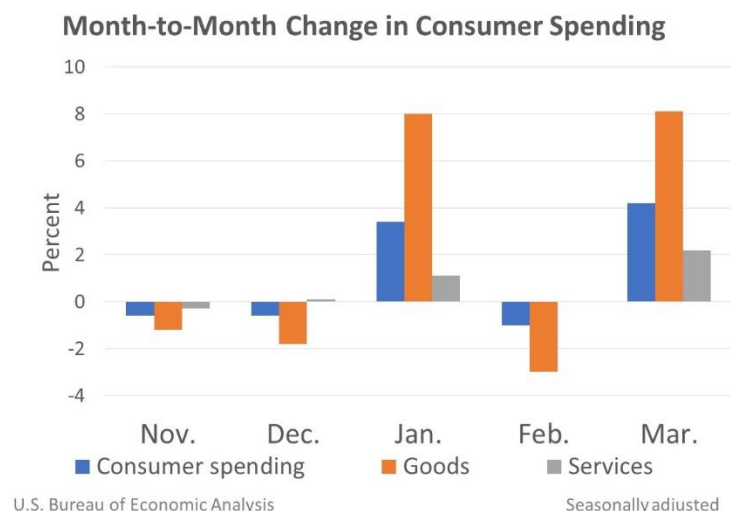
The increase in personal income in March primarily reflected an increase in government social benefits. Within government social benefits, “other” social benefits, specifically the economic impact payments to households, increased. Additional information on factors affecting monthly personal income can be found on [“Effects of Selected Federal Pandemic Response Programs on Personal Income.”](#)



Consumer spending for March 2021

Current-dollar consumer spending increased in March, reflecting increases in goods and services.

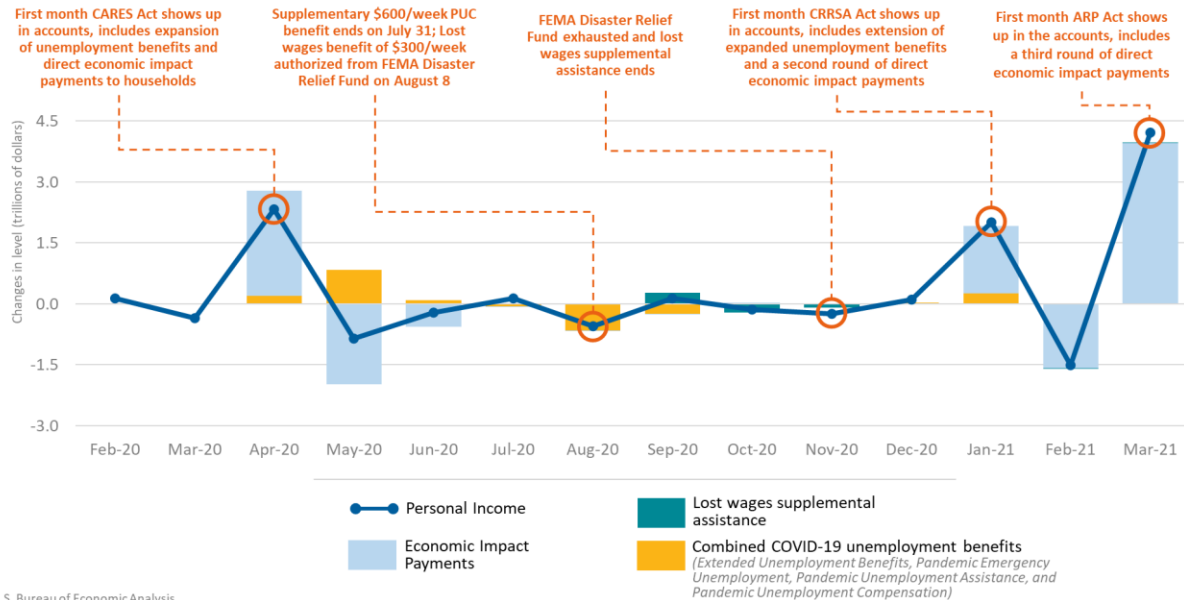
- Within goods, both durable goods (led by motor vehicles and parts) and nondurable goods (led by “other” nondurable goods, which includes recreational items like games, toys, and hobbies) contributed to the increase, largely based on data from the Census Monthly Retail Trade Survey (MRTS).
- Within services, the increase was led by food services and accommodations (notably, purchased meals and beverages), based on data from MRTS and transportation services (led by motor vehicle maintenance and repair), based on payment card transactions data.



Personal income comparisons to February 2020

Over the past 13 months, changes in personal income primarily reflected changes in government social benefits, which were based on the enactment and expiration of legislative acts and related programs.

Changes in Personal Income and Selected COVID-19 Legislative Impacts



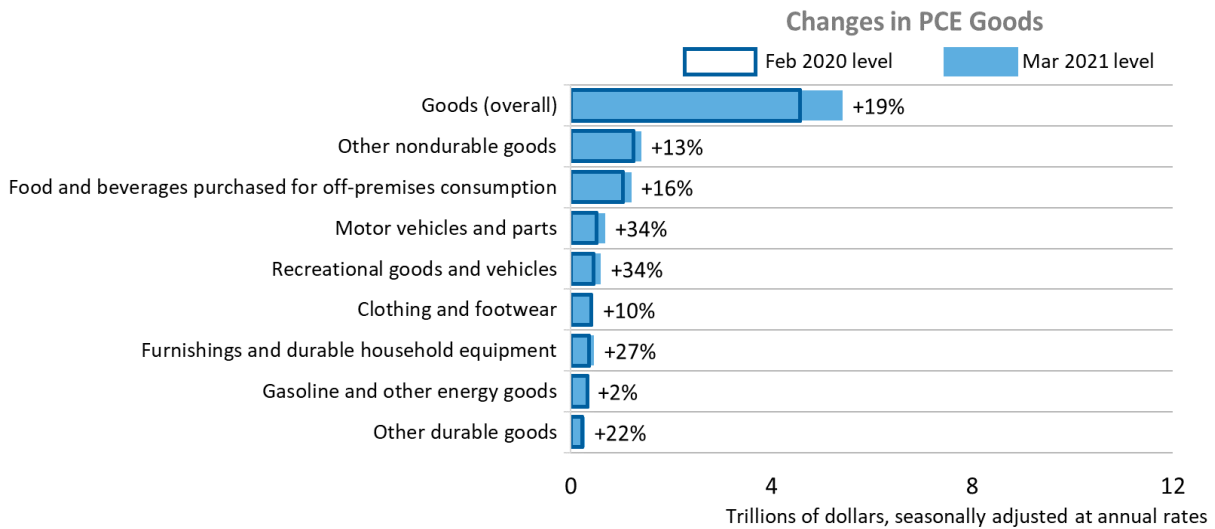
The Coronavirus Aid, Relief, and Economic Security (CARES) Act, the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act, and the American Rescue Plan (ARP) Act included expansions of unemployment insurance programs. Under the Pandemic Unemployment Compensation program, the acts provided supplementary weekly payments to those receiving unemployment benefits. Information on specific unemployment programs and their provisions can be found at [“How will the expansion of unemployment benefits in response to the COVID-19 pandemic be recorded in the NIPAs?”](#)

Additionally, the acts provided direct economic impact payments to households. The ARP Act provided up to \$1,400 for qualified individuals. Payments were distributed mostly in March 2021. For additional information, see [“How are federal economic impact payments to support individuals during the COVID-19 pandemic recorded in the NIPAs?”](#)

Consumer spending comparisons to February 2020

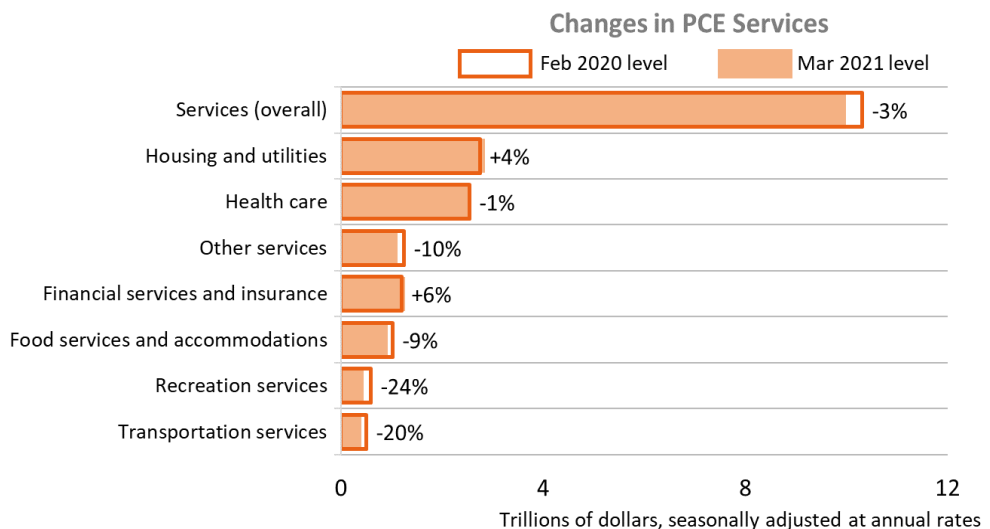
A comparison of the March 2021 current-dollar levels of consumer spending with the February 2020 pre-pandemic levels shows that spending for goods increased while spending for services decreased.

Spending for goods in March 2021 was 19 percent above the February 2020 level. Categories with notable increases included motor vehicles and parts, recreational goods and vehicles (led by information processing equipment), and furnishings and durable household equipment.



U.S. Bureau of Economic Analysis

Spending for services in March 2021 was 3 percent below the February 2020 level. Categories with notable decreases included recreation services, transportation services, and food services and accommodations. During the COVID-19 pandemic, establishments in these sectors were at times closed or at limited capacity.



U.S. Bureau of Economic Analysis

Since the onset of the pandemic, BEA used traditional data sources along with alternative data sources, particularly payment card transactions, to estimate changes in the monthly pattern of consumer spending. Additional information is available at [“COVID-19 and Recovery: Estimates from Payment Card Transactions.”](#)