

National Income & Related Aggregates

By

Afshana Parveen

Assistant Professor

Department of Economics

Dr. B.K.B. College, Puranigudam

Private Income

- ▶ Private income refers to the income which accrues to the private sector from all sources.
- ▶ It is the sum total of the factor incomes and transfer incomes received by private sector
- ▶ It also includes net factor income from abroad
- ▶ It is the income of all enterprises and workers in the private sector

Personal Income (PI)

- ▶ Sum of all incomes received by all individuals or households during a given year
- ▶ **PI= National Income- Undistributed Corporate Profits- Corporate Income Taxes- Social Security Contributions+ Transfer Payments**

Personal Disposable Income (PDI)

- ▶ Households have to pay taxes from personal income
- ▶ After paying personal taxes (personal income tax, personal property taxes) to the government, the income available for consumption is Personal Disposable Income
- ▶ **Disposable Income = Personal Income - Personal Taxes**
- ▶ **PDI = Consumption + Saving**

Thank You

The background features abstract, overlapping geometric shapes in various shades of green, ranging from light lime to dark forest green. These shapes are primarily located on the right side of the frame, creating a modern, layered effect against the white background.