How Low-Income Households Allocate Their Food Budget Relative to the Cost of the Thrifty Food Plan

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Abstract

By allocating their food budgets in accordance with USDA’s Thrifty Food Plan (TFP), which serves as a national standard for a low-cost nutritious diet, low-income U.S. households can meet recommended dietary guidelines. This study sought to determine whether selected types of low-income households allocate their food budgets in accordance with the TFP. In addition to expenditures for total food and food-at-home, the study looked at four large food-at-home categories: meats, cereals and bakery goods, fruits and vegetables, and dairy products. The analysis found that low-income households as a whole spent about 86 percent of the TFP costs for food at home. These households spent slightly over the TFP amount (102 percent) on cereals and bakery goods, but only 53 percent of the TFP costs on fruits and vegetables. Simulations for specific types of low-income households indicated that expenditures by female-headed households with children and married couples with children were least likely to equal the TFP expenditures.

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