



The Missing Billions: Measuring Top Incomes in the UK

Dr Andy Summers (LSE Law)

III Seminar – 5th Feb 2019

**What's missing from top incomes in
the UK's income statistics?**



“Those with the broadest shoulders are bearing the greatest burden. For we are **all in this together.**”



And, in the last fortnight we’ve seen **independent statistics** showing that since 2010, child poverty is down **and so is inequality.”**

*George Osborne
Budget Speech, July 2015*



“The claim: Levels of inequality in the UK have been getting worse.

Reality Check verdict: Official figures suggest that income distribution has become less unequal over the past decade.”

January 2017



FactCheck

“Despite the rhetoric from the opposition benches, the official statistics do not support the view that income inequality has worsened since David Cameron became Prime Minister.”

March 2016

The issue

The challenge of measuring top incomes:

1. **Known problems using survey data**

>>> 'Top incomes adjustment' using tax data

2. **But, tax data collected for *tax purposes***

>>> **What's missing from Income Tax data?**

Project aims

1. **Map missing sources:** legal, conceptual
2. **Estimate (indicatively)** importance for top income shares: quantitative
3. **Suggest ways of measuring** missing sources more precisely, using available tax data: further analysis

Provisional findings

1. Top income shares are **larger** than currently estimated in official statistics

Missing sources are concentrated at top of distribution

2. Top income shares **have grown** since 2008

Missing sources have grown relative to (observed) taxable incomes over past decade

Caveats

1. Traversing several disciplines

Economics, law, accounting, political philosophy...

2. Estimates are provisional

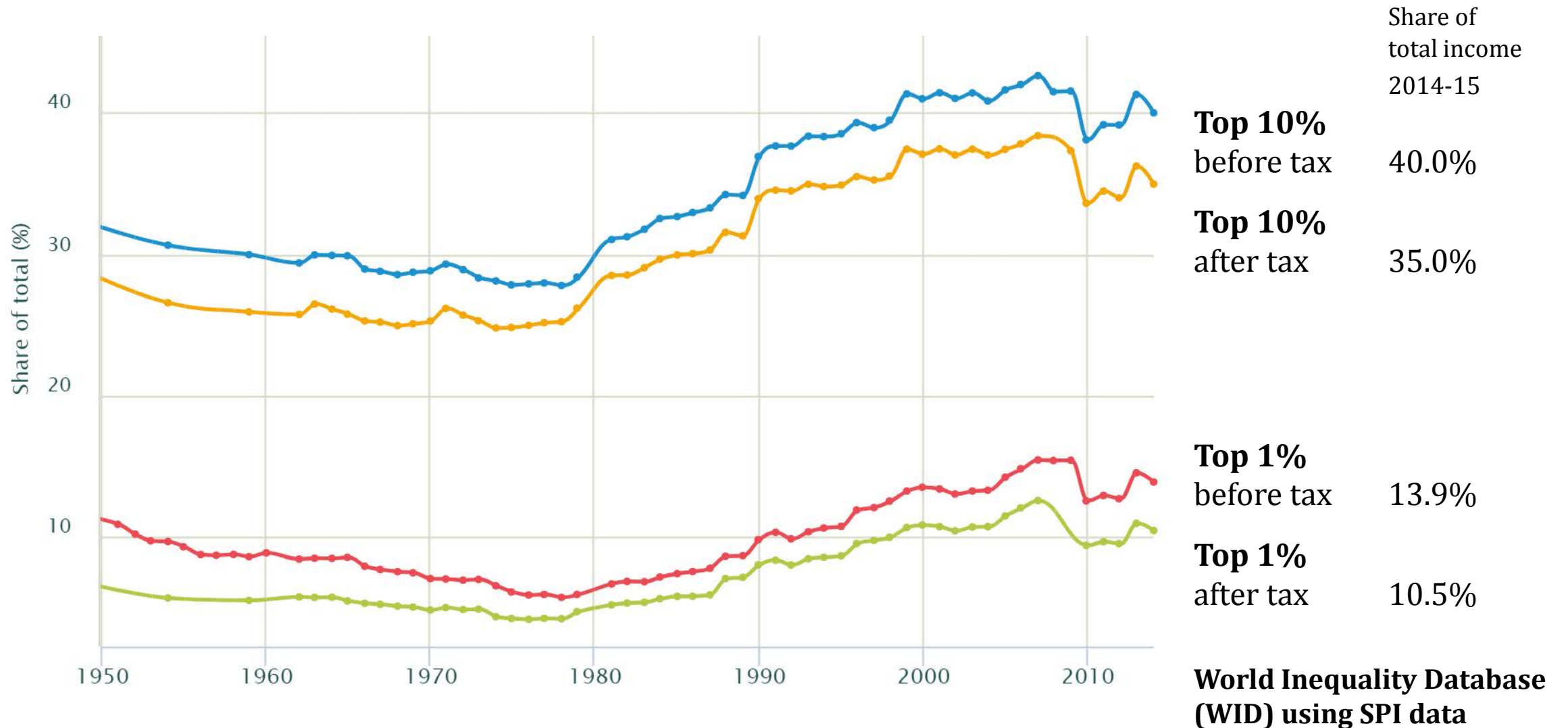
Mostly using aggregate statistics published by HMRC, distributional tables where available (not microdata)

3. Many other issues

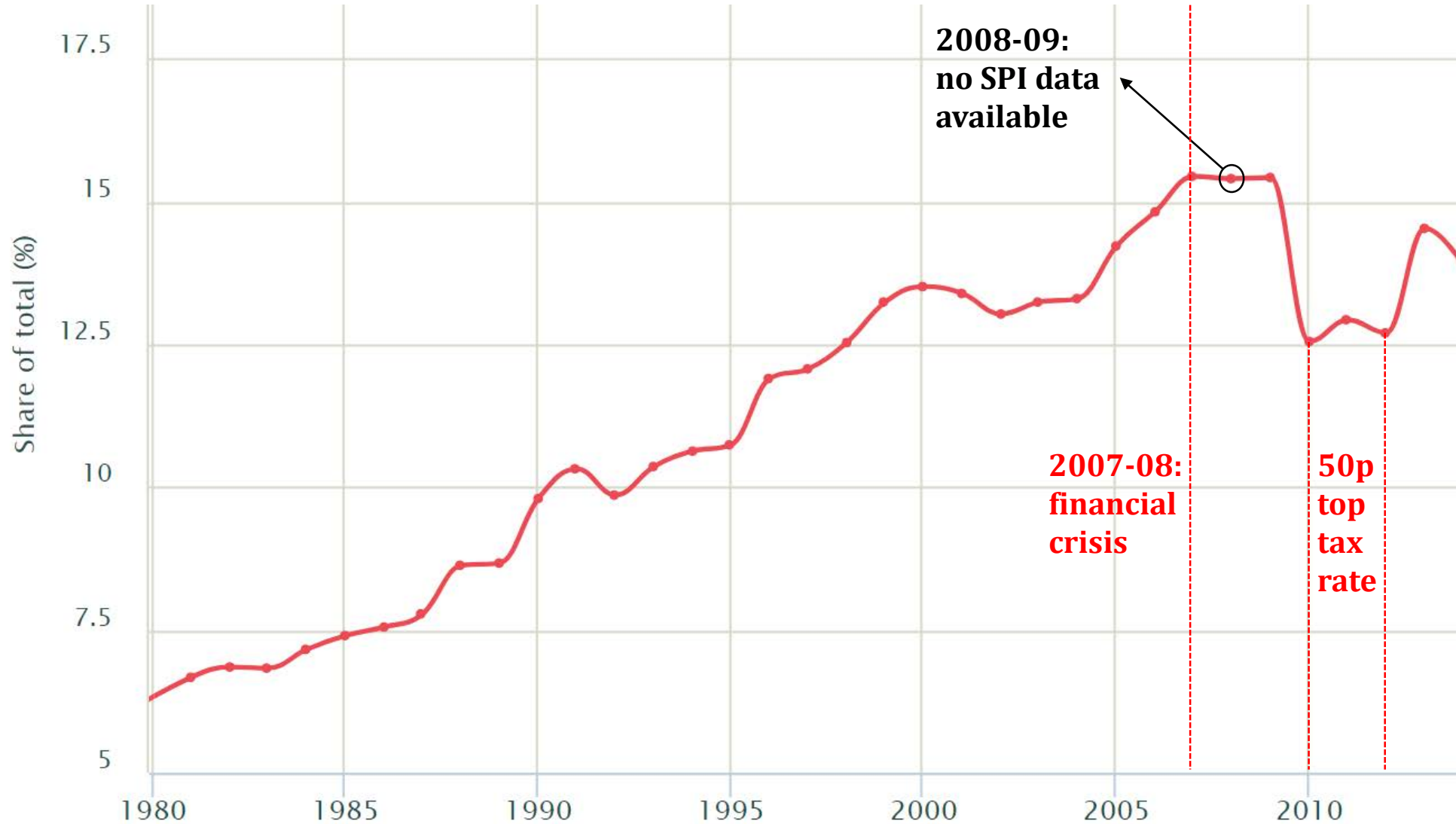
E.g. unit of observation, equivalisation, choice of summary statistic, issues at the bottom, distribution over life-course, etc

- 1. Top incomes in the UK**
- 2. Background & literature**
- 3. The missing sources**
- 4. Implications**

UK top income shares since 1950

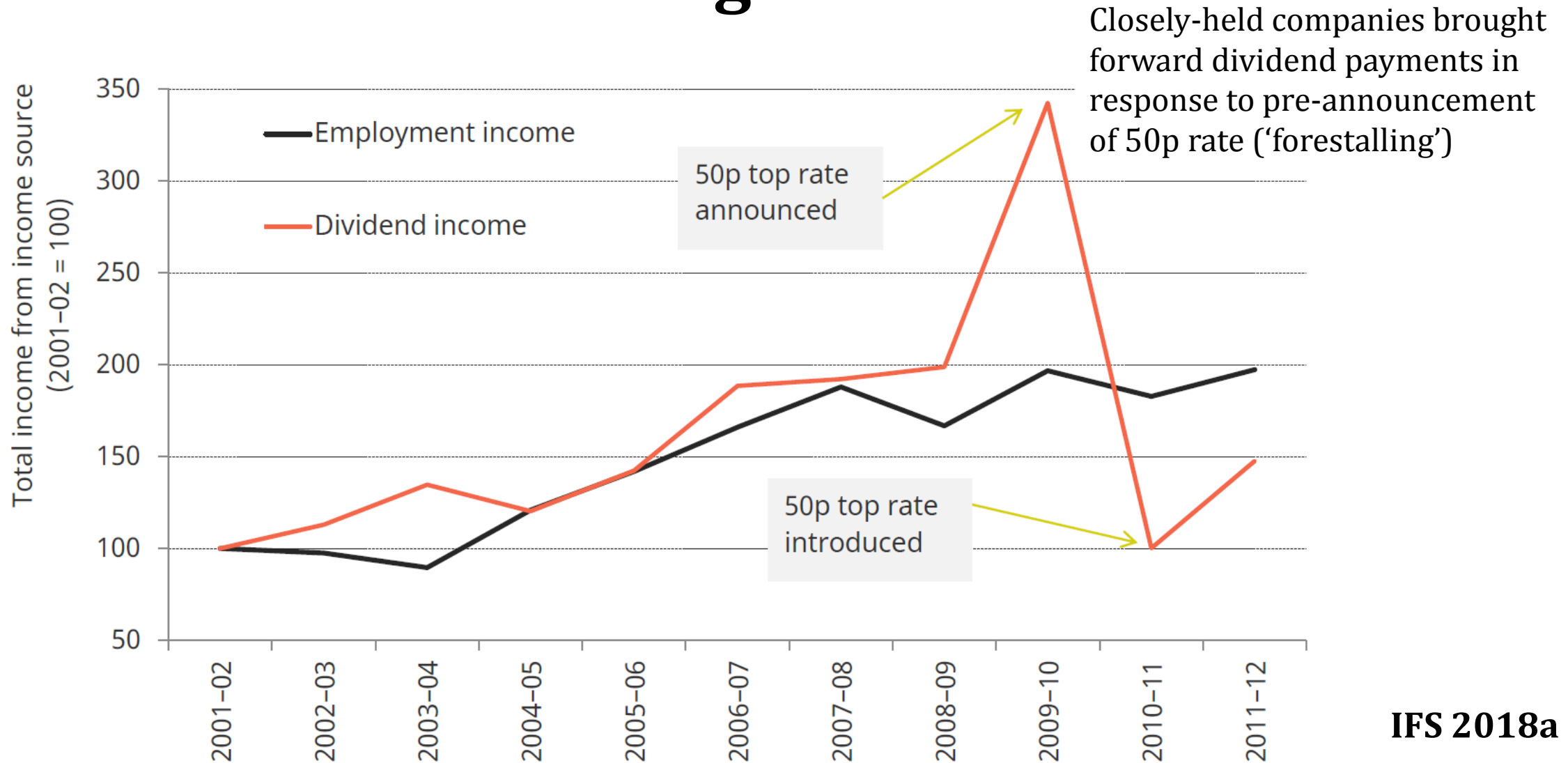


Top 1% share (before tax) since 1980



World Inequality Database (WID) using SPI data

Dividend forestalling



Dividend forestalling →



Non-dom income

**Tax-exempt
investments**

**Close company
retained profits**

**Tax avoidance
schemes**

**Tax non-compliance
(incl evasion)**

Capital gains

**Gifts & inheritances
(Imputed rent)**

Titmuss (1962)

'Income Distribution and Social Change'

*To what extent and in what respects do these statistics represent reality? How faithfully do they depict the changing constituents of income and wealth, and changes in rewards and ways of spending, giving and saving? ... **How valid are the concepts and the data in relation to the uses to which they are put?***

Atkinson (1975)

'Income Distribution and Social Change Revisited'

A 240 page catalogue of the deficiencies of the available statistics might have been expected to lead to major efforts by official statisticians or independent investigators to improve their quality, but in fact it has not...

*The failure ... to provoke a more determined effort may stem from a **certain ambivalence on Titmuss's part about the role of quantification.***

- 1. Top incomes in the UK**
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UK income series

Official statistics:

ONS, Effects of Taxes and Benefits on UK Household Income (**ETB**)

DWP, Households Below Average Income (**HBAI-SPI**)

HMRC, Personal Incomes Statistics (**PIS**) and Income Tax Liabilities Statistics (**ITLS**)

Other series:

World Inequality Database, top incomes statistics (**WID**)

Institute for Fiscal Studies, Living Standards, Poverty & Inequality in the UK (**IFS**)

Data sources

Series	Data	Notes
ONS ETB	Survey (LCFS)	Planning 'SPI adjustment' for top incomes (first release Feb 2019)
DWP HBAI-SPI	Survey (FRS)	Tax (SPI) 'SPI adjustment' for top c.0.5%
HMRC PIS/ITLS	Tax (SPI)	Taxpaying population only
WID	Tax (SPI)	Full population (aged 15+)
IFS	Survey (FRS)	Tax (SPI) Based on HBAI

SPI = Survey of Personal Incomes; LCFS = Living Costs and Food Survey; FRS = Family Resources Survey

Survey of Personal Incomes (SPI)

- HMRC annual publication (except for 2008-09)
- The **only source of tax data currently used in UK income statistics**
- Microdata collected from employers (PAYE) and self-assessment (SA)
- Stratified sample of taxpayers* (c.750k cases)
- Cross-sectional, and cannot link to survey data or household members
- Includes variables for total income before and after tax

*Omits some non-taxpaying adults; consequently, external control totals for population/income required for full population estimates (Alvaredo 2017)

The main limitation of the SPI

“the SPI provides the most comprehensive and accurate official source of data on personal incomes assessable for income tax.”

HMRC 2018a, Annex B: Data Sources and Methodology

The concept(s) of income

SPI ('fiscal') income

“Income assessable to Income Tax”

'Canberra income'

“all receipts whether monetary or in kind ... received at annual or more frequent intervals” (UN 2011)

All receipts

Includes irregular receipts e.g. realised capital gains, gifts, inheritances

**Haig-Simons
'comprehensive income'**

“the money value of the net accretion to one's economic power between two points of time” (Haig 1921)

The UK tax system

1. Narrow Income Tax base

No general definition of 'income'; 'schedular system' where source is taxable only if specifically charged

2. Large incentives to shift taxable income

(a) To exempt sources (e.g. ISAs)

(b) To other tax bases (e.g. capital gains)

3. Large changes in incentives over time

E.g. Capital Gains Tax, tax rates on dividends, exemptions for savings/investments, availability of tax avoidance schemes, etc

Existing literature (United States)

Effect of 1986 tax reforms on observed incomes

Feenberg & Poterba (1993); Gordon & MacKie-Mason (1994); Slemrod (1996); Gordon & Slemrod (2000); Piketty & Saez (2003)

Alternative series including capital gains

Piketty & Saez (2003); Larrimore et al (2017)

Effect of choice of income concept

Armour, Burkhauser & Larrimore (2013; 2014); Bricker et al (2016a; 2016b)

'Missing' national income

Piketty, Saez & Zucman (2018); Auten & Splinter (2018a; 2018b)

Existing literature (international)

Australia

Burkhauser, Hahn & Wilkins (2015) – 1985 tax reforms; capital gains

Canada

Wolfson et al (2016) – close company retained profits

Chile

Lopez, Figueroa & Gutierrez (2016) – capital gains

Norway

Alstadsaeter et al (2017) – close company retained profits

Existing literature (UK)

Early literature on 'missing' income

Titmuss (1962), reviewed by Mirrlees (1962), Atkinson (1975)

...

Recent literature

Atkinson (2005, 2007) – acknowledges issues of evasion, avoidance, capital gains, benefits in kind, but does not attempt to quantify these effects

Jenkins (2017); Burkhauser et al (2018a, 2018b) – compare survey and tax data for top incomes; highlight effect of dividend forestalling

- 1. Top incomes in the UK**
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Dividend forestalling →



Non-dom income

**Tax-exempt
investments**

**Close company
retained profits**

**Tax avoidance
schemes**

**Tax non-compliance
(incl evasion)**

Capital gains

**Gifts & inheritances
(Imputed rent)**

Context: top incomes observed using SPI

	Top 10%	Top 5%	Top 1%	Top 0.5%	Top 0.1%
Share (after tax)	35.0%	23.7%	10.5%	7.7%	3.9%
Income (after tax)	£323bil	£219bil	£97bil	£71bil	£36bil
Number of individuals	5.3mil	2.7mil	532k	266k	53k
Mean income (after tax)	£61k	£82k	£182k	£268k	£678k

Source: World Inequality Database using SPI data (Alvarado 2017), figures for 2014-15

Income control total: £1091bil (before tax); £924bil (after tax)

Population control total: 53.189mil (adults aged 15+)

Capital gains

Capital gains

What are capital gains?

‘Capital gain’ = gain in value of an asset since its acquisition

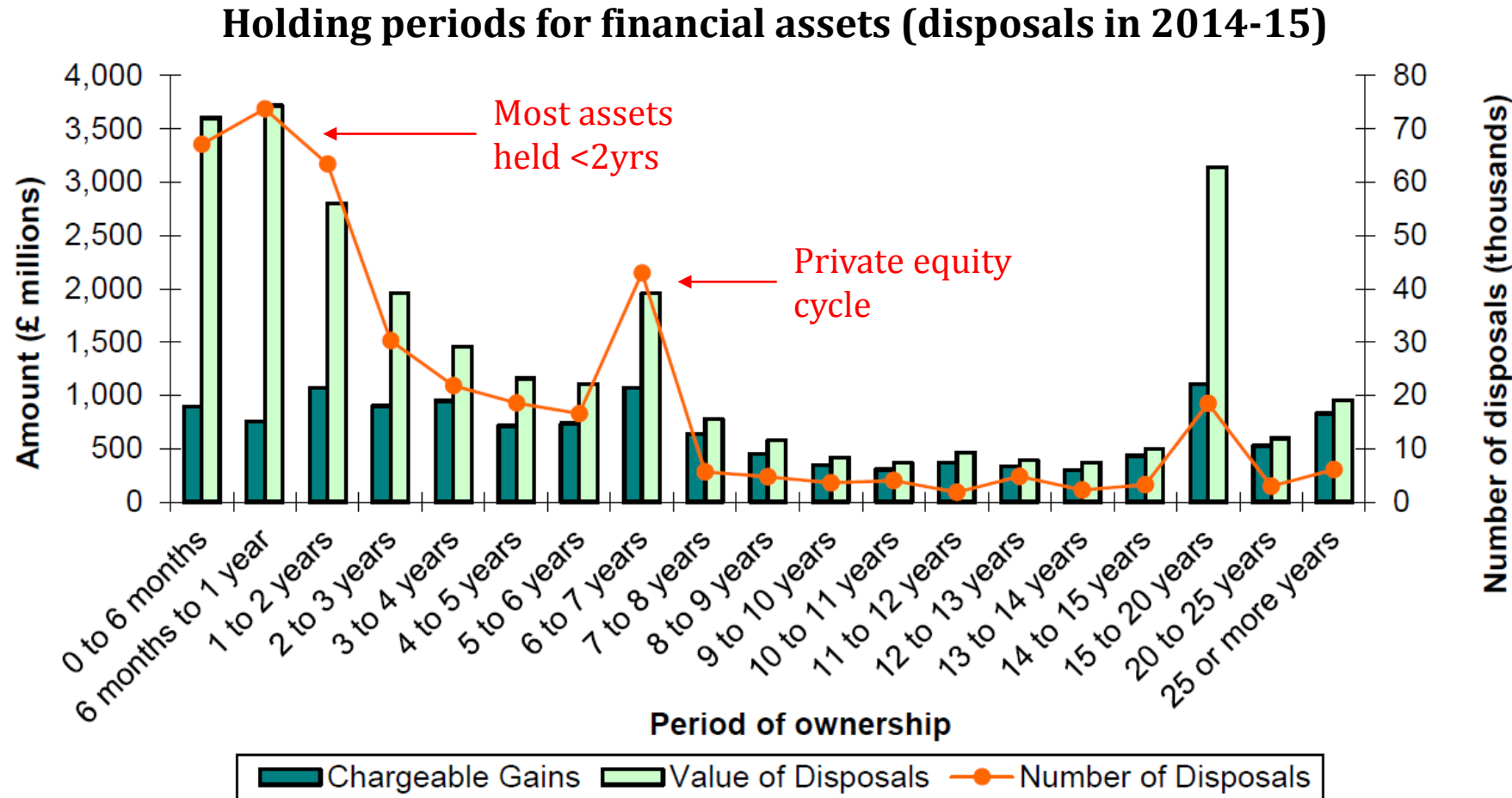
Gain is ‘realised’ when sold; until then, ‘accrued’ but unrealised

The thin boundary between income and gains: some examples...

Substitution for labour income	Substitution for capital income
Private equity ‘carried interest’	‘Investing for growth over income’: e.g. start-up companies, buy-to-let
Employee share schemes	Saving in non-productive assets e.g. artwork, prestige goods
Owner-managers’ retained profits	

Capital gains

Short-term gains on financial assets



HMRC 2017b

Financial assets
67% of total
chargeable gains

Unlisted shares
53% of total
chargeable gains

Compare residential
property (buy-to-let
etc): 16% of total

Capital gains

Scale, distribution & trends

1. Total realised capital gains

- **Chargeable gains totalled £43.4bil after tax** (£51.1bil before tax) in 2016-17
- Excludes: gains on main homes; all individuals with chargeable gains <£11,100

2. Distribution of gains

- **61% of after-tax gains (£26.6bil) went to individuals who realised >£1mil gains** in a single year
- 86% (£37.4bil) went to individuals who realised >£100k

3. Trend since 2008

- In 2008-09, total after-tax chargeable gains was only £13.1bil
- **232% increase in total after-tax gains between 2008-2016**

HMRC 2018f

Capital gains

Conceptual issues

Inclusion of capital gains in income statistics raises conceptual issues...

- Realised or accrued gains?
- Nominal or real gains?
- Treatment of gains in main home
- Treatment of capital losses
- Irregularity of receipts (...but are they?)

BUT: Misleading to ignore capital gains altogether...

Capital gains

The case for inclusion

- **Addition to economic resources**
(Haig-Simons concept)
- **Thin boundary between legal definition of income and gains**
(e.g. private equity)
- **Changes in incentives for gains vs income over time**
(2008 reforms: large incentive to shift income to short-term gains)
- **International comparability**
(Some countries tax gains as income; some publish series incl gains)
- **Distribution of gains: ignoring is not neutral!**

Capital gains

Further analysis

Published analysis

- HMRC Capital Gains Tax (CGT) Statistics, annual publication
- Gives total chargeable gains, holding periods, breakdown by asset class, distribution (by gains and income)
- High-level, cross-sectional

Feasible analysis using microdata

- Universe of CGT taxpayers (annual gains >£11k)
- Microdata from individual SA returns, matched data on e.g. income, industry
- Panel, examine persistence of capital gains amongst individuals

Tax-exempt investments

Tax-exempt investments

Overview

Returns on some forms of savings/investment are exempt from Income Tax:

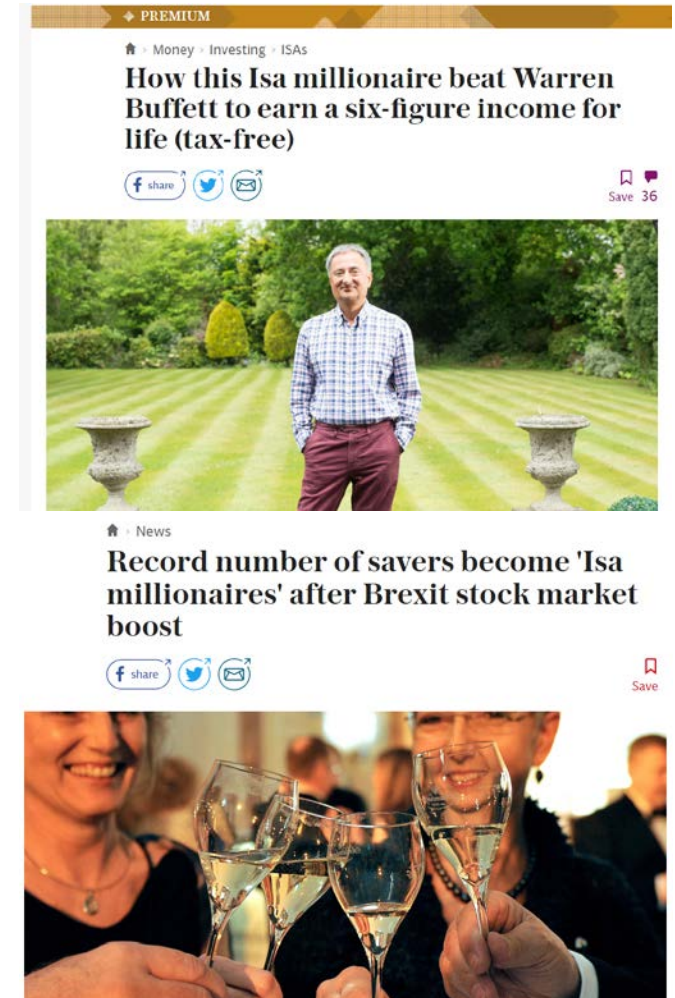
- **Individual Savings Accounts (ISAs)**
- **Premium bonds, (some) NS&I Savings Certificates**
- **Venture Capital Trusts**
- See also: employee share schemes; life insurance wrappers

Because income is not reported on SA return, it is missing from SPI (although HMRC collect partial data from other sources)

Tax-exempt investments

ISAs

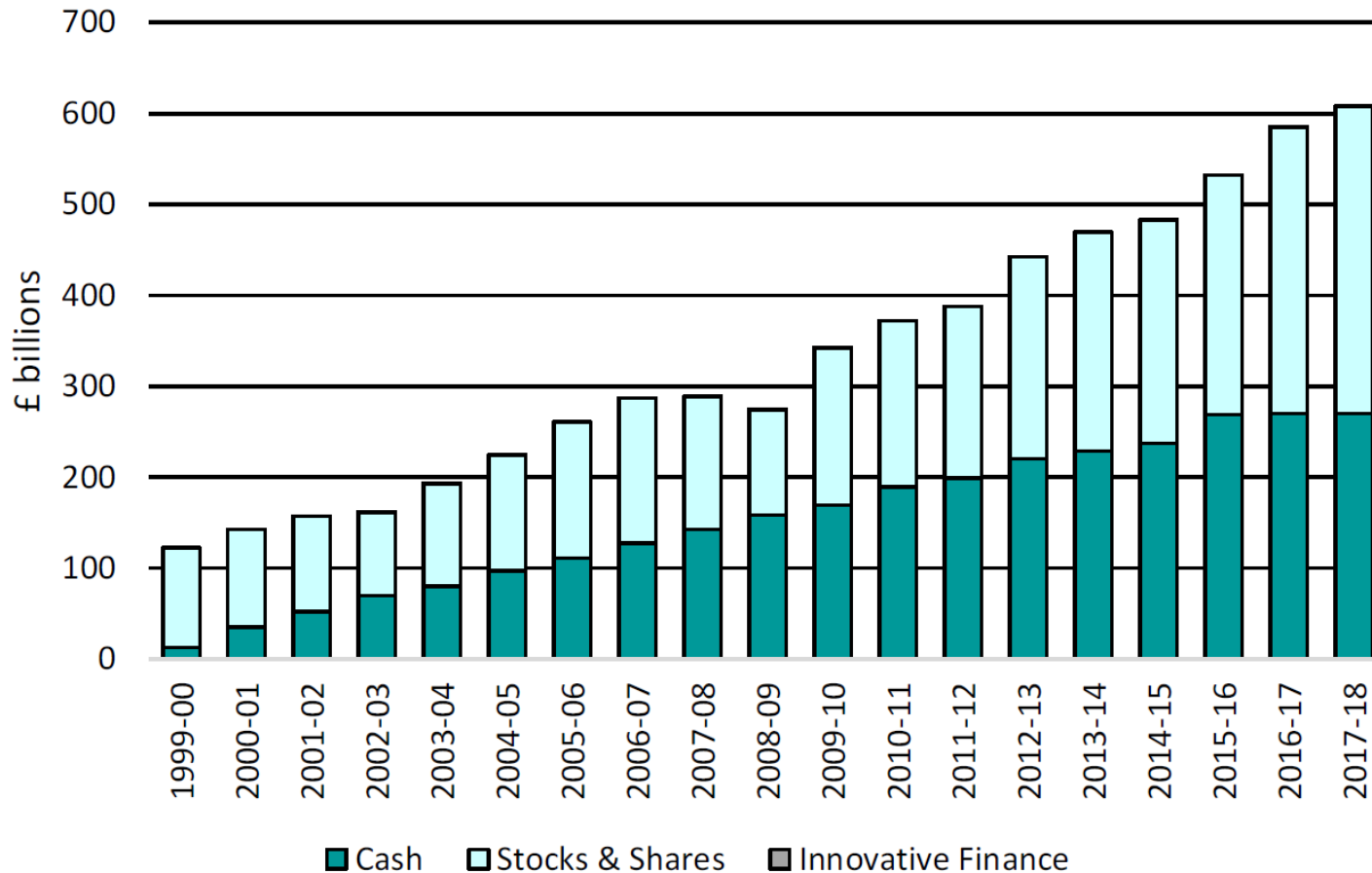
- Established 1999 (replacing TESSAs and PEPs)
- **Individuals can currently invest up to £20k per year**
- Within the ISA 'wrapper', **all accumulated income and gains remain tax-exempt**
- Held in cash and/or **stocks & shares**
- **Not reported on SA returns**; HMRC receives data direct from institutions but not included in SPI



Tax-exempt investments

ISAs: scale and trends

Chart 4 - Adult ISA fund market values



HMRC 2018b

Total market value of ISAs was

£608bil in 2017-18

£270bil in cash

£337bil in stocks & shares

(Up from total of <£300bil in 2007-08)

Assume 1% return on cash,

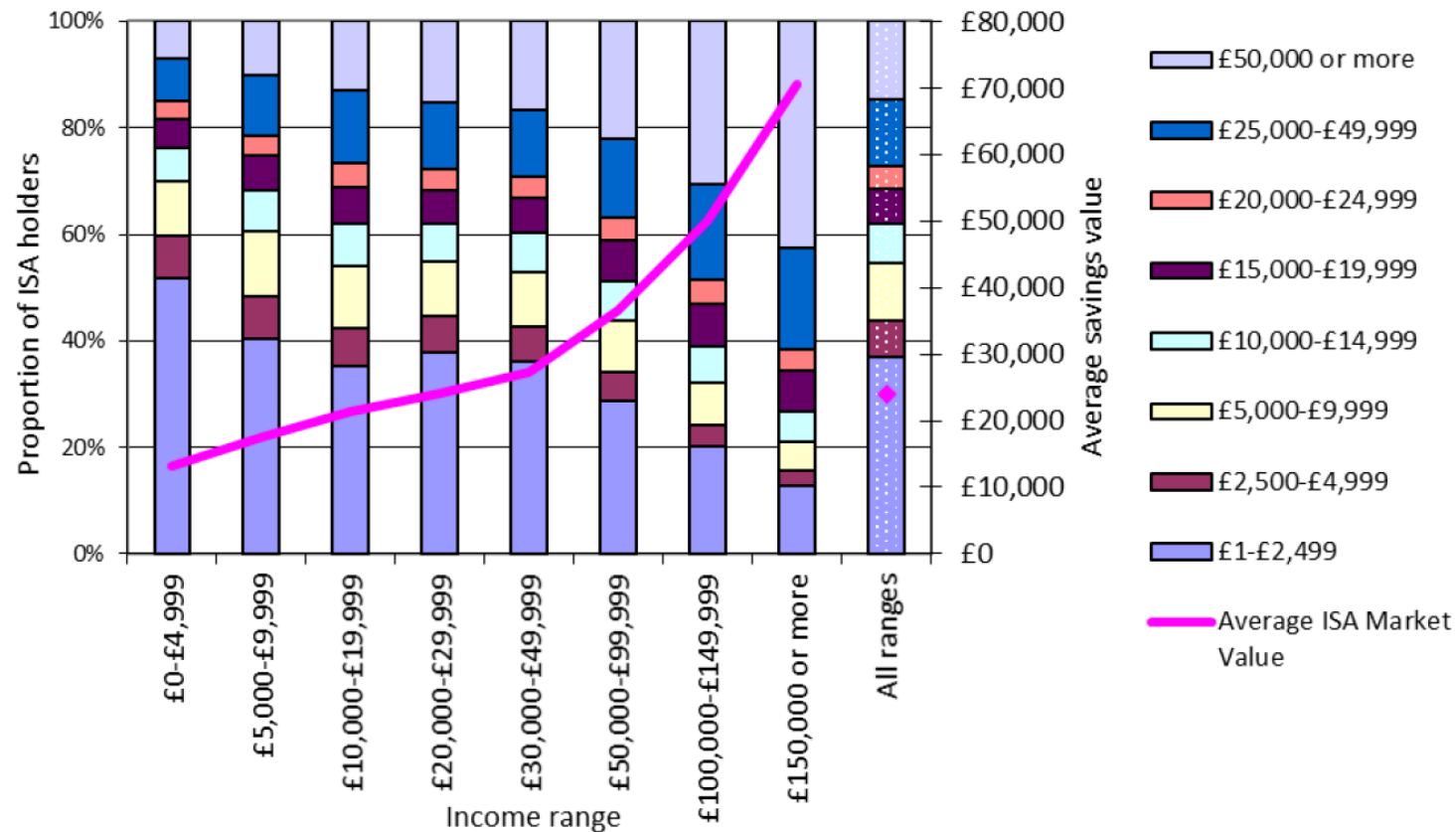
5% return on stocks & shares:

total 'missing' income c.£20bil

Tax-exempt investments

ISAs: distribution

Chart 11 - ISA holdings by income band and average ISA savings value in 2015-16



HMRC 2018b

Value of ISAs savings increases steeply with total income

Stocks and shares ISAs (largest returns) more unequally distributed than cash

Note: distribution between individuals likely to understate inequality between households, if capital income split between spouses

Tax-exempt investments

ISAs: further analysis

Published analysis

- HMRC Individual Savings Account (ISA) Statistics, annual publication
- Gives total annual subscriptions, total market value, breakdown by asset class, distribution (by income)
- Aggregate statistics, not linked to other data

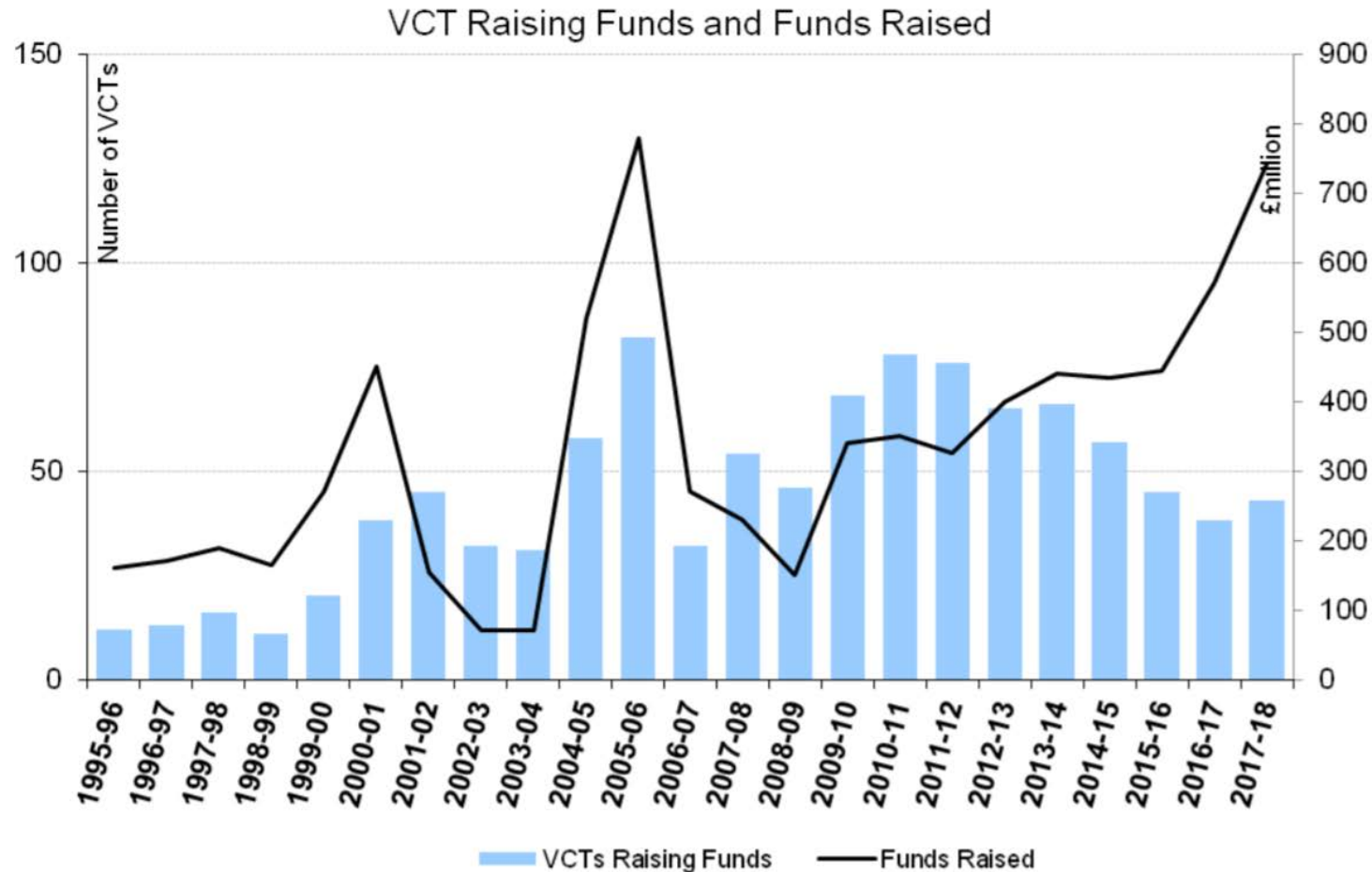
Feasible analysis using microdata

- HMRC receives ISA data from institutions, can be matched to individuals using National Insurance number
- No data on annual income/gains (only balance), but could impute based on asset class and market average

Tax-exempt investments

Venture Capital Trusts

Figure 1: Funds raised and number of VCTs raising funds by tax year (1995-96 to 2017-18)



HMRC 2018g

Annual funds raised by VCTs increased from: £150mil (2008-09) to >£700mil (2017-18)

Note: No published statistics on total market value of VCTs, annual dividend totals, or distribution by taxable income

Non-dom income

Non-dom income

Overview

What is a non-dom?

- 'Non-doms' are UK residents who claim that their permanent home ('domicile') is abroad; could live in UK 365 days/yr

The 'remittance basis'

- Non-doms entitled to claim 'remittance basis': no tax on foreign-source income unless 'remitted' to UK
- In practice this means:
 - **No tax on capital income** (hold investments abroad); but can still spend in the UK (remit fungible 'clean capital' instead)
 - **No requirement to report this income on UK tax return**

Non-dom income

Scale

55,000 non-doms claimed remittance basis in 2014-15
(0.1% of UK adult population)

This group includes some of the richest individuals in the UK:
total of **c.£13bil UK-source income** (£8bil after tax)

= **c.£240,000 each** (mean income; could be large variation)

BUT: This excludes 'missing' foreign-source income...

Non-dom income

Further analysis

- **Currently no requirement to report foreign-source income** on tax return (consequently, missing from SPI)
- **BUT:** Since 2017, HMRC has received data on foreign-source income from foreign tax authorities through **automatic-exchange of information** ('Common Reporting Standard')
- CRS data includes taxpayer identifier that can be used to **match tax return data**
- CRS data could be added to reported UK-source income to **measure worldwide income** (as used for all other UK residents)

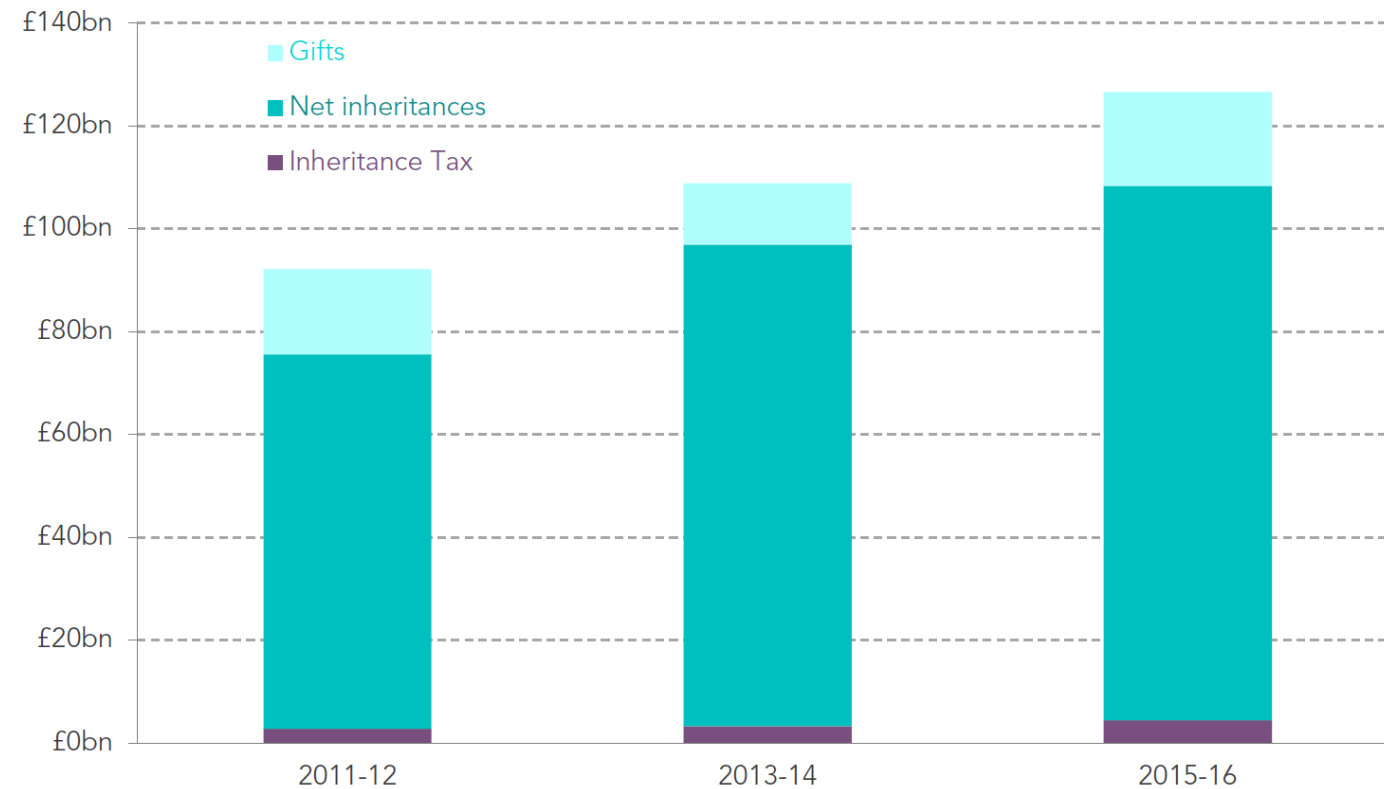
Gifts & inheritances

Gifts & inheritances

Scale and trends

Figure 1: Over £100 billion was inherited in 2015-16

Value of total inheritances and gifts received (nominal)



Resolution Foundation 2018

Gifts/inheritances totalled **£122bil (after tax)** per year in 2015-16

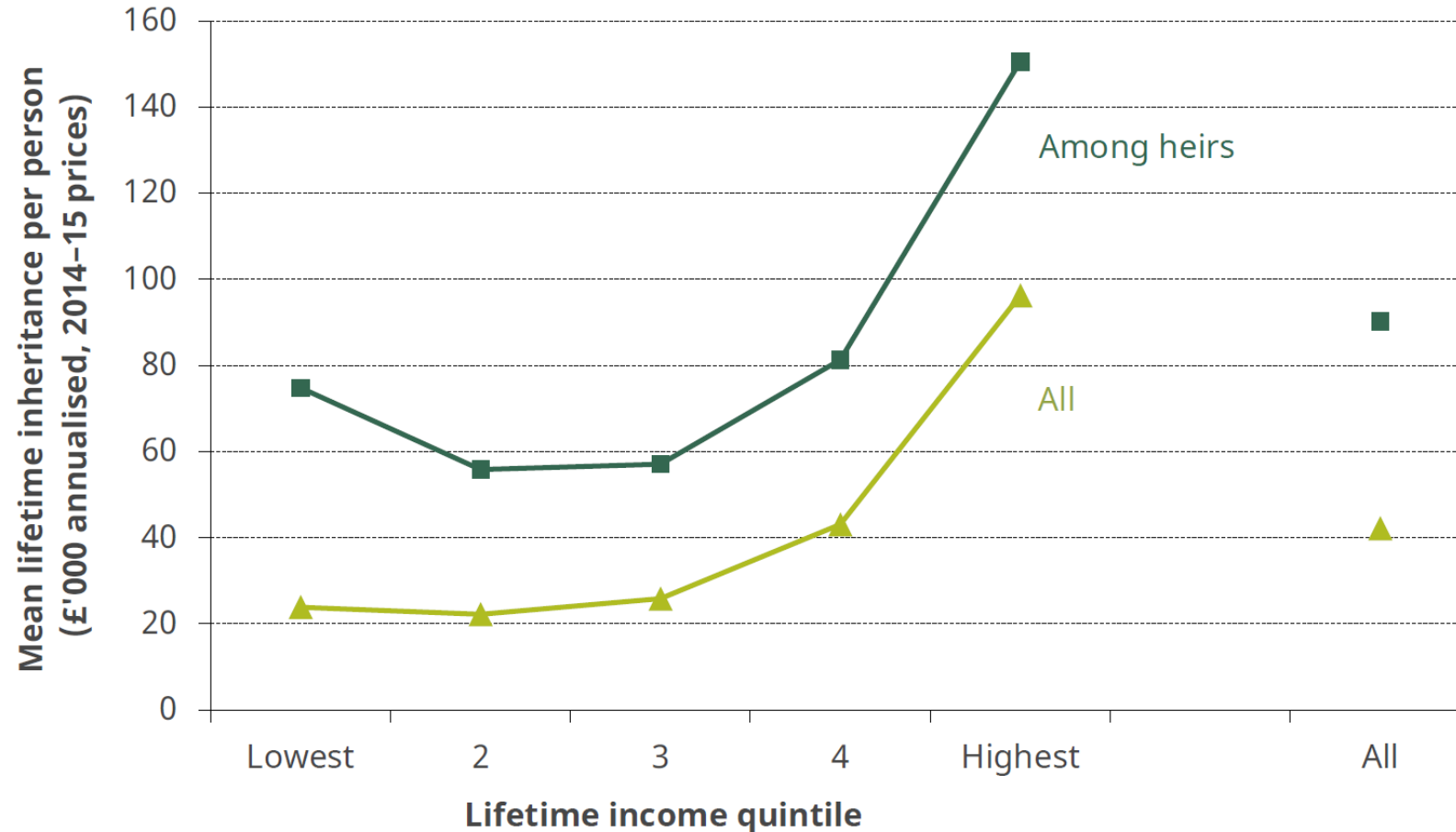
Increase from £89bil in 2011-12

Notes: UK. Excludes trusts. WAS data are annualised figures around 2-year period, e.g. 2014 to 2016, and HMRC figures are based on when tax is received.

Sources: RF analysis of ONS, Wealth and Assets Survey and HMRC

Gifts & inheritances Distribution

Figure 6. Mean lifetime inheritance per person, by lifetime income quintile



IFS 2017

Top 20% (by lifetime income) receive on average **c.£100k** in inheritances

Bottom half receive **c.£20k**

IFS calculations using ELSA, various waves, and linked administrative data

Gifts & inheritances

Conceptual issues

Inclusion of gifts & inheritances raises difficult conceptual (and empirical) issues...

- Gifts/bequests as negative income of donor? (Or consumption?)
- Irregularity of receipts
- Administrative data on inheritances records donor but not donee; no administrative data on lifetime gifts

BUT: misleading to ignore gifts & inheritances altogether, because:

- (1) Addition to economic resources (Haig-Simons concept)
- (2) Distribution of receipts (ignoring is not neutral)

**Close company
retained profits**

Close company retained profits

Overview

What is a close company?

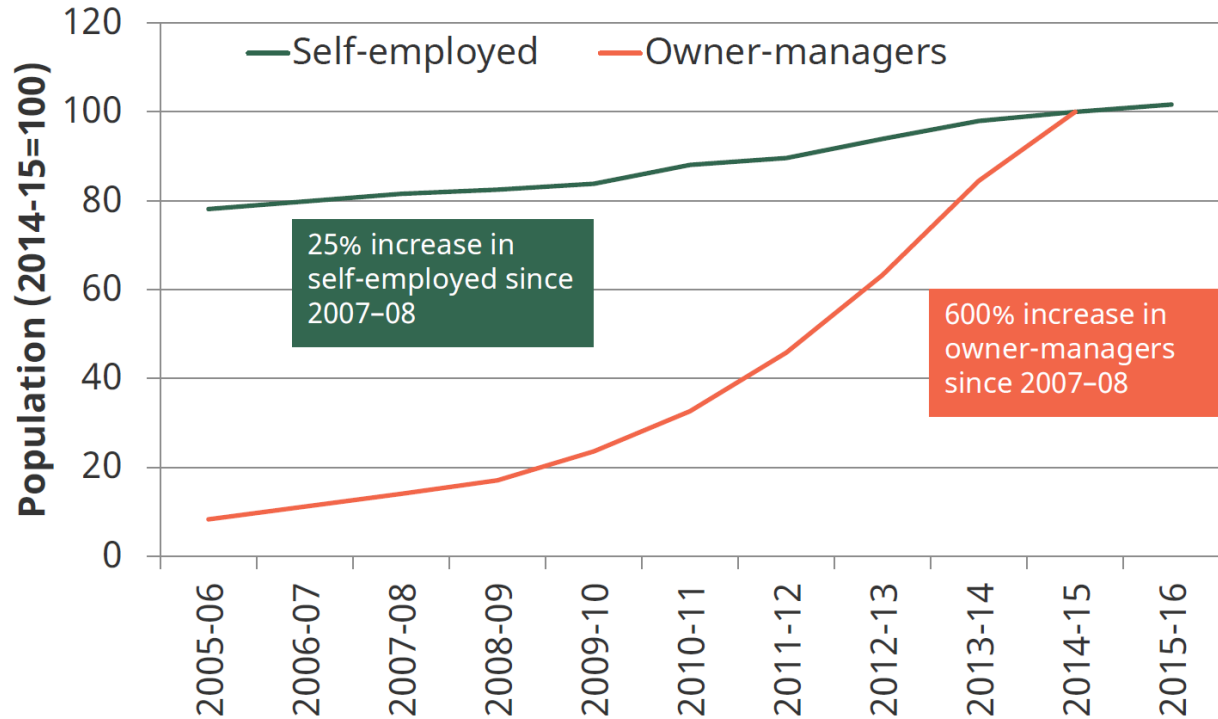
- A 'close company' (aka owner-manager business) is a company controlled by five or fewer participators i.e. shareholders, directors (Corporation Tax definition)

Retained profits

- Owner-managers can choose whether to:
 - Pay themselves salary (Income Tax; NICs)
 - Pay themselves dividends (Corporation Tax; dividend tax)
 - **Retain profits** (Corporation Tax; Capital Gains Tax on sale/liquidation)
- Retained profits are **not reported on SA return** so missing from SPI even though available for distribution within control of owner-managers (like savings)

Close company retained profits

Scale and trends



IFS 2018a

300,000 sole owner-managers (1 director 1 shareholder companies) in 2014-15, 600% increase on 2007-08



IFS 2018b

Average company retained profits increases with personal income of owner-manager

Close company retained profits

Further analysis

Alstadsaeter et al (2017)

- Norway, use linked individual and firm data
- Develop method for attributing business income to owners at accrual rather than distribution and estimate impact on top income shares

IFS (2018b)

- UK, use linked individual and firm data for 1-director, 1-shareholder firms
- Panel analysis of retained profits and responses to tax system

Tax avoidance schemes

Tax avoidance schemes

Overview

“Avoidance is exploiting the tax rules to gain a tax advantage that Parliament never intended. It often involves contrived, artificial transactions that serve little or no commercial purpose other than to produce a tax advantage. It involves operating within the letter but not the spirit of the law.” (HMRC 2018c)

- Most Income Tax avoidance schemes operate by reducing total income assessable to tax using artificial debts, loans, etc (although some operate by claiming reliefs, etc)
- Under these tax avoidance schemes, reported income is less than ‘real’ income (disregarding artificial transactions), so income is missing from SPI
- **Income stays missing even if the scheme fails:** SPI data is not updated for amended returns, even where scheme is later successfully challenged by HMRC

Tax avoidance schemes

Some examples

'Disguised remuneration' schemes:

- Schemes involved receiving remuneration in the form of a loan that the recipient knew would never be paid back
- 50,000 scheme users, 65% working in business services
- HMRC estimates recovery (from 'loan charge' effective April 2019) of £3.2bil (= c.£5bil missing income, over several years)

NT ('No Tax') Advisors schemes:

- 'Working Wheels' avoidance scheme provided to 450 fund managers, celebrities and other high earners (HMRC 2014)
- Under the scheme, Chris Moyles claimed £1mil deduction for finance costs of his (artificial) second-hand car business (others claimed >£10mil)
- HMRC estimated recovery of £290mil Income Tax (= c.£700mil missing income)

Tax avoidance schemes

HMRC estimate

HMRC 'Tax Gap' estimate for Income Tax avoidance:

Table 4.11: Estimated IT, NICs and CGT tax gap relating to avoidance (£ billion)^{1,2}



	2005-06	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
IT, NICs and CGT avoidance	1.5	1.1	1.2	1.4	1.1	0.8	0.7

Methodology (HMRC 2018d):

- Uses information that HMRC records on its management information system
- Estimate includes both disclosed schemes ('DOTAS') and undisclosed schemes, BUT only where HMRC considers good prospect of winning in litigation
- Tax gap estimate equals 'tax under consideration' minus any subsequent 'compliance yield'; whereas 'missing income' is gross income subject to 'tax under consideration'

Tax non-compliance

Tax non-compliance

Overview

What is tax non-compliance?

- Includes **evasion** (criminal) and **error** (not criminal)
- Income Tax non-compliance usually involves **hidden or under-reported income** (consequently, missing from SPI)

How is non-compliance estimated?

- HMRC 'Tax Gap' methodology uses:
 1. Random audit programme (c.2,500 cases per year, stratified sample)
 2. Matched third-party data (e.g. deposit schemes to identify rental income)
 3. Hidden Economy Qualitative Survey

Tax non-compliance Scale

		Percentage tax gap	Amount (£bil)
Self Assessment	Non-business taxpayers	8.2%	1.6
	Business taxpayers	28.5%	5.1
	Large partnerships	11.5%	1.3
	Total Self Assessment	16.4%	7.9
PAYE	Small business employers	1.1%	0.6
	Mid-sized business employers	1.1%	0.6
	Large business employers	1.1%	1.7
	Total PAYE	1.1%	2.9
Avoidance	Total avoidance (IT, NICs and CGT)	n/a	0.7
Hidden economy	Ghosts ⁴	n/a	0.9
	Moonlighters ⁵	n/a	0.9
	Total hidden economy (IT, NICs and CGT)	n/a	1.8
Total income tax, National Insurance Contributions and Capital Gains Tax		4.2%	13.5

Non-compliance on PAYE (employment) income extremely small

Largest Income Tax non-compliance is from self-assessment taxpayers...

**£7.9bil 'tax gap' for SA
= c.£20bil missing income**

HMRC 2018c

Tax gap estimate for Income Tax, NICs and CGT from non-compliance

(Note: SA 'business taxpayers' = individuals with business income and partnerships with up to 4 partners)

Tax non-compliance Distribution

Table 4.1: Self Assessment tax gap (excluding large partnerships) (£ billion)^{1,2}

	2005-06	2011-12	2012-13	2013-14	2014-15	2015-16 ³	2016-17 ³
Under-declared liabilities due to incorrect returns							
Upper estimate	8.0	8.5	12.3	13.6	12.9	14.0	14.6
Central estimate	4.6	4.6	6.6	7.1	6.8	7.5	7.4
Lower estimate	2.4	2.2	3.3	3.4	3.3	3.5	3.7
Compliance yield ⁴	0.6	0.6	0.7	0.7	0.7	0.9	0.9
Non-payment	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Total tax gap							
Upper estimate	7.5	8.1	11.8	13.1	12.4	13.2	13.9
Central estimate	4.2	4.2	6.2	6.7	6.3	6.8	6.7
Lower estimate	1.9	1.9	2.9	2.9	2.7	2.8	3.0
Total theoretical tax liabilities	25.5	23.6	26.8	28.1	30.7	33.1	37.1
Proportion of liabilities	16%	18%	23%	24%	20%	21%	18%

1 Figures rounded to the nearest £0.1 billion. As a result components may not appear to sum.

2 Figures for previous years have been revised.

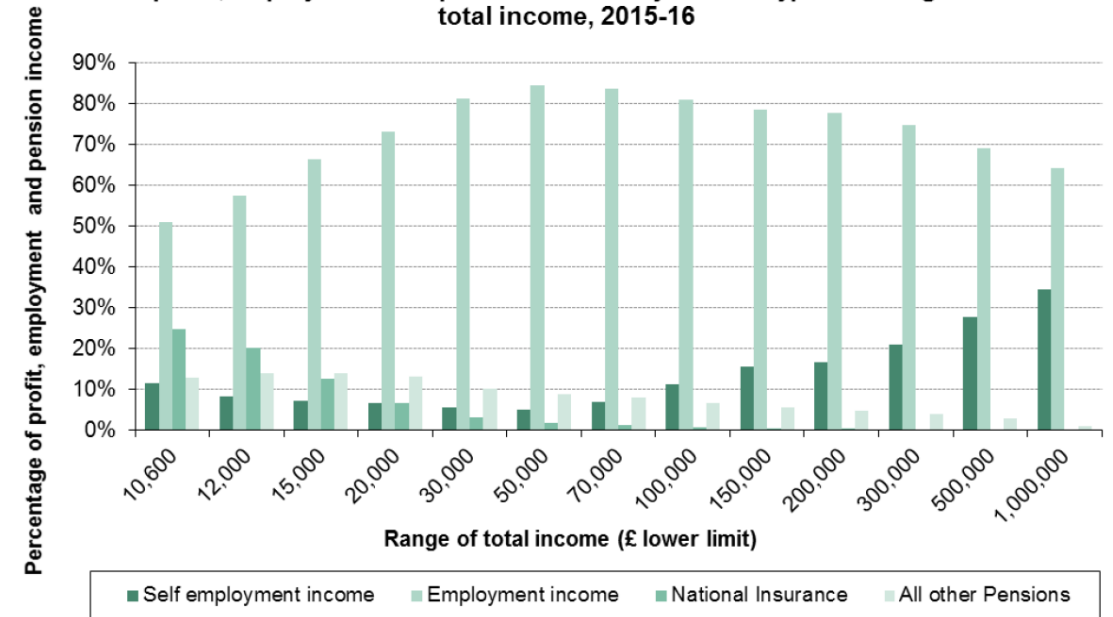
3 Tax gap estimates for 2015-16 and 2016-17 are projected based on SA liabilities figures for the respective years and will be revised when operational data becomes available.

4 By period of settlement of enquiry.

HMRC 2018c

Large uncertainty in HMRC estimate of self-assessment non-compliance

Figure 2.14: Profit, employment and pension income - Percentage of profit, employment and pension income by income type and range of total income, 2015-16



Source: Survey of Personal Incomes 2015-16, Table 3.6

HMRC 2018e

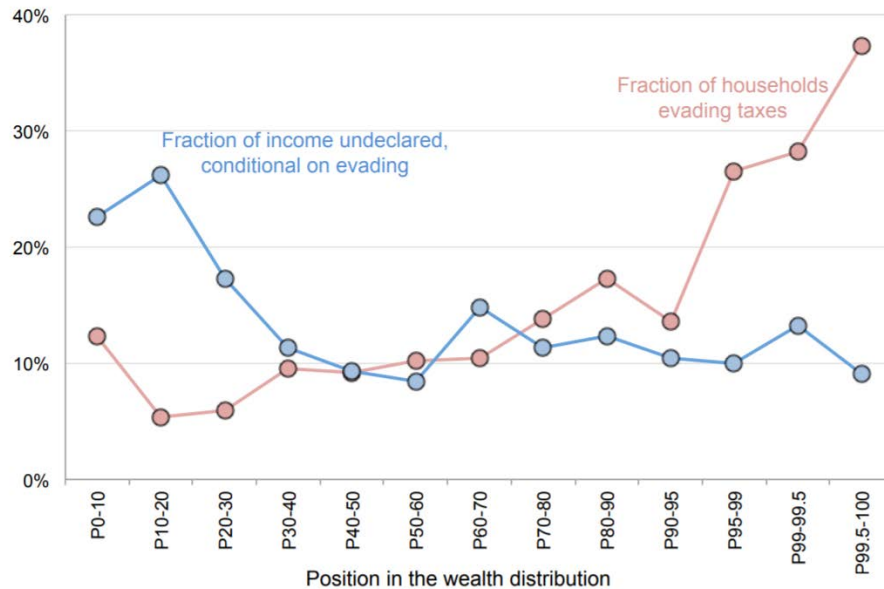
Proportion of self-assessment income rises steeply with total income

Tax non-compliance

Offshore evasion

Alstadsaeter, Johannesen & Zucman (2018)

Figure 5: Tax evasion found in stratified random audits

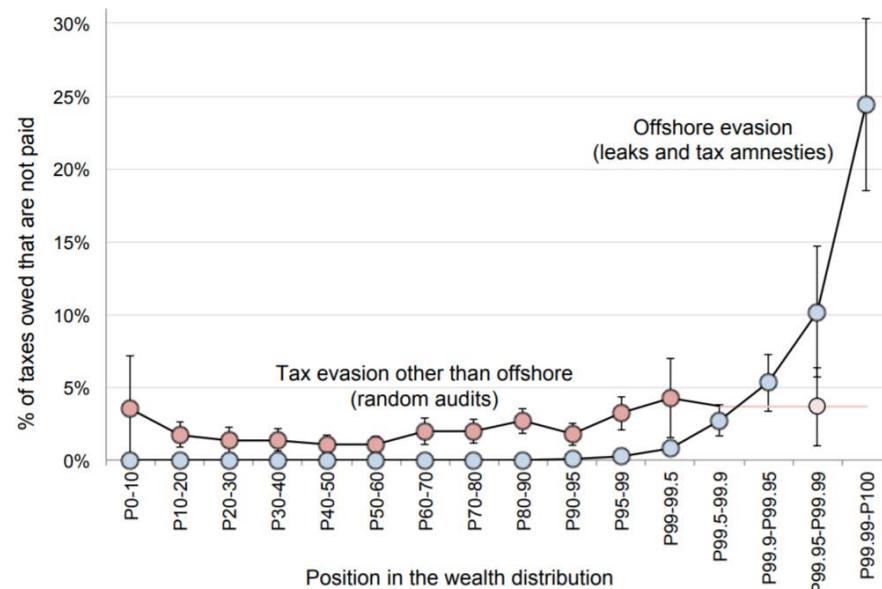


Notes: The blue curve shows the probability to be found evading taxes in random audits, by wealth groups. The pink curve shows the ratio of income undeclared to true income, conditional on evading taxes. Tax evasion includes all mistakes found by the examiner, whether deemed deliberate or not. Source: Appendix H.3. and H.4.

Evidence from random audits:

Evasion concentrated at top and bottom of distribution (bottom 30%, top 5%)

Figure 6: Taxes evaded as a % of taxes owed, by wealth group



Notes: the pink curve shows the fraction of taxes owed which are evaded as detected in random audits. The last dot shows the average for P99.5-100 (as due to insufficient sample sizes, we cannot estimate how detected tax evasion varies within the top 0.5%). The blue curve shows our benchmark estimate of taxes evaded offshore from the bottom panel of Fig. 4. Source: Appendix Table J.5.

Evidence from leaks:

Random audits understate evasion at extreme top of distribution (top 0.1%)

- 1. Top incomes in the UK**
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Implications

Provisional findings

1. Top income shares **are larger** than currently estimated in official statistics

- Main factors affecting top income shares (provisional!):
 - **Top 0.1%:** non-dom income; capital gains; non-compliance
 - **Top 1%:** capital gains; tax-exempt investments; non-dom income; avoidance
 - **Top 10%:** everything discussed...

2. Top income shares **have grown** since 2008

- Main factors driving unobserved increase:
 - Capital gains, tax-exempt investments, gifts & inheritances, close-company retained profits
 - Other sources remain mostly stable (avoidance may have decreased)

Caveats: early work-in-progress; based on patchy aggregate statistics; subject to revision

Implications

Further analysis

1. Analysis using tax microdata

- Access via HMRC Datalab
- Self-assessment data covers universe of individuals with (any of): income >£100k, capital gains >£10k, complex tax affairs
- Panel data: can follow individuals across tax years; variables correspond with individual boxes on SA return, can be used to reconstruct income concepts
- Can match individuals to other household members; can match data to other administrative datasets

2. Combining other sources

- Survey data remains important for bottom of distribution: tax data misses non-filers and non-taxable benefits, in particular
- Matched administrative data from third-parties (e.g. CRS data for non-doms)

Implications

Current developments

1. Distributional National Accounts

- Piketty, Saez & Zucman (2018) develop new method for estimating income distribution:
 - Scale up tax and survey data to match National Income totals
 - Attempt to attribute missing income through imputation
 - Currently only apply to US; but plan to adopt for other countries in WID
- Does not obviate need to understand missing sources in each country:
 - Imputation of missing income depends on evidence about missing sources
 - Debates about imputation turn on details of tax system (Auten & Splinter 2018)

2. What about wealth?

- Wealth distribution estimates similarly acknowledge that survey data fail to capture top
- Estimates using tax data rely on 'estates multiplier' or 'capitalised investment income' methods
- A lot missing from estates and investment income data as well!

Dividend forestalling →



Non-dom income

**Tax-exempt
investments**

**Close company
retained profits**

**Tax avoidance
schemes**

**Tax non-compliance
(incl evasion)**

Capital gains

**Gifts & inheritances
(Imputed rent)**

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