

2016 Update on the U.S. Earnings, Income, and Wealth Distributional Facts: A View from Macroeconomics*

Moritz Kuhn[†] José-Víctor Ríos-Rull[‡]

September 1, 2020

Abstract

The earnings, income, and wealth distribution are in constant motion following secular trends, reacting to policy changes, or the business cycle. In this document, we provide updated results to Kuhn and Ríos-Rull (2016) where we provide an in depth empirical analysis of the U.S. earnings, income, and wealth distribution. We follow the same structure for the main tables and figures but abstain from any discussion of the results. This document offers tables and figures as additional reference for macroeconomic modelers interested in distributional questions of the U.S. economy. All updated results and results for previous years are available online with corresponding tables for the period from 1989 to 2016.

Online results: <https://sites.google.com/site/kuhnecon/home/us-inequality>

*We thank Sofia Pessoa for outstanding research assistance and the Deutsche Forschungsgemeinschaft (DFG, German Research Foundation) under Germany's Excellence Strategy – EXC 2126/1– 390838866 for financial support.

[†]University of Bonn, IZA, CEPR, ECONtribute.

[‡]University of Philadelphia, NBER, CEPR, and CAERP.

1 The distributions of Earnings, Income and Wealth

We follow Kuhn and Ríos-Rull (2016) in the definition of variables and repeat here the variable description.

Earnings. We define labor earnings as wages and salaries of all kinds, plus a fraction of business income. Business income includes income from professional practices, businesses, and farm sources. The value for the fraction of business and farm income that we impute to labor earnings is the sample-wide ratio of unambiguous labor income (wages plus salaries) to the sum of unambiguous labor income and unambiguous capital income. This ratio is 0.886 for the 2013 SCF sample (it was 0.934 for the 2010 SCF sample and 0.863 for the 2007 SCF sample).

Households. Households are the primary economic units of the SCF. A primary economic unit is a person or a couple who live together and all the other people who live in the same household who are financially dependent on them. For example, underage children and, in some circumstances, older relatives are considered dependents. A financially independent person who lives in the same dwelling, such as a roommate or a brother-in-law, is not considered to be a member of the same economic unit. We also follow the SCF convention to determine who is the head of the household. The SCF considers the male of a couple to be the head of the household in every case. In single households, the financially independent person of either sex is considered to be the head of the household.

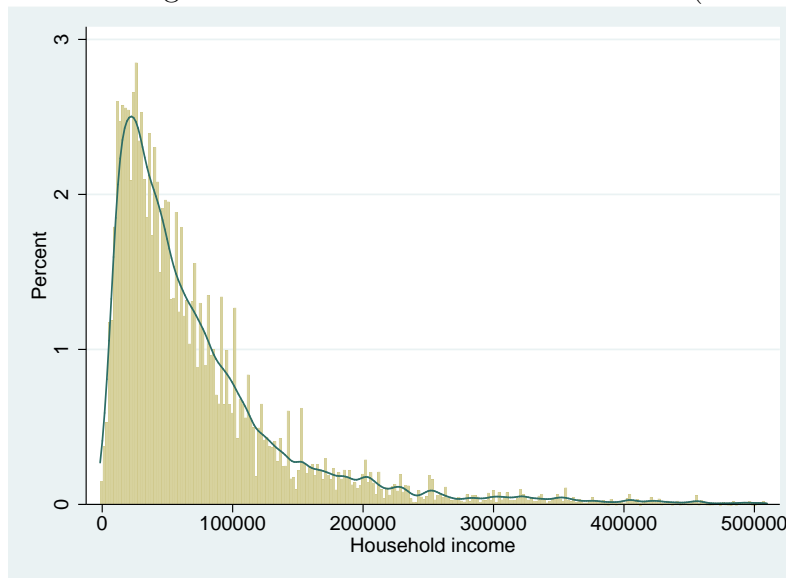
Income. Income consists of all kinds of revenue before taxes. Hence, our definition of income includes both government and private transfers. Specifically, the sources of income that we consider are the following: wages and salaries; both positive and negative income from professional practices, businesses, and farm sources; interest income, dividends, gains or losses from the sale of stocks, bonds, and real estate; rent, trust income, and royalties from any other investments or business; unemployment and worker compensation; child support and alimony; Aid to Dependent Children, Aid to Families with Dependent Children, food stamps, and other forms of welfare and assistance; income from Social Security and other pensions, annuities, compensation for disabilities, and retirement programs; income from all other sources including settlements, prizes, scholarships and grants, inheritances, gifts, and so on. In other words, the notion of income that we use attempts to include all before-tax income received during the year. It approximately corresponds to the payments to the factors of production owned by the household plus transfers. However, it does not include the income imputed from the services of some assets such as owner-occupied housing. (See Slesnick (1992) and Slesnick (1993) for details.)

Wealth. Wealth is the net worth of households. Our definition includes the value of financial

and real assets of all kinds net of various kinds of debts. Specifically, the assets that we consider are the following: residences and other real estate; farms and all other businesses; checking accounts, certificates of deposit, and other banking accounts; IRA/Keogh accounts, money market accounts, mutual funds, bonds and stocks, cash and call money at the stock brokerage, and all annuities, trusts, and managed investment accounts; vehicles; the cash value of term life insurance policies and other policies; money owed to friends, relatives, businesses, and others; pension plans accumulated in accounts; and other assets. The debts that we consider are housing debts, such as mortgages, home equity, and HELOCs; other residential property debts, such as those derived from land contracts and vacation residences; credit card debts; installment loans; loans taken against pensions; loans taken against life insurance; margin loans and other miscellaneous debts.¹

1.1 The Histograms

Figure 1: Histogram of the 2016 Income Distribution (2016 USD)



¹Note that in our definition of wealth, we have not included the present value of pension plans not accumulated in accounts.

1.2 The Quantiles

Table 1: Quantiles of the 2016 Earnings, Income, and Wealth Distributions (2016 USD)

	0	1	5	10	20	40	60	80	90	95	99	100
earnings	-1771.3	0	0	0	0	23.3	50.6	95.4	148.9	219	679	275979.7
income	-466.7	4.5	10.3	14.6	23.3	40.9	67.8	111.4	176.7	262.3	840.5	302947.6
wealth	-2090	-80.6	-17.3	-0.9	4.8	49	170	499.2	1184.9	2367.9	10349.9	1703800

1.3 Concentration and Skewness

Table 2: Concentration and Skewness of the Distributions for 2016

	earnings	income	wealth
Coefficient of Variation	4.46	4.48	7.83
Variance of logs	1.6	1.05	5.27
Gini Indices	0.68	0.6	0.86
Location of the Mean	19.16	15.96	106.37
99-50 Ratio	72	77	84
90-50 Ratio	2.08	1.94	7.08
Mean to Median Ratio	4.2	3.35	12.18
50-30 Ratio	3.48	1.68	5.15

1.4 The earnings, income, and wealth partitions

Table 3: Earnings Partition of the 2016 Sample

	Bottom (%)			Quintiles					Top (%)			All
	0-1	1-5	5-10	1st	2nd	3rd	4th	5th	90-95	95-99	99-100	0-100
Averages (x 10 ³ USD)												
earnings	-4.1	0	0	-0.2	10.6	36.2	70.3	252.1	177.6	323.6	1700	73.8
income	86.4	9.4	16.9	32.4	46	47.7	81.4	302.4	194	378.5	2163.8	102
wealth	2138.2	42.1	72.2	315.7	428.9	220.6	318.4	2160.8	1181.7	3425.9	17222.1	688.9
Shares of Total Sample (%)												
earnings	-0.1	0	0	-0.1	2.9	9.8	19.1	68.3	12	17.5	23	100
income	0.8	0.4	0.8	6.3	9	9.4	16	59.3	9.5	14.8	21.2	100
wealth	3.1	0.2	0.5	9.2	12.5	6.4	9.2	62.7	8.6	19.9	25	100
Asset classes												
housing cars	14.2	90.3	82	40.6	31.1	48.5	57.1	23.9	41.4	21.6	11.7	31
business nonfin	31.1	5.6	3.4	16.5	15.1	33	28.3	42	31.1	40.2	50.5	34.5
financial	59	17	31.2	51	62.9	41.9	47	46.1	50.4	48.5	41.8	48.4
colldebt	-3.6	-12	-15.5	-7.4	-8.5	-22.3	-30.8	-11.4	-22.3	-9.6	-3.7	-13.2
otherdebt	-0.7	-0.8	-1.2	-0.6	-0.5	-1.1	-1.6	-0.6	-0.7	-0.7	-0.4	-0.7
Shares of Total Sample (%)												
housing cars share	1.4	0.7	1.4	12	12.5	10	17	48.4	11.5	13.9	9.5	100
business nonfin share	2.8	0	0.1	4.4	5.4	6.1	7.6	76.4	7.7	23.2	36.6	100
financial share	3.8	0.1	0.3	9.6	16.2	5.5	9	59.7	8.9	19.9	21.6	100
colldebt share	0.9	0.2	0.6	5.2	8.1	10.8	21.7	54.2	14.5	14.6	7	100
otherdebt share	2.9	0.3	0.9	7.8	8	10.1	20.6	53.5	7.8	18.2	12.6	100
Income Sources (%)												
labor	0.4	0	0	0	18.6	69	80.2	66.6	83.2	68.9	51.9	60.4
capital	68.6	0.1	0.5	11.6	15.5	5.1	3	9.4	3.4	8.8	17	8.7
business	-5.8	0	0	-0.8	5.1	7.8	7	19.2	9.5	18.9	30.5	13.6
transfer	34.3	89.6	89.8	84.6	54.2	15.1	7.1	2.4	3.2	2.5	0.4	14.2
other	2.5	10.3	9.7	4.6	6.6	3	2.7	2.5	0.6	0.8	0.2	3.1
Age (%)												
Under-31	16.3	9.2	4.7	4.3	20	21	15.3	5.4	4.4	0.2	2	13.2
31-45	14.9	12.6	7.6	6.9	16.9	33.9	36.2	34.7	35.6	28.8	17.4	25.7
46-65	26.6	44.6	33.3	26.3	29.2	36.9	41.8	52.8	53.1	61.3	70.4	37.4
over-65	42.1	33.6	54.4	62.5	33.9	8.1	6.8	7.1	6.9	9.6	10.2	23.7
average	56.6	58.1	65.5	66.9	52.9	44.3	45.4	48.8	49.1	52	53.8	51.7
Education (%)												
Dropouts	8.7	36	21	18.7	13.6	11.9	6	2.5	1.2	3.6	0.4	10.5
High-school	22.6	35.2	44.6	37.5	30.8	32.2	27.6	12.5	8.4	6	2.8	28.1
Some-college	36.1	21.6	26.4	25.5	30.2	31.2	30	19.8	18.2	9.9	2.7	27.3
College	32.6	7.2	8.1	18.4	25.4	24.6	36.4	65.2	72.2	80.5	94.1	34
Employment Status (%)												
Workers	9.2	6.4	1.3	2.9	45.1	74.2	82.5	76.5	81.2	69.1	52	56.2
Self-employed	20.4	1.8	0.6	1.8	14	11.3	9.9	16.3	13	23.9	39.7	10.6
Retired	42.5	32.3	56.2	64.1	25.5	7.3	4.4	4.3	3.3	5.7	7.4	21.1
Nonworkers	27.9	59.6	41.9	31.2	15.5	7.2	3.2	3	2.5	1.3	0.8	12
Disabled	4.2	41.4	29	20.9	5.4	3.1	1.2	0.6	0	0.4	0.3	6.2
Marital Status (%)												
Married	29.7	8.3	18.7	32.2	42.4	50	70.4	88.6	91.2	94.5	88.5	56.7
Single w/ dep	18.8	28.9	24.4	20.3	30.8	23.8	13.2	4.5	3.2	1.5	5.5	18.5
Single w/o dep	51.4	62.8	56.9	47.5	26.8	26.1	16.4	6.9	5.6	4	6	24.8
Family-size	1.73	1.69	1.81	1.81	2.36	2.64	2.81	3.09	3.19	3.09	3.02	2.54
Marital Status Excluding Retired Widows												
Single w/ dep	17.5	26.5	18.8	15.8	29.8	23.7	13.1	4.5	3.2	1.5	5.5	17.4
Single w/o dep	47.7	52.2	35	31.4	23.9	25.6	15.9	6.6	5.3	3.5	6	20.7

Table 4: Income Partition of the 2016 Sample

	Bottom (%)			Quintiles					Top (%)			All
	0-1	1-5	5-10	1st	2nd	3rd	4th	5th	90-95	95-99	99-100	0-100
Averages (x 10 ³ USD)												
earnings	0.9	2.7	3.8	5.5	19.4	37.6	67.9	238.6	172.5	294.3	1637.4	73.8
income	1.5	7.9	12.6	14.2	31.6	53.2	87.1	323.8	211.1	412.8	2378.1	102
wealth	85.2	53.5	34.7	55.8	129.2	215.5	381.7	2662.2	1603.8	4176.5	20463	688.9
Shares of Total Sample (%)												
earnings	0	0.1	0.3	1.5	5.3	10.2	18.4	64.7	11.7	15.9	22.2	100
income	0	0.3	0.6	2.8	6.2	10.4	17.1	63.5	10.3	16.2	23.3	100
wealth	0.1	0.3	0.3	1.6	3.8	6.3	11.1	77.3	11.6	24.2	29.7	100
Asset classes												
housing cars	57.3	71.8	95.3	82.2	71.2	64.6	57	21.5	34.3	18.8	10.6	31
business nonfin	33.9	18	11.7	14.4	19.5	19.6	23.3	38.4	28.6	39.1	46.3	34.5
financial	53.3	33.8	22.4	33	36	44.3	48.7	49.6	53.4	49.9	46.6	48.4
colldebt	-43.9	-22.3	-28.2	-28.2	-25.3	-27.1	-27.8	-9	-15.8	-7.4	-2.9	-13.2
otherdebt	-0.6	-1.3	-1.1	-1.4	-1.5	-1.4	-1.3	-0.5	-0.5	-0.4	-0.5	-0.7
Shares of Total Sample (%)												
housing cars share	0.2	0.7	0.8	4.3	8.6	13	20.4	53.7	12.9	14.7	10.2	100
business nonfin share	0.1	0.2	0.1	0.7	2.1	3.6	7.5	86.1	9.7	27.5	39.9	100
financial share	0.1	0.2	0.1	1.1	2.8	5.7	11.2	79.2	12.8	25	28.6	100
colldebt share	0.4	0.5	0.5	3.5	7.2	12.9	23.4	53	14	13.6	6.6	100
otherdebt share	0.1	0.6	0.4	3.1	7.7	12.3	19.5	57.5	8.2	14.7	22.1	100
Income Sources (%)												
labor	59.3	29.1	23.9	34.4	57.3	65.6	72.7	57.7	73.5	54.3	45.3	60.4
capital	-48.4	0.4	0	0	0.5	1	1.8	13	5.4	12.4	22.2	8.7
business	-2.5	6.2	7.5	5	4.8	5.7	5.9	18.3	9.4	19.4	27	13.6
transfer	89.2	54.5	60.6	53.3	34.7	25.8	18.2	7.5	10.5	8.9	0.7	14.2
other	2.4	9.9	8	7.2	2.7	1.9	1.3	3.6	1.2	4.9	4.9	3.1
Age (%)												
Under-31	37.7	27.2	20.2	21.7	16.2	14.9	10.1	3	1.9	0.6	2	13.2
31-45	24.8	18.4	12.6	16.9	25	28.5	30.8	27.4	28.5	20.1	16.8	25.7
46-65	33.9	34.7	37.5	34.4	30.3	32.4	40	49.8	52.4	54.3	66.1	37.4
over-65	3.5	19.7	29.7	27	28.5	24.1	19	19.8	17.3	25	15	23.7
average	39.7	47.5	53.3	51.5	52.2	50.6	50.5	53.5	53.2	57.3	55.1	51.7
Education (%)												
Dropouts	16.5	24.2	28.5	21.3	15.6	8.7	4.5	2.6	3.3	2.1	0.3	10.5
High-school	32.4	30.2	36.7	38	37.2	31.6	24.3	9.5	7.2	6.5	3.5	28.1
Some-college	32.6	28.4	25.9	28.6	29.3	31.1	29.8	17.8	16.1	9.9	3.1	27.3
College	18.5	17.2	8.9	12	17.9	28.6	41.4	70.1	73.4	81.6	93.1	34
Employment Status (%)												
Workers	32.4	36.3	22.4	32.2	54.3	61.8	69.8	63	70.8	50.8	47.1	56.2
Self-employed	12.3	5.3	10.8	8.1	8.7	8.8	8.9	18.7	13.9	29.8	40.7	10.6
Retired	6	15.8	28.5	24.8	25	22.4	18.1	15.3	12.4	17.4	11.2	21.1
Nonworkers	49.3	42.5	38.3	34.8	12	7	3.2	3	3	2	1	12
Disabled	11.6	22.5	23.5	19.3	6	3.4	1.7	0.7	1	0.8	0.3	6.2
Marital Status (%)												
Married	10.3	10.6	15.9	20.5	42.4	58.1	75.9	86.7	92.6	88.7	89.2	56.7
Single w/ ep	37.5	37.6	32.9	34.9	25.7	18.2	9.4	4.5	1.9	2.7	3.5	18.5
Single w/o dep	52.2	51.8	51.2	44.6	31.9	23.8	14.7	8.8	5.5	8.6	7.2	24.8
Family-size	1.78	1.89	1.99	2.08	2.42	2.54	2.76	2.91	2.99	2.81	2.85	2.54
Marital Status Excluding Retired Widows												
Single w/ ep	37.4	36.8	30.8	32.9	24.4	16.5	8.8	4.3	1.6	2.3	3.4	17.4
Single w/o dep	50.5	44.6	43.5	36.1	26	21	13.2	7.1	3.9	6.4	7	20.7

Table 5: Wealth Partition of the 2016 Sample

	Bottom (%)			Quintiles					Top (%)			All
	0-1	1-5	5-10	1st	2nd	3rd	4th	5th	90-95	95-99	99-100	0-100
Averages (x 10 ³ USD)												
earnings	47.4	44.7	31.5	27.4	35	49.7	60.6	196.3	141.2	285.5	1157.2	73.8
income	53.1	49.7	38.5	34.6	42.9	61.5	82.7	288.2	202.1	408.9	1850.6	102
wealth	-153.1	-39.2	-7.3	-16.5	21.5	100.9	297.8	3040.9	1646.4	4565.8	26525.8	688.9
Shares of Total Sample (%)												
earnings	0.6	2.4	2.1	7.4	9.5	13.5	16.4	53.2	9.6	15.5	15.7	100
income	0.5	2	1.9	6.8	8.4	12.1	16.2	56.5	9.9	16	18.1	100
wealth	-0.2	-0.2	-0.1	-0.5	0.6	2.9	8.6	88.3	11.9	26.5	38.5	100
Asset classes												
housingcars	-52.1	-114.3	-378.1	-140.2	230.8	135.6	80.4	20.3	34.5	18.7	8.3	31
businessnonfin	-0.6	-5.4	-17.2	-5.6	13.1	10.1	12.1	37.4	23.8	32.4	50.7	34.5
financial	-8.7	-23.6	-81.5	-30.2	48.8	36.4	42.6	49	54.3	54.3	43.5	48.4
colldebt	156.4	234.1	526.9	261.9	-183.3	-78.1	-33.8	-6.3	-12.3	-5.2	-1.9	-13.2
otherdebt	5.1	9.1	49.9	14.1	-9.4	-3.9	-1.3	-0.4	-0.4	-0.2	-0.5	-0.7
Shares of Total Sample (%)												
housingcarsshare	0.4	0.8	0.6	2.2	4.6	12.8	22.4	57.9	13.3	16	10.3	100
businessnonfinshare	0	0	0	0.1	0.2	0.9	3	95.8	8.2	24.9	56.6	100
financialshare	0	0.1	0.1	0.3	0.6	2.2	7.6	89.3	13.4	29.7	34.6	100
colldebtshare	2.6	4.1	2.1	9.6	8.7	17.4	22.2	42.1	11.2	10.5	5.6	100
otherdebtshare	1.6	2.9	3.7	9.5	8.2	15.8	16.3	50.2	5.9	7.8	26.8	100
Income Sources (%)												
labor	87.8	86.1	78.8	76.3	78.3	76.3	66.8	50.6	56.9	48.6	38.9	60.4
capital	0.2	0	0.1	0.1	0.2	0.3	1	14.9	8.1	15.3	26	8.7
business	1.7	4.3	3.5	3.3	3.7	5.3	7.3	20	14.8	24.3	27	13.6
transfer	5	6.9	13.4	16.3	15.4	16.3	21.5	11.2	17.4	10.5	2.1	14.2
other	5.3	2.6	4.1	4	2.4	1.9	3.4	3.2	2.8	1.4	6	3.1
Age (%)												
Under-31	29.5	42.9	30	29	22.9	10.1	3.1	1	1.1	0.4	2	13.2
31-45	47.4	38	35.6	32.8	32	30.6	21	12.3	12.4	6.6	4.7	25.7
46-65	20.6	17.1	28	27.3	31.4	36.3	42.8	49.3	50.4	53.3	60.5	37.4
over-65	2.6	2	6.4	11	13.8	23.1	33.1	37.4	36.1	39.7	32.8	23.7
average	38.8	35.4	40.5	42.7	45.2	51.6	57.9	61	61.2	63.1	61	51.7
Education (%)												
Dropouts	4.1	5.4	7.6	16	16	10.8	6.8	3	2	4	0.6	10.5
High-school	9.3	13.3	31	30.6	35.7	32.2	30	12	7.3	7	3.2	28.1
Some-college	16.1	35.9	43.5	32.3	30.8	29.5	24.9	19.1	17.9	9.7	6	27.3
College	70.6	45.4	17.9	21	17.5	27.5	38.3	65.9	72.7	79.3	90.2	34
Employment Status (%)												
Workers	76.7	78.6	67	60.1	64.9	61.1	53	42.1	41.9	34.9	30.7	56.2
Self-employed	1.8	5.6	4.5	4.6	6.9	8.9	10.5	22.4	23.4	31.3	45.3	10.6
Retired	1.7	1.5	7	9.1	12.6	20.4	30	33.5	33.1	32.8	22.4	21.1
Nonworkers	19.8	14.3	21.5	26.2	15.6	9.7	6.5	2	1.5	1	1.6	12
Disabled	3.5	5.1	9.9	13.9	9	4.9	2.6	0.7	0.3	0.6	0.1	6.2
Marital Status (%)												
Married	42.8	51.8	36.4	36.2	48.8	58.7	63	76.9	80.1	82.2	86.5	56.7
Single w/ dep	24.2	29.6	34.7	32.6	26.7	15.4	12.4	5.5	5.2	1.8	0.8	18.5
Single w/o dep	33	18.6	28.9	31.2	24.5	25.9	24.6	17.6	14.7	16.1	12.6	24.8
Family-size	2.53	2.76	2.54	2.47	2.67	2.62	2.47	2.48	2.56	2.34	2.6	2.54
Marital Status Excluding Retired Widows												
Single w/ dep	24.2	29.6	33.9	32.1	25.6	14	10.9	4.2	3.2	1.7	0.6	17.4
Single w/o dep	33	18.6	27.5	28.3	22	22.2	17.8	13.1	11.2	11.6	10.2	20.7

2 Joint distributions of earnings, income, and wealth

Table 6: Joint Distribution of Earnings and Wealth from the 2016 SCF: Average Values in Thousands of Dollars of Earnings, Income and Wealth in Each Bin

Earnings		Wealth Decile									
Decile		1	2	3	4	5	6	7	8	9	10
1	E	0	0	0	0	0	-0.1	-0.3	-0.2	-1.5	-14.8
	I	11.8	12.4	13.1	13.7	13.1	14.7	22.5	18.5	28.3	311.4
	W	-27.6	1.2	9.4	32.6	70.2	131.7	214.7	366.1	717.5	8716.9
2	E	0	0	0	0	0	0	0	0	0	0
	I	37.5	30.9	33.8	38.7	33.8	42.9	43.8	47.3	54.1	61.7
	W	-30.3	1.4	10.2	32.8	72.6	127.9	222.4	387.3	750.5	2376.5
3	E	5.7	5.9	5.9	4.1	4.6	4.3	4.2	3.6	3	1.5
	I	12.1	12.1	18	18.9	26.5	33.4	56.4	76.2	104	177.7
	W	-28.3	1.4	10	32.5	72.6	133.9	226.2	381.2	824.8	3377.3
4	E	17.2	16.8	17.1	17.5	16.8	17.1	17.1	16.5	15.8	16
	I	22.6	21.2	21.4	26.1	25.4	30	39.6	50.2	77.1	152.6
	W	-21.4	1.8	10.6	32.6	74.3	124.8	216.6	385	816.5	3464.4
5	E	29.7	28.9	29.5	29.8	29.6	30	29.1	29.7	28.8	29.2
	I	33.7	31.4	33.1	33.8	34.5	44.6	66	45.8	65.1	163
	W	-40.5	1.8	10.7	30.2	67.9	125.3	220.1	367.1	754.5	3471.6
6	E	42.8	43.1	42.8	42.7	42.4	43.6	42.4	43.2	43.6	43.9
	I	46.9	46.1	44.1	47.2	46.3	51.1	48.1	61.7	66	191.6
	W	-42.8	1.7	10.7	31.3	73.4	130.8	217.9	375.1	754.3	5097.5
7	E	59.6	59	58.4	58.8	58.3	59.2	59.4	60	59.6	60
	I	62.7	61	61.6	61.8	62.5	68.2	68.7	70	89.3	209.2
	W	-39.3	2.1	12.5	32.6	72.4	127.2	221.6	369.7	759.2	3972.6
8	E	79.9	81.8	79.2	80.9	82.1	83.4	80.8	81.5	82.3	80.7
	I	82.7	82.3	82.4	83.8	84	87.6	88.8	90.3	100.8	149.2
	W	-40	2.4	12.5	33.6	71.4	128.2	219.2	369.8	717.5	3306.9
9	E	115	127.1	113.1	109.6	113.1	113	115	118.7	119.4	118.7
	I	117.1	127.1	117.9	111.5	116.8	117.5	122.1	124.9	131.7	292.4
	W	-46.6	1.1	11.7	33.2	75.4	131.2	219.3	364.2	754.5	3677.7
10	E	205.4	160.8	167.2	189.8	180.2	187	182.5	207.4	248.2	555.9
	I	208.6	160.8	173.1	194.4	181.9	193.2	188.5	217.3	256.4	700.8
	W	-31.9	4.4	11.2	34	74.1	141.8	223.2	380.7	813.1	6840.5

Table 7: Joint Distribution of Earnings and Wealth in the 2016 SCF: Percentage of Population in Each Bin

Earnings Decile	Wealth Decile									
	1	2	3	4	5	6	7	8	9	10
1	1.01	3.36	1.29	1.03	1.01	0.89	0.43	0.52	0.23	0.23
2	0.32	0.60	0.51	0.76	1.08	1.20	1.66	1.81	1.57	0.48
3	1.27	1.24	1.32	0.62	0.61	0.74	0.79	0.80	1.13	1.48
4	1.58	1.91	1.70	1.25	0.85	0.67	0.56	0.64	0.52	0.30
5	1.36	1.34	2.00	1.51	0.97	0.86	0.71	0.47	0.54	0.24
6	1.61	0.89	1.24	1.44	1.31	1.13	0.91	0.64	0.50	0.32
7	1.27	0.44	0.97	1.47	1.27	1.11	1.23	1.16	0.66	0.42
8	0.94	0.17	0.58	1.19	1.34	1.68	1.42	1.22	1.04	0.43
9	0.45	0.04	0.32	0.58	1.33	1.33	1.62	1.68	1.57	1.07
10	0.19	0.02	0.06	0.12	0.23	0.38	0.67	1.06	2.25	5.03

2.1 The Poor and the Rich

Table 8: Joint Distribution of the Poor and the Rich in 2016

		earnings						income						wealth					
		0-1	1-5	5-10	90-95	95-99	99-100	0-1	1-5	5-10	90-95	95-99	99-100	0-1	1-5	5-10	90-95	95-99	99-100
earnings	0-1							46	0.5	3.6	1.3	0.7	1.4	5.2	4.9	3.4	9.3	10.3	3.2
	1-5							3.2	55.3	41.5	0	0	0	0	1.6	8.7	0.1	0	0
	5-10							0	0	23.7	0	0	0	0.7	1.9	6.7	0	0	0
	90-95							0	0	0	55.2	5.7	0	0.3	1.6	0.9	20.8	7.1	0.9
	95-99							0	0	0	27.6	69.9	2.4	0	0.5	0.7	27	33.1	5.4
	99-100							0	0	0	0	14	86	0	0	0	4.8	44.3	47.3
income	0-1	46.1	12.7	0	0.1	0	0							7.4	14.3	8.3	0.2	0.1	0.1
	1-5	0.1	55.3	0	0	0	0							0.4	6.4	12.6	0.4	0.2	0
	5-10	0.7	33.2	23.7	0	0	0							0.9	5.2	9	0	0.1	0
	90-95	0.3	0	0	55.3	22.1	0							0.3	0.5	0.4	27.4	14.5	1.4
	95-99	0.2	0	0	7.1	69.8	3.5							0	0.4	0.7	25.1	42.3	8.4
	99-100	1.4	0	0	0.1	9.7	86							0	0	0	3.5	40.6	52.7
wealth	0-1	5.2	0	3.5	1.5	0	0	7.4	1.6	4.5	1.5	0	0						
	1-5	1.2	1.6	2.3	1.9	0.5	0	3.6	6.4	6.5	0.6	0.4	0						
	5-10	0.7	6.9	6.7	0.9	0.6	0	1.7	10.1	9	0.4	0.6	0						
	90-95	1.9	0.1	0	20.9	21.6	1	0	0.3	0	27.3	20.2	0.7						
	95-99	2.6	0	0	8.9	33.1	11.1	0	0.2	0.2	18.1	42.4	10.2						
	99-100	3.2	0	0	4.6	21.4	47.2	0.1	0.1	0	7	33.5	52.6						

Notes: Overlap of the earnings, income, and wealth distribution. Rows show the position of the household (column 2) along the respective distribution (column 1). Columns give the share of households that are in the respective groups (row 2) of the respective second distribution (row 1).

2.2 Correlations between Earnings, Income, and Wealth

Table 9: Correlation Coefficients of Earnings, Income, and Wealth in 2016

	earnings	income	networth	labor income	capital income	business income	transfer income
earnings	1						
income	0.84	1					
networth	0.41	0.5	1				
labor income	0.82	0.66	0.21	1			
capital income	0.17	0.59	0.36	0.14	1		
business income	0.71	0.63	0.44	0.17	0.12	1	
transfer income	-0.04	0.05	0.1	-0.06	0.04	0.01	1

3 Other Dimensions of Inequality

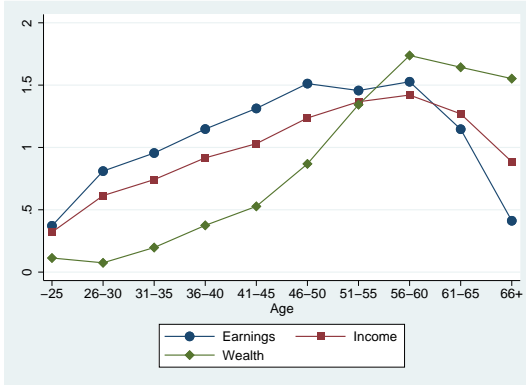
3.1 Age and Inequality

Table 10: Age Partition of the 2016 Sample

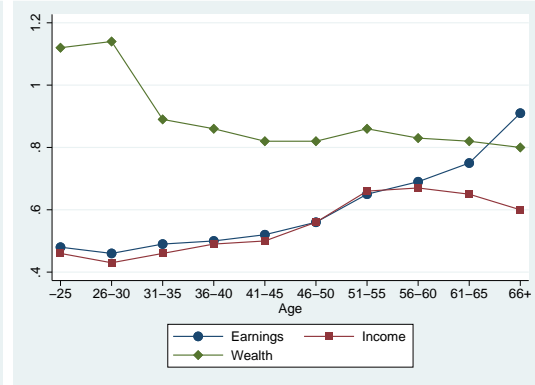
Averages				Income Sources (%)					Gini Indexes			Coefficients of Variation				
Age	E	Y	W	L^d	K^e	B^f	Z^g	O^h	E^a	Y^b	W^c	E^a	Y^b	W^c	$H(\%)^i$	$Size^j$
< 25	27.4	32.7	78	81.5	0.5	2.6	3.5	11.8	0.48	0.46	1.12	0.94	1.53	10.95	6	2.45
26-30	59.8	62.6	51.4	93.4	0.4	2.4	2	1.8	0.46	0.43	1.14	2.29	2.18	3.15	7.2	2.73
31-35	70.5	75.7	135.8	88.6	1.9	5.2	2.4	1.9	0.49	0.46	0.89	2.25	2.35	6.68	8.7	3.02
36-40	84.7	93.5	258.4	80.7	3	11.3	2.5	2.5	0.5	0.49	0.86	1.63	1.98	22.82	8.2	3.47
41-45	96.9	105.1	363.3	83.7	2.6	9.8	2.5	1.5	0.52	0.5	0.82	1.49	1.72	4.95	8.8	3.24
46-50	111.6	126.1	598.1	71.4	5.3	19.6	2.6	1.1	0.56	0.56	0.82	2.13	2.39	4.71	8.8	3.1
51-55	107.5	139.4	925.3	61.1	8.2	18.3	3.9	8.5	0.65	0.66	0.86	3.54	4.68	6.68	9.9	2.59
56-60	112.7	144.9	1197.2	65.1	12.5	14.5	6.3	1.6	0.69	0.67	0.83	3.11	4.17	5.34	9.8	2.27
61-65	84.6	129.5	1132	48.7	13.3	19.1	15.9	3.1	0.75	0.65	0.82	4.15	4.59	5.85	8.9	2.08
66+	30.4	90.3	1069.3	22.6	14.9	12.6	47.7	2.1	0.91	0.6	0.8	16.29	6.44	7	23.7	1.81
Total	73.8	102	688.9	60.4	8.7	13.6	14.2	3.1	0.68	0.6	0.86	4.46	4.48	7.83	100	2.54

Notes: ^a Earnings; ^b income; ^c wealth; ^d labor; ^e capital; ^f business; ^g transfers; ^h other; ⁱ percentage of households of each type; ^j average number of persons per primary economic unit.

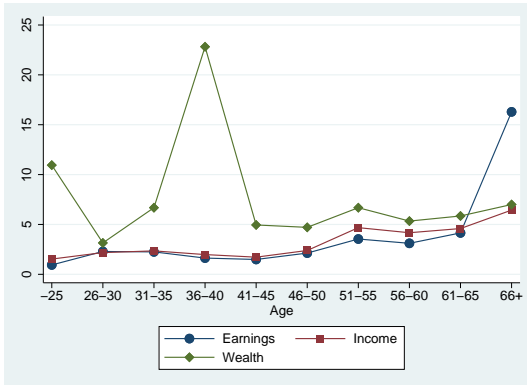
Figure 2: Age and Inequality



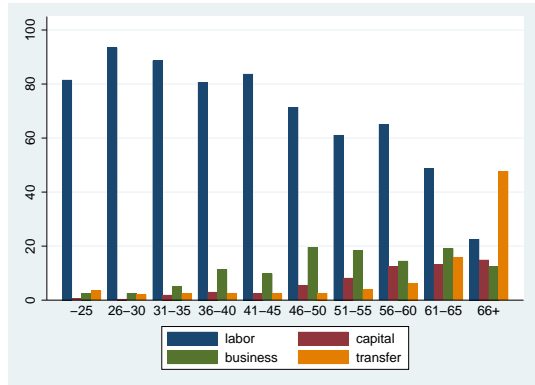
(a) Average earnings, income, and wealth



(b) Gini indexes



(c) Coefficients of variation



(d) Sources of income

3.2 Education and Inequality

Table 11: Education Partition of the 2016 Sample

Age	Averages			Income Sources (%)					Gini Indexes			Coefficients of Variation				
	E	Y	W	L^d	K^e	B^f	Z^g	O^h	E^a	Y^b	W^c	E^a	Y^b	W^c	$H(\%)^i$	$Size^j$
Dropouts	27.1	40.4	172.4	57.9	3.4	10.4	26.2	2	0.67	0.47	0.85	1.71	1.38	17.47	10.5	2.66
High-school	38.9	54.4	236.8	62.7	2.1	9.9	21.7	3.6	0.61	0.45	0.79	2.68	2.33	7.3	28.1	2.62
Some-college	49.5	67.1	340.1	65.5	3.5	9.5	18.9	2.7	0.58	0.46	0.83	2.48	2.29	9.35	27.3	2.46
College	136.6	188.4	1502.3	58.6	12.1	15.9	10.3	3.1	0.66	0.61	0.81	3.95	4	5.61	34	2.51
Total	73.8	102	688.9	60.4	8.7	13.6	14.2	3.1	0.68	0.6	0.86	4.46	4.48	7.83	100	2.54

Notes: a Earnings; b income; c wealth; d labor; e capital; f business; g transfers; h other; i percentage of households of each type; j average number of persons per primary economic unit.

3.3 Employment Status and Inequality

Table 12: Education Partition of the 2016 Sample

Age	Averages			Income Sources (%)					Gini Indexes			Coefficients of Variation			$H(\%)^i$	Size ^j
	E	Y	W	L^d	K^e	B^f	Z^g	O^h	E^a	Y^b	W^c	E^a	Y^b	W^c		
Workers	92.4	105.5	412.4	84.7	4.7	3.3	4.3	3.1	0.53	0.54	0.85	3.08	3.75	6.29	56.2	2.81
Self-employed	146	205.5	2378.6	29.5	15.2	47.5	6.1	1.7	0.73	0.71	0.84	4.95	4.63	5.83	10.6	2.67
Retired	19.5	78.6	895.6	17.7	15.4	8.2	55.8	2.8	0.92	0.56	0.76	8.07	4.04	5	21.1	1.84
Nonworkers	18.3	35.2	122.1	47.6	3.7	5.1	32.7	10.9	0.8	0.53	0.93	2.86	2.66	9.98	12	2.4
Disabled Nonworkers	10.3	30.3	86.8	30.2	2.9	4.5	53.5	8.8	0.85	0.47	0.9	3.07	1.63	8.33	6.2	2.12
Total	73.8	102	688.9	60.4	8.7	13.6	14.2	3.1	0.68	0.6	0.86	4.46	4.48	7.83	100	2.54

Notes: ^a Earnings; ^b income; ^c wealth; ^d labor; ^e capital; ^f business; ^g transfers; ^h other; ⁱ percentage of households of each type; ^j average number of persons per primary economic unit.

3.4 Marital Status and Inequality

Table 13: Education Partition of the 2016 Sample

Age	Averages			Income Sources (%)					Gini Indexes			Coefficients of Variation			$H(\%)^i$	$Size^j$
	E	Y	W	L^d	K^e	B^f	Z^g	O^h	E^a	Y^b	W^c	E^a	Y^b	W^c		
Married	104.8	138.7	980.5	62.4	9.2	15.1	11.9	1.4	0.63	0.56	0.84	3.45	3.53	6.88	56.7	3.1
Single	33.2	53.9	306.8	53.9	6.9	8.8	21.9	8.5	0.7	0.56	0.87	8.32	7.5	8.86	43.3	1.81
Single w/ dependents	33.9	46.4	154.9	65.6	3.8	8.5	17.7	4.4	0.64	0.5	0.9	3.36	3.21	11.26	18.5	2.9
Male	50.2	60	192.2	71.7	2.8	13.7	9.8	2	0.68	0.6	0.86	3.79	4.02	12.55	5.6	2.63
Female	26.8	40.5	138.7	61.8	4.5	5.2	22.7	5.9	0.6	0.44	0.91	1.97	1.97	9.77	12.9	3.02
Single w/o	32.6	59.4	420.6	47	8.7	9	24.3	10.9	0.74	0.59	0.85	10.77	8.72	7.74	24.8	1
Single males w/o	44	79.2	546	47	9.7	9.7	18	15.6	0.75	0.66	0.88	11.92	9.74	8.29	11	1
Single females w/o	23.6	43.7	320.8	47	7.3	8	33.4	4.3	0.71	0.48	0.81	2.23	2.11	5.14	13.8	1
retired widows (females)	5.5	42.6	566.1	2.7	16	11.7	68.6	1	0.95	0.49	0.71	5.33	1.48	4.85	2.8	1
Total	73.8	102	688.9	60.4	8.7	13.6	14.2	3.1	0.68	0.6	0.86	4.46	4.48	7.83	100	2.54

Notes: a Earnings; b income; c wealth; d labor; e capital; f business; g transfers; h other; i percentage of households of each type; j average number of persons per primary economic unit.

4 The Richest

4.1 Shares of the Rich and the Superrich

Table 14: Richest Earnings Households

Top	1989	1992	1995	1998	2001	2004	2007	2010	2013	2016
1%	13.73	15.36	15.73	16.13	18.33	16.52	18.66	18.03	18.83	23.03
0.5%	10.05	11.44	11.77	11.97	13.29	12.49	13.74	12.8	13.43	17.16
0.1%	4.42	6.33	5.97	5.7	5.85	6.12	6.54	5.61	6.4	7.72
0.01%	1.75	3.54	2.41	1.65	1.53	1.65	1.92	1.74	2.43	2.44
0.005%	1.35	2.45	1.82	1.09	0.94	1.13	1.43	1.28	1.73	1.85
0.001%	1.01	0.49	0.59	0.46	0.36	0.47	0.62	0.58	0.55	0.68

Table 15: Richest Income Households

Top	1989	1992	1995	1998	2001	2004	2007	2010	2013	2016
1%	17.09	18.59	16.71	17.38	20.91	16.94	20.97	17.2	19.68	23.32
0.5%	13.35	13.59	12.89	13.1	15.99	12.97	15.87	12.42	14.86	18.06
0.1%	7.02	6.31	6.95	6.22	8.25	6.24	7.84	5.64	8.07	9.04
0.01%	2.69	3.01	3.35	1.8	1.89	1.83	2.86	1.89	2.84	2.61
0.005%	1.94	2.07	2.28	1.34	1.17	1.22	2.04	1.41	1.87	1.88
0.001%	0.96	0.42	0.91	0.58	0.48	0.51	0.79	0.62	0.72	0.61

Table 16: Richest Wealth Households

Top	1989	1992	1995	1998	2001	2004	2007	2010	2013	2016
1%	29.92	30.04	34.85	33.87	32.22	33.23	33.57	34.07	35.47	38.5
0.5%	22.51	22.49	27.3	25.53	23.27	24.41	24.77	25.36	26.54	29.48
0.1%	10.5	11.19	13.11	12.53	10.47	11.63	12.36	12.26	13.17	14.76
0.01%	3.88	3.92	3.97	4.16	3.23	3.57	3.9	4.16	4.38	5.29
0.005%	2.72	2.81	2.63	2.86	2.09	2.36	2.61	2.93	3.04	3.65
0.001%	0.73	1.04	0.95	1.16	0.71	0.8	0.85	1.02	1.2	1.38

4.2 Characteristics of the Richest Households

Table 17: Characteristics of the Top Earnings, Income, and Wealth Households in 2016

	-30	31-40	41-50	51-60	61-	DO	HS	SC	CO	WKR	SE	RET	NILF	MAR	KIDS
All	13.2	16.9	17.6	19.7	32.6	10.5	28.1	27.3	34	56.2	10.6	21.1	12	56.7	59.2
Top 10 %															
earnings	2.5	16.2	31.2	30.1	19.9	2.1	6.9	13.3	77.7	73.4	20	4.7	1.9	92.3	40.6
income	1.4	12.2	26.1	27.2	33.1	2.5	6.5	12.3	78.7	60.4	22.9	14.3	2.4	90.7	50.2
networth	0.9	3.7	14.4	28.6	52.5	2.7	6.8	13.4	77.1	38	28.8	31.9	1.3	81.6	65.6
Top 1 %															
earnings	2	11.3	18.3	42.7	25.7	0.4	2.8	2.7	94.1	52	39.7	7.4	0.8	88.5	43.8
income	2	10.2	17.6	40.8	29.4	0.3	3.5	3.1	93.1	47.1	40.7	11.2	1	89.2	53.1
networth	2	3	10.8	35.5	48.7	0.6	3.2	6	90.2	30.7	45.3	22.4	1.6	86.5	65.2
Top 0.1 %															
earnings	0	2.2	24	48.7	25.1	0.1	6	1.9	91.9	36.7	60.8	2.4	0.2	89.7	59.6
income	0	2.3	6.1	56.2	35.4	0.1	3.5	1.9	94.4	47.3	47.9	4.3	0.5	81.4	75.5
networth	0	2.6	8.3	34.4	54.8	0.1	5.4	7.2	87.2	13.1	61.5	24.4	0.9	90.3	72.7

Notes: Age, education, employment, and family characteristics of households in the top of the earnings, income, and wealth distribution. The rows indicate the considered distribution. The top panel of the table looks at the top 10 percent of each distribution, the middle panel at the top 1 percent, and the bottom panel at the top 0.1 percent. The first five columns show the distribution across age groups, the next five columns show the distribution across education groups (dropouts, highschool, some college, college, postgraduate), the next four columns show occupation groups (workers, self-employed, retired, nonworkers), and the last two columns show the share of married households and the share of households with children. We report percentage points of households for each household characteristic.

5 Decomposition of wealth inequality

5.1 Wealth Inequality

Table 18: Sources of Wealth Inequality, 2016

	Share S_k	Coeff G_k	Corr R_k	Conc C_k	Contr Level I_k	Contr. Share I_k/G
Liquid Assets	0.06	0.86	0.89	0.76	0.04	0.05
CDs	0.01	0.98	0.82	0.80	0.01	0.01
Mutual Funds	0.11	0.98	0.96	0.94	0.11	0.12
Stocks	0.07	0.98	0.96	0.94	0.06	0.07
Bonds	0.01	1.00	0.97	0.97	0.01	0.02
Saving Bonds	0.00	0.99	0.74	0.73	0.00	0.00
O Mgd Invest	0.04	0.99	0.92	0.91	0.03	0.04
Life-Insurance	0.01	0.96	0.77	0.74	0.01	0.01
O Fin Assets	0.01	0.99	0.80	0.79	0.01	0.01
Ret Accounts	0.17	0.86	0.91	0.78	0.13	0.16
Houses	0.28	0.69	0.85	0.58	0.16	0.19
Vehicles	0.03	0.56	0.57	0.32	0.01	0.01
O Res Re	0.07	0.96	0.89	0.85	0.06	0.07
N Res Re	0.04	1.00	0.93	0.93	0.04	0.05
Business	0.22	0.99	0.97	0.96	0.21	0.25
O N-Fin Assets	0.01	0.99	0.84	0.84	0.01	0.01
Mortg, Heloc	-0.10	-0.78	-0.50	0.39	-0.04	-0.04
Res Debt	-0.01	-0.97	-0.74	0.72	-0.01	-0.01
O Loc	0.00	-1.00	-0.85	0.84	0.00	0.00
Credit Card	0.00	-0.85	-0.10	0.08	0.00	0.00
Installment	-0.02	-0.79	0.22	-0.17	0.00	0.00
Other Debt	0.00	-0.99	-0.69	0.68	0.00	0.00

Notes: R_k is the correlation between the each wealth component and wealth, G_k is the Gini of each wealth component, and S_k is each wealth component share of wealth. I_k is the share contribution to the overall Gini of the wealth component and is derived as $I_k = R_k \times G_k \times S_k$, and satisfies $G = \sum_k I_k$. We also report a concentration measure $C_k = G_k \times R_k$. We use the following abbreviations: CDs for Certificates of deposit, other mgd assets for other managed assets, cash value life ins. for cash value of life insurance, other fin. assets for other financial assets, ret. acct. for retirement accounts, other res. RE for other residential real estate, nonres. RE for nonresidential real estate, other nonfin. assets for other nonfinancial assets, mtge + HELOCs for mortgages and home equity lines of credit, res. debt for residential debt, and other LOC for other lines of credit.

5.2 Income Inequality

Table 19: Sources of Income Inequality, 2016

	Share S_k	Coeff G_k	Corr R_k	Conc C_k	Contr Level I_k	Contr. Share I_k/G
labor	0.60	0.68	0.86	0.59	0.35	0.59
capital	0.09	1.00	0.92	0.92	0.08	0.13
business	0.14	0.99	0.82	0.82	0.11	0.19
transfer	0.12	0.79	0.24	0.19	0.02	0.04
other	0.06	0.93	0.56	0.52	0.03	0.05

Notes: R_k is the Gini correlation between the income source and total income, G_k is the relative Gini of each income source, S_k is the income source's share of total income, I_k is the share in percentage points of inequality accounted for by the income source and is derived as $I_k = R_k \times G_k \times S_k$, where G is the Gini coefficient of total income that can be computed as $G = R_k \times G_k \times S_k$. The concentration measure $C_k = G_k \times R_k$.

References

- KUHN, M. and RÍOS-RULL, J.-V. (2016). 2013 update on the us earnings, income, and wealth distributional facts: A view from macroeconomics. *Federal Reserve Bank of Minneapolis Quarterly Review*, **37** (1).
- and RÍOS-RULL, J.-V. (2020). 2016 update on the us earnings, income, and wealth distributional facts: A view from macroeconomics. *Online*.
- SLESNICK, D. T. (1992). Aggregate consumption and saving in the postwar united states. *The Review of Economics and Statistics*, pp. 585–597.
- (1993). Gaining ground: Poverty in the postwar united states. *Journal of political Economy*, pp. 1–38.