

Personal Wealth, 2001

by Barry W. Johnson and Brian G. Raub

The distribution and composition of personal wealth in the United States are topics of great interest among researchers and policy planners. Unfortunately, these issues are difficult to research, since there are few sources of data on the wealth holdings of the general population, especially the very rich. Federal estate tax returns (Form 706) provide a unique source from which to study the nation's wealthiest individuals. The estate tax return contains a complete listing of a decedent's assets and debts, as well as a demographic profile of the decedent and information on the costs of administering the estate. A decedent's estate has up to 9 months to file an estate tax return, but use of a 6-month extension is common. It is, therefore, necessary to combine returns filed over a number of calendar years in order to capture data representative of all estate tax decedents dying in a single year.

The wealth of living individuals can be estimated from Federal estate tax return data using the estate multiplier technique. The fundamental assumption underlying this methodology is that estate tax returns filed for decedents who died in a particular year represent a random sample, designated by death, of the living population in that year. Estimates of the wealth holdings of the living population are derived by applying a multiplier, based on appropriate mortality rates, to this sample. (See the Appendix to this article for a more complete discussion of the estate multiplier technique.)

Valuation Measures

These estimates apply to individual holdings of \$675,000 or more in gross estate, the Federal estate tax filing threshold in effect for 2001 U.S. decedents. *Gross estate* is a Federal estate tax concept of wealth that does not conform to usual definitions of wealth, primarily because it includes components that are not traditionally considered part of a living individual's portfolio and because there are features of the tax code that allow certain real property to be specially valued when used in farming or running a

business. Therefore, three measures of wealth are used in this article: gross assets (or gross estate), total assets, and net worth.

Gross assets reflects the gross value of all assets owned by a decedent, including the full face value of life insurance, reduced by the value of any policy loans, but excluding any reduction for other indebtedness. This measure defines the individuals included in the top wealth holder group. *Total assets* is a lower wealth value but is still essentially a gross measure. It differs from gross assets in that the cash, or equity, value of life insurance (i.e., the value of insurance immediately before the policyholder's death) replaces the "at death" value of life insurance included in gross assets, and incorporates other adjustments to compensate for special valuation provisions in the tax code [1]. *Net worth* is total assets minus debts.

Top Wealth Holders, 2001

In 2001, there were an estimated 7.4 million adults, age 18 and older, with gross assets of \$675,000 or more (see Table 1). Combined, they owned almost \$15.2 trillion in total assets. After accounting for over \$1.3 trillion in debts and mortgages, this group had a total net worth of \$13.8 trillion. Although these top wealth holders represented only 3.5 percent of the U.S. adult population, they held an estimated 32.7 percent of the total U.S. net worth in 2001 [2, 3].

There were nearly 4.0 million male top wealth holders in 2001, representing 53.7 percent of the top wealth holder population. These men had a combined net worth of \$8.0 trillion, for an average net worth of nearly \$2.0 million (see Table 2). About 73,000 of these men had a net worth of \$10 million or more. A large majority, 66.4 percent, of male top wealth holders were married, while 16.3 percent were single and 8.7 percent were widowed (see Figure A). About 8.5 percent of wealthy males were divorced or separated.

There were over 3.4 million female top wealth holders, comprising 46.3 percent of the total. The combined net worth of these women was \$5.8 trillion, while their average net worth was \$1.71 million (see Table 3). About 50,000 female top wealth holders in 2001 had a net worth of \$10 million or more. In contrast to their male counterparts, less than half, 49.0 percent, of all female top wealth holders were married, while 26.0 percent were widowed, a much

Barry W. Johnson is Chief, Special Studies Special Projects Section, and Brian G. Raub is an economist with the same section. This article was prepared under the direction of Janet McCubbin, Chief, Special Studies Branch.

Personal Wealth, 2001

Figure A

Top Wealth Holders: Marital Status, by Sex, 2001

Marital status	Males	Percentage	Females	Percentage
	(1)	(2)	(3)	(4)
Total	3,953,728	100.0	3,403,522	100.0
Married.....	2,627,212	66.4	1,668,808	49.0
Widowed.....	343,942	8.7	884,677	26.0
Single.....	645,570	16.3	487,786	14.3
Other ¹	337,004	8.5	362,251	10.6

¹ Includes individuals who were separated or divorced and those for whom marital status was not determinable.

NOTE: Detail may not add to totals because of rounding.

higher percentage than for men. About 14.3 percent of wealthy females were single, while 10.6 percent were divorced or separated.

While the average net worth of female wealth holders was more than 15 percent lower than that of males, averages can be very sensitive to outliers. When significant outliers exist, the median is often a better measure of the center of a distribution. The median net worth for male wealth holders was approximately \$978,000, while the median value for females was nearly the same at almost \$955,000. In fact, Figure B shows that the distribution of wealth

for male and female wealth holders is very similar for most points, except for those above the 95th percentile, where male net worth values dominate. It is these larger values that account for the much larger difference in the average net worth between the sexes. While not included in Figure B, it is interesting to note that the left tail of the net worth distribution for males dips much lower (larger negative values) for points below the 1st percentile than for females.

Portfolio Composition

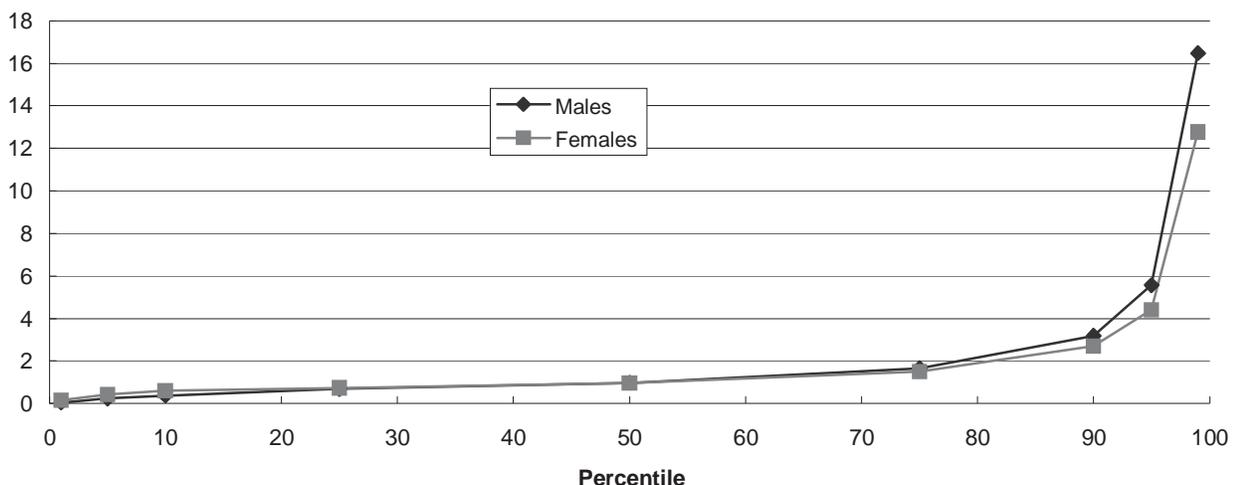
The portfolio composition of top wealth holders in 2001 varied substantially by gender and wealth. As shown in Figure C, men with less than \$1 million in net worth devoted the largest percentages of their portfolios to personal residences, 20.7 percent, and retirement assets, 18.3 percent [4]. Stock in publicly held corporations, other real estate, and cash holdings also represented significant portions of these individuals' portfolios.

For males with at least \$1 million but less than \$10 million in net worth, personal residences comprised a substantially smaller portion of their total portfolio, at 10.4 percent. Publicly traded stock comprised the single largest component, 19.7 percent, while retirement assets were the second largest component, 16.5

Figure B

Top Wealth Holders, by Sex: Net Worth Distribution, 1st-99th Percentiles, 2001

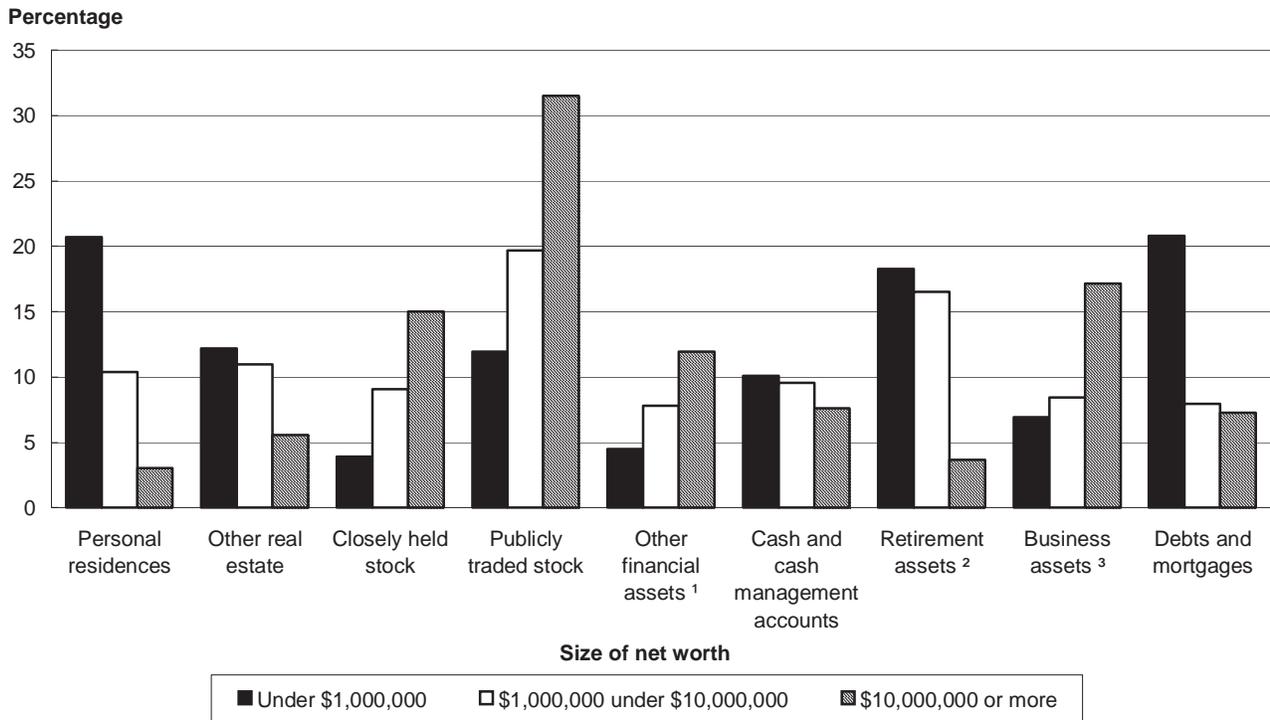
Net worth (in millions)



Personal Wealth, 2001

Figure C

Male Top Wealth Holders: Selected Assets and Debts as a Percentage of Total Assets, by Size of Net Worth, 2001



¹ Includes all government bonds, corporate bonds, bonds issued by foreign governments, and diversified mutual funds.

² Includes individual retirement accounts, annuities, and self-employed retirement or Keogh plans.

³ Includes noncorporate businesses, farms, and limited partnerships.

percent. The proportion of these individuals' portfolios comprised of stock in closely held companies [5] and other financial assets (such as government bonds, corporate bonds, and foreign bonds) was markedly higher than the corresponding proportion for men with less than \$1 million in net worth.

For the wealthiest males, those with net worth of \$10 million or more, financial assets were the dominant portfolio component. Holdings in the stock of publicly traded corporations, 31.5 percent, and closely held companies, 15.0 percent, combined for nearly one half of their portfolios. The wealthiest men also devoted a substantially larger proportion of their portfolios to business assets (including noncorporate businesses, farm assets, and limited partnerships), 17.2 percent, and other financial assets, 12.0 percent, than their peers in the lower wealth classes. In contrast, personal residences, 3.0 percent, and retire-

ment assets, 3.7 percent, represented only small components of their portfolios.

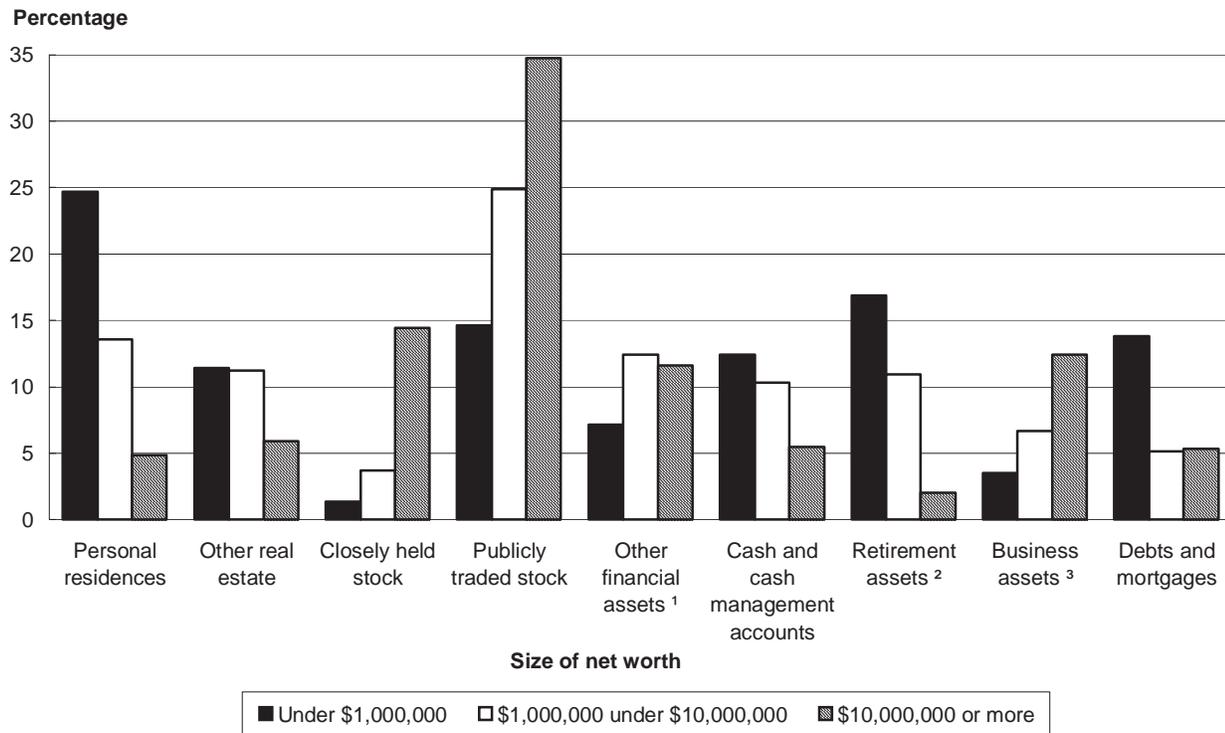
For female top wealth holders, the shift in portfolio composition as net worth increased followed a pattern similar to that for their male counterparts (see Figure D). However, there were several significant differences in the makeup of portfolios held by male and female top wealth holders. In each wealth class, women held larger proportions of their assets in personal residences and other real estate and smaller proportions in retirement and business assets than men.

The most notable difference between the asset mix of female and male top wealth holders was the importance of closely held stock in their respective portfolios. Closely held stock comprised only 1.3 percent of the portfolios of women with net worth of less than \$1 million, compared to nearly 3.9 percent for men in the same wealth class. Likewise, women

Personal Wealth, 2001

Figure D

Female Top Wealth Holders: Selected Assets and Debts as a Percentage of Total Assets, by Size of Net Worth, 2001



¹ Includes all government bonds, corporate bonds, bonds issued by foreign governments, and diversified mutual funds.

² Includes individual retirement accounts, annuities, and self-employed retirement or Keogh plans.

³ Includes noncorporate businesses, farms, and limited partnerships.

with net worth of \$1 million but less than \$10 million held 3.7 percent of their assets in closely held stock, less than half the corresponding proportion for men in this group. This proportion shifted sharply upward, to 14.4 percent, for women with a net worth of \$10 million or more and nearly equals the 15.0 percent of their wealthiest male counterparts.

Male top wealth holders in all wealth classes had a higher ratio of debts and mortgages to total assets than their female peers. Women, in aggregate, had a debt ratio (debts divided by total assets) of 7.3 percent, while the comparable figure for men was 10.0 percent. Men with a net worth of less than \$1 million had by far the highest debt ratio, 20.8 percent.

Age

The average age of male top wealth holders in 2001 was 55.7 years, 3.6 years younger than the average

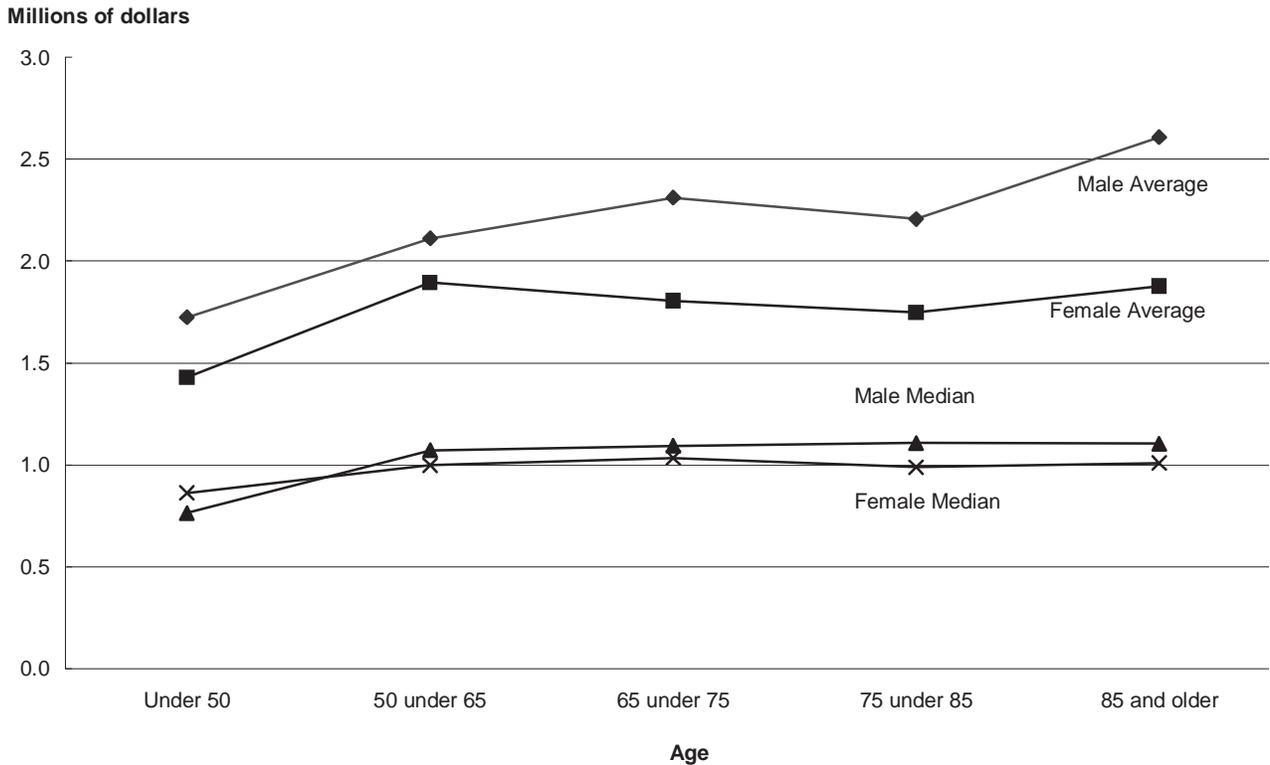
age of female top wealth holders. Figure E shows that the \$1.7 million average net worth of males under 50 was markedly lower than that for men in any other age group. For men between 50 and 85 years of age, average net worth remained relatively steady in a range between \$2.1 million and \$2.3 million. Males aged 85 and older were wealthier than men in any other age group, with an average net worth of \$2.6 million.

The average net worth of females under 50 was over \$1.4 million. Although the average for women aged 50 to 65 was significantly higher at \$1.9 million, as age increased beyond this point, there was only scant variation in average net worth. Women aged 75 to 85 actually had a lower average net worth, \$1.8 million, than their counterparts between age 50 and 75. Females 85 and older had an average net worth of about \$1.9 million, nearly identical to the average for those in the 50-under-65 age group.

Personal Wealth, 2001

Figure E

All Top Wealth Holders: Average and Median Net Worth, by Sex and Age, 2001



The median net worth of top wealth holders reveals a very different picture. For each age and sex combination, median net worth was substantially lower than average net worth. For both males and females, median wealth for those in the 50-under-65 age group increased significantly from the median for those under 50, but age had very little effect on the median net worth of wealthy individuals over 50. Although the average net worth of males was significantly higher than that of females in each age category, the median wealth of men and women was very similar regardless of age. These observations suggest that a limited number of high wealth males have a significant effect on the data. The effect is most striking for men aged 85 and older. While the median net worth of this group was virtually identical to that for the 75-under-85 age group, their average net worth was nearly one-fifth greater. Also interesting is the fact that women under age 50 had a higher median net worth than their male counterparts but a lower average net worth.

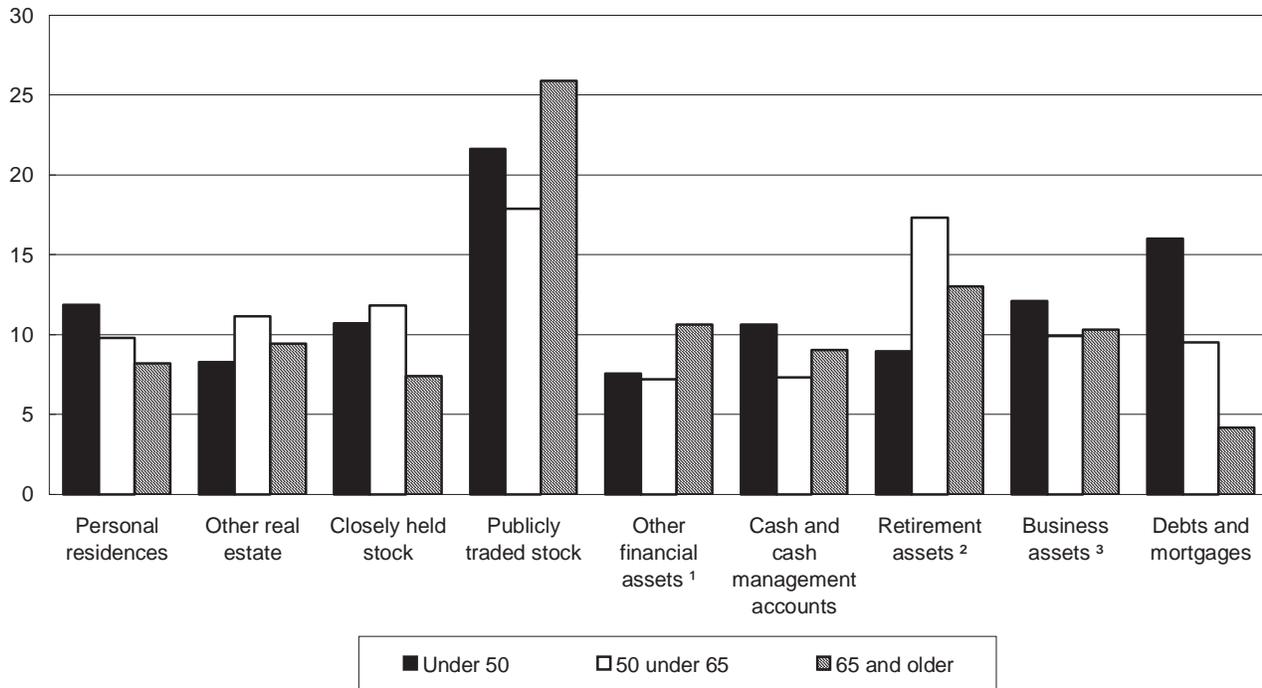
While median net worth did not vary greatly across age groups or gender, especially for those over age 50, the data suggest that both age and gender are important determinants of portfolio composition. As shown in Figure F, for males in all three age groups depicted, stock held in public companies was dominant but varied substantially in the share it contributed to total assets. For males under age 50, publicly traded stock comprised 21.6 percent of total assets. Business assets made up the second-largest share of the total for these relatively young men, 12.1 percent, followed by the value of the personal residence, 11.8 percent. For men in the 50-under-65 age bracket, retirement assets made up the second largest share of total assets, 17.3 percent, not surprising for a group approaching traditional retirement age. Publicly traded stock accounted for 17.9 percent of total assets for this group, lower than the corresponding proportion for men under age 50, while stock in closely held companies comprised 11.8 percent.

Personal Wealth, 2001

Figure F

Male Top Wealth Holders: Selected Assets and Debts as a Percentage of Total Assets, by Age, 2001

Percentage



¹ Includes all government bonds, corporate bonds, bonds issued by foreign governments, and diversified mutual funds.

² Includes individual retirement accounts, annuities, and self-employed retirement or Keogh plans.

³ Includes noncorporate businesses, farms, and limited partnerships.

For males age 65 and older, publicly traded stock made up 25.9 percent of total assets. Men in this age group devoted the highest proportion of any age group to other financial assets, where tax-exempt bonds issued by State and local governments dominated. Closely held stock and personal residences accounted for the lowest proportion of total assets for this group, which may reflect both lifestyle changes expected for individuals in the post-retirement phase of life. About 68.3 percent of men aged 65 and older owned a personal residence compared to 75.4 percent of men younger than 65. A similar pattern can be seen for closely held stock, as 15.0 percent of men aged 65 and older owned these assets, significantly less than the 23.4 percent ownership rate of men younger than 65.

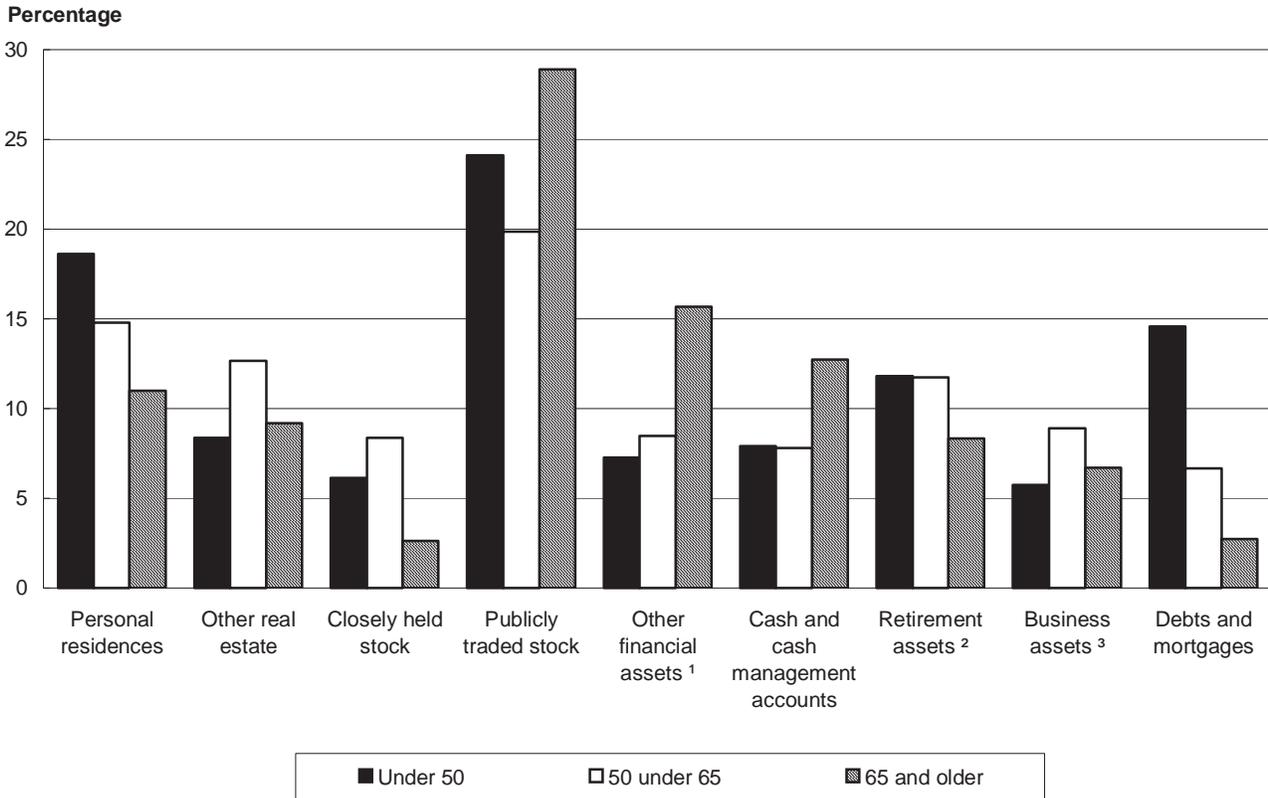
For wealthy females, publicly traded stock was also the dominant asset in each age bracket (see

Figure G). Women under 50 held 24.1 percent of their portfolios in such stocks, along with another 6.1 percent in the stock of closely held companies. The personal residence was the second largest asset component for women in this age group, 18.6 percent of total assets, followed by retirement assets. For women in the 50-under-65 age group, the personal residence was again the second largest portfolio component, with investment real estate making up a much larger share than in the portfolios held by younger women. The 50-under-65 age group also devoted the largest share of their portfolios to business assets and stock in closely held corporations among the groups depicted in Figure G. For women aged 65 and older, liquid assets, including publicly traded stock, cash accounts, and other financial assets, contribute substantially more to their portfolios than to the portfolios of women in the younger age

Personal Wealth, 2001

Figure G

Female Top Wealth Holders: Selected Assets and Debts as a Percentage of Total Assets, by Age, 2001



¹ Includes all government bonds, corporate bonds, bonds issued by foreign governments and diversified mutual funds.

² Includes individual retirement accounts, annuities, and self-employed retirement or Keogh plans.

³ Includes non-corporate businesses, farms, and limited partnerships.

groups. In contrast, the personal residence comprised only 11.0 percent of the portfolios held by women aged 65 or older, while retirement assets accounted for only 8.3 percent for women in this oldest age bracket.

For all top wealth holders, the debt ratio decreased steadily with age (see Figure H), declining from 15.5 percent for wealthy individuals under age 50 to 1.7 percent for their counterparts age 85 and older. In each age category, women had a lower debt ratio than men, although these differences may not be statistically significant.

State Data

Figure I presents the States with the largest number of resident millionaires [6]. California, the U.S. State with the largest overall population [7], also had the largest number of millionaires with about 572,000. New York had the second-largest number of millionaires, 317,000, followed by Florida and Illinois with 249,000 and 185,000, respectively.

Another way to look at the concentration of millionaires by State is to focus on the number of millionaires as a percentage of the adult population, shown in Figure J. This approach eliminates distor-

Personal Wealth, 2001

Figure H

All Top Wealth Holders: Debt and Mortgages as a Percentage of Total Assets, by Sex and Age, 2001

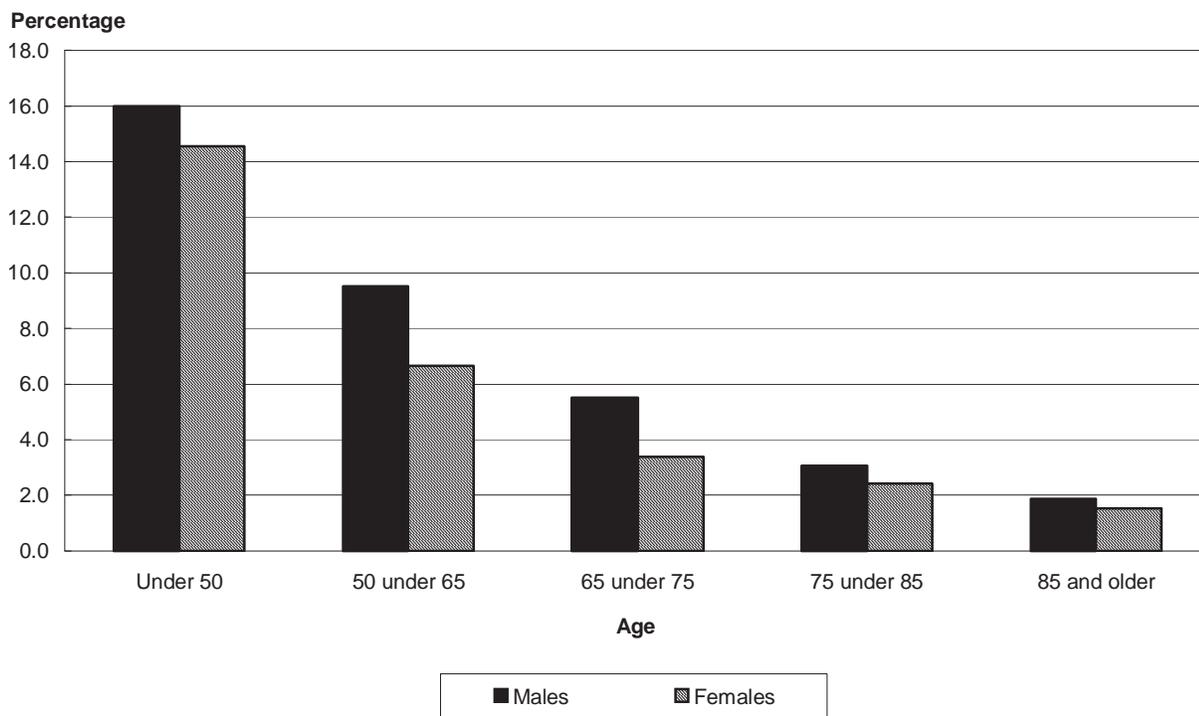


Figure I

States with the Largest Number of Resident Millionaires, 2001¹

[Numbers are in thousands]

State	Number of millionaires	Total adult population	Millionaires as a percentage of adult population
	(1)	(2)	(3)
California.....	572	25,176	2.3
New York.....	317	14,452	2.2
Florida.....	249	12,566	2.0
Illinois.....	185	9,274	2.0
Texas.....	182	15,297	1.2
New Jersey.....	178	6,398	2.8
Pennsylvania.....	135	9,418	1.4
Ohio.....	114	8,540	1.3
Massachusetts.....	105	4,921	2.1
Virginia.....	94	5,426	1.7

¹ Millionaires are defined as individuals with net worth of \$1 million or more.

² Statistics on U.S. Population, by State, for 2001 were obtained from the U.S. Bureau of the Census, "Population by State," published online at: <http://www.census.gov/popest/states>.

Figure J

States with the Highest Concentration of Resident Millionaires, 2001¹

[Numbers are in thousands]

State	Number of millionaires	Total adult population	Millionaires as a percentage of adult population
	(1)	(2)	(3)
Connecticut.....	83	2,594	3.2
New Jersey.....	178	6,398	2.8
District of Columbia.....	11	458	2.4
California.....	572	25,176	2.3
New York.....	317	14,452	2.2
Massachusetts.....	105	4,921	2.1
Illinois.....	185	9,274	2.0
Florida.....	249	12,566	2.0
Wyoming.....	7	370	1.9
Delaware.....	11	605	1.8

¹ Millionaires are defined as individuals with net worth of \$1 million or more.

² Statistics on U.S. Population, by State, for 2001 were obtained from the U.S. Bureau of the Census, "Population by State," published online at: <http://www.census.gov/popest/states>.

Personal Wealth, 2001

tions caused by the widely varied populations of the States. Using this measure, Connecticut ranked first with the highest number of millionaires per capita. Two of the smallest States in the country by population, Wyoming and Delaware, as well as the District of Columbia, were in the top ten by concentration of millionaires. Six States--California, Florida, Illinois, Massachusetts, New Jersey, and New York--ranked in the top ten in both the number of resident millionaires and millionaires per capita.

Millionaires, 1998-2001

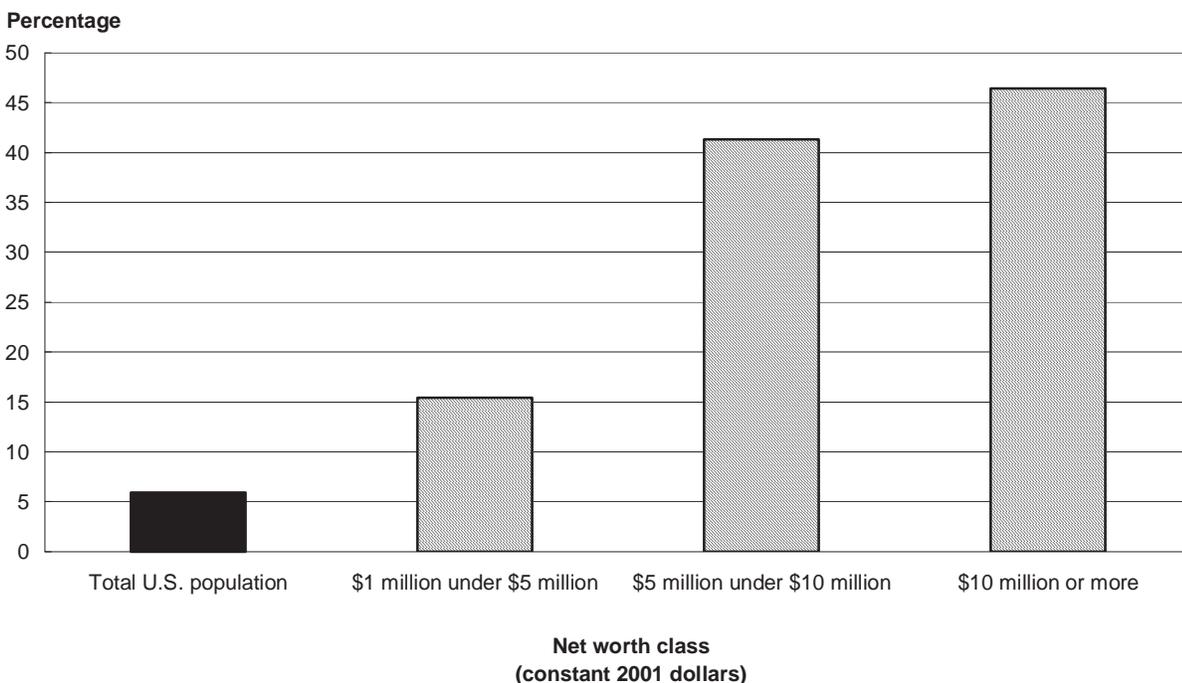
The number of adult millionaires, defined as those with net worth of \$1 million or more in real terms, increased 17.8 percent between 1998 and 2001, while the average net worth of millionaires increased 16.1 percent [8]. Figure K shows the percentage growth in the number of millionaires by net worth class between 1998 and 2001. The number of millionaires in each wealth class increased significantly between

1998 and 2001, a period generally marked by strong economic expansion until the onset of a recession in March 2001 [9], which was in turn worsened by the economic impact of the September 11 terrorist attacks. The number of millionaires with net worth between \$1 million and \$5 million grew by 15.4 percent between 1998 and 2001, while the number of millionaires in the higher wealth classes increased more rapidly, 41.3 percent for those with net worth between \$5 million and \$10 million, and 46.4 percent for those with net worth of \$10 million or more. By comparison, the total U.S. population grew by 5.9 percent during this period.

Males made up a majority of millionaires in both years (54.2 percent and 54.9 percent), although, on average, they accounted for only 48.2 percent of the adult U.S. population during this period. Figure L displays changes in the age composition of male millionaires in 1998 and 2001. The percentage of male millionaires under age 50 increased markedly

Figure K

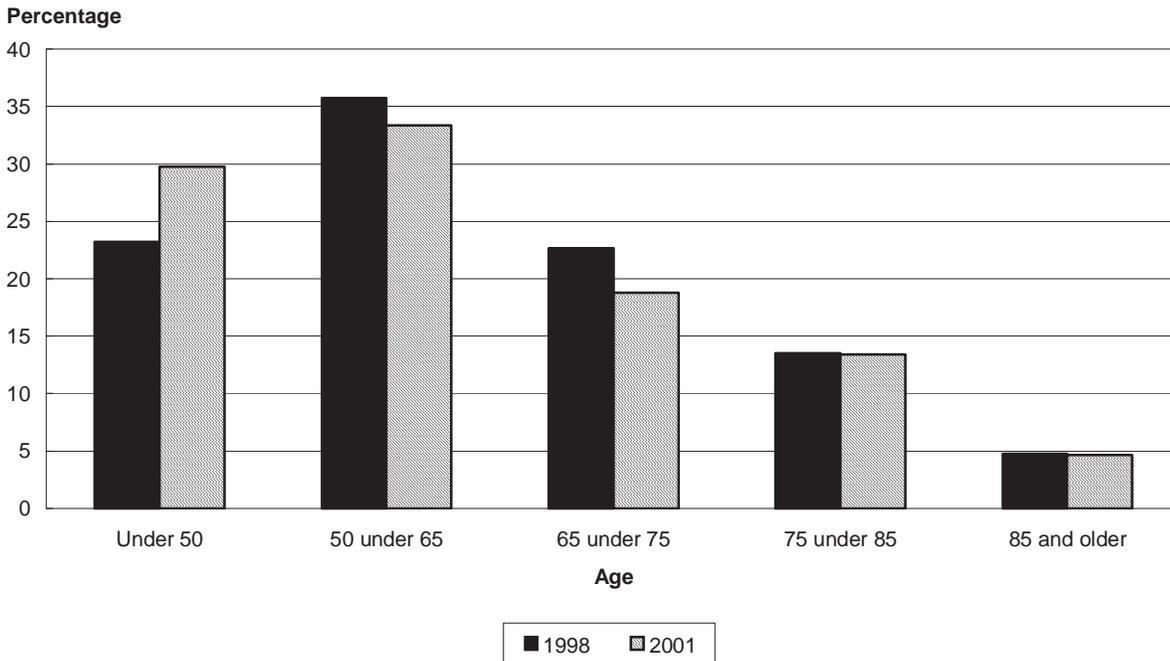
Percentage Growth in Number of Millionaires and Total U.S. Population, 1998-2001



Personal Wealth, 2001

Figure L

Percentage of Male Millionaires, by Age, 1998 and 2001



over this period, from 23.2 percent in 1998 to 29.8 percent in 2001. Conversely, the percentage of male millionaires between ages 50 and 75 declined during this period, while the percentage of male millionaires in the oldest age brackets was virtually unchanged. These patterns suggest that most of the new men who joined the millionaire population between 1998 and 2001 were under age 50.

Females accounted for 45.8 percent of the millionaire population in 1998 and 45.1 percent in 2001. Analysis of the age composition of female millionaires in 1998 and 2001 (Figure M) reveals similarities to the age composition of male millionaires. Women in the youngest age brackets, through age 65, represented larger percentages of the overall female millionaire population in 2001 than in 1998, while the percentage of women between age 65 and 85 decreased. Between 1998 and 2001, the percentage of millionaire women who were aged 85 and older was unchanged.

Portfolio Composition for Millionaires

Looking at the asset makeup of millionaires' portfolios in 1998 and 2001 reveals significant differences

in the portfolio allocations of men and women. Throughout this period, female millionaires held a higher percentage of their portfolios in real estate than their male counterparts, while the men devoted substantially more to retirement assets (see Figures N and O).

Beyond these differences, however, the portfolio composition of male and female millionaires showed similar changes between 1998 and 2001. Real estate made up a higher percentage of both men's and women's portfolios in 2001 than in 1998. This is consistent with a 25.9 percent increase in housing prices from the first quarter of 1998 to the fourth quarter of 2001 [10]. Conversely, for both sexes, stock and other financial assets comprised a substantially smaller portion of the portfolio in 2001 than in 1998. From the beginning of 1998 through the end of 2001, the S&P 500 stock index returned a more modest 18 percent, including a 13 percent decline during 2001 [11].

Concentration Estimates

The share of U.S. wealth held by the top wealth holders has long been a topic of interest for research-

Personal Wealth, 2001

Figure M

Percentage of Female Millionaires, by Age, 1998 and 2001

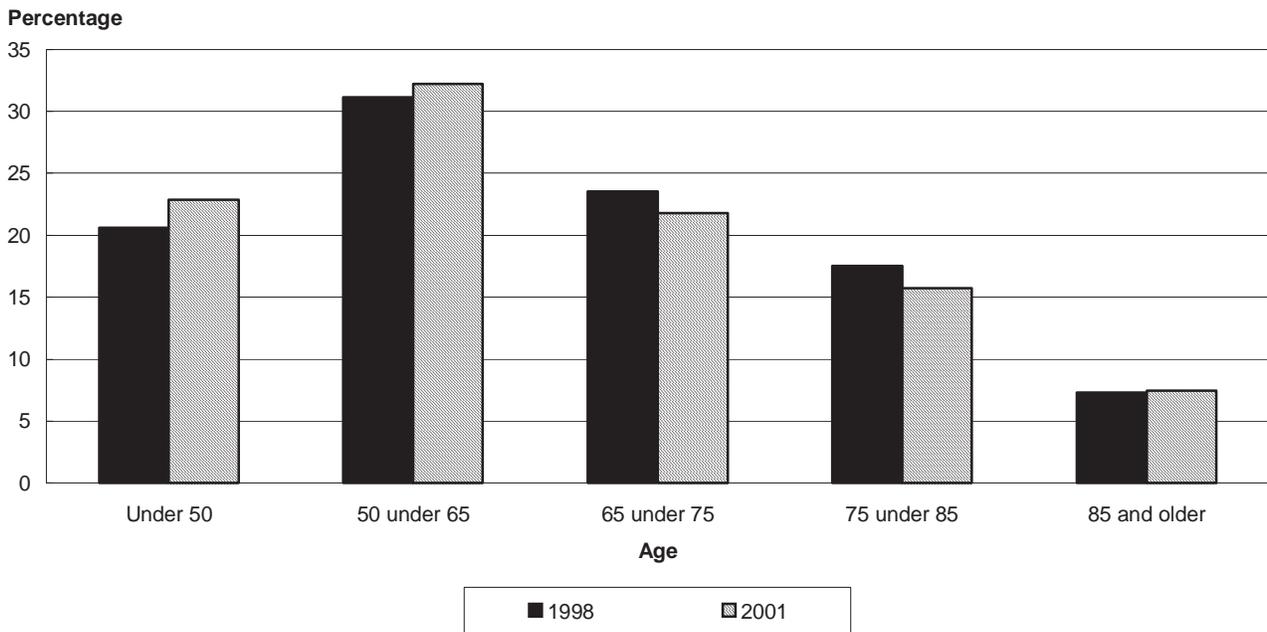
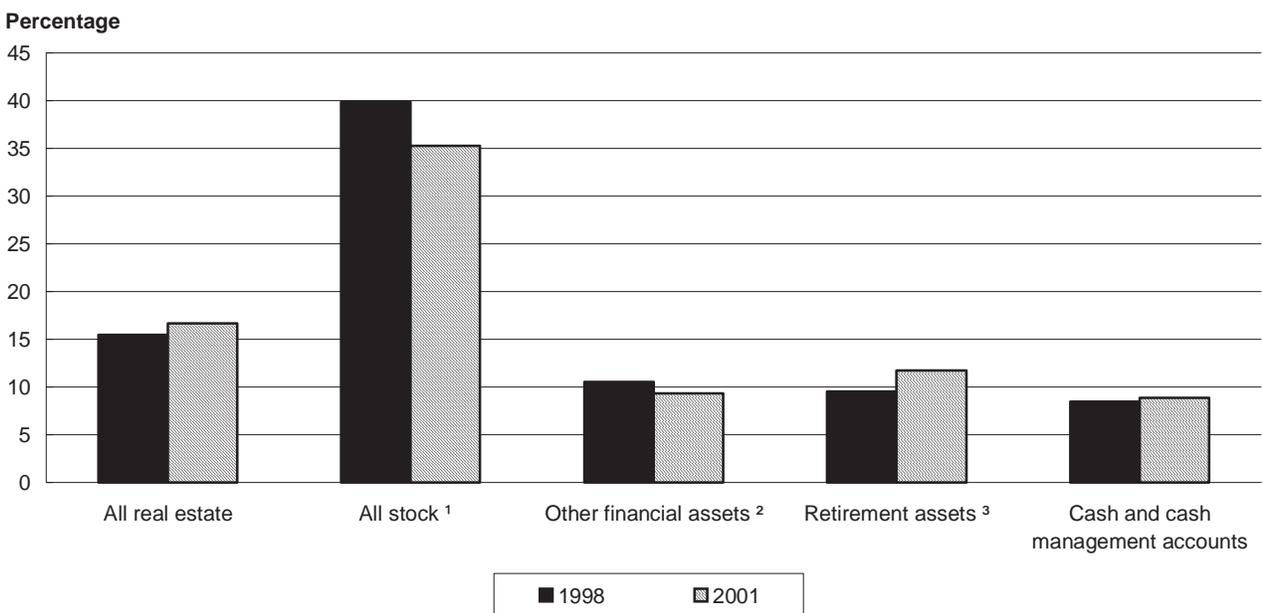


Figure N

Male Millionaires: Selected Assets as a Percentage of Total Assets, 1998 and 2001



¹ Includes publicly traded as well as closely held stock.

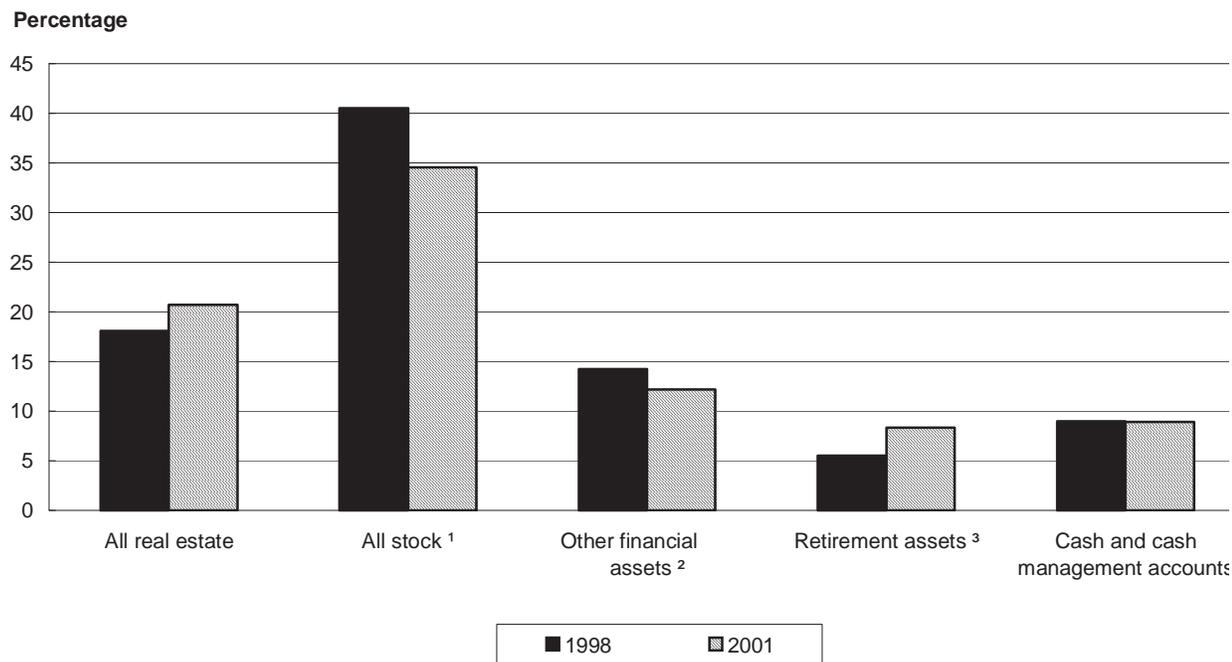
² Includes individual retirement accounts, annuities, and self-employed retirement or Keogh plans.

³ Includes noncorporate businesses, farms, and limited partnerships.

Personal Wealth, 2001

Figure 0

Female Millionaires: Selected Assets as a Percentage of Total Assets, 1998 and 2001



¹ Includes publicly traded as well as closely held stock.

² Includes individual retirement accounts, annuities, and self-employed retirement or Keogh plans.

³ Includes noncorporate businesses, farms, and limited partnerships.

ers and the general public. One way of looking at year-to-year changes in the distribution of wealth is to examine the share of total U.S. wealth held by a constant percentage of the population. Figure P displays the percentages of total U.S. wealth held by the top 1.0 percent and the top 0.5 percent of the population between 1989 and 2001 [12]. In 2001, 1.0 percent of the U.S. adult population was approximately 2.1 million individuals. These individuals owned approximately 22.3 percent of total U.S. individual wealth, a 1.0 percent decrease since 1998 but virtually identical to the shares of wealth held in 1995 and 1992. A similar pattern was evident in the share of wealth held by the nearly 1.1 million individuals who made up the top 0.5 percent of the U.S. adult population in 2001. They held about 17.9 percent of the Nation's net worth in 2001, down slightly from 18.1 percent in 1998 and just above the shares held in 1995 and 1992. The slight interperiod variations shown in Figure O are well within the sampling error of these estimates. Overall, these results suggest that the share of wealth held by the

very wealthiest Americans has been nearly constant over the 12-year period [13].

Summary

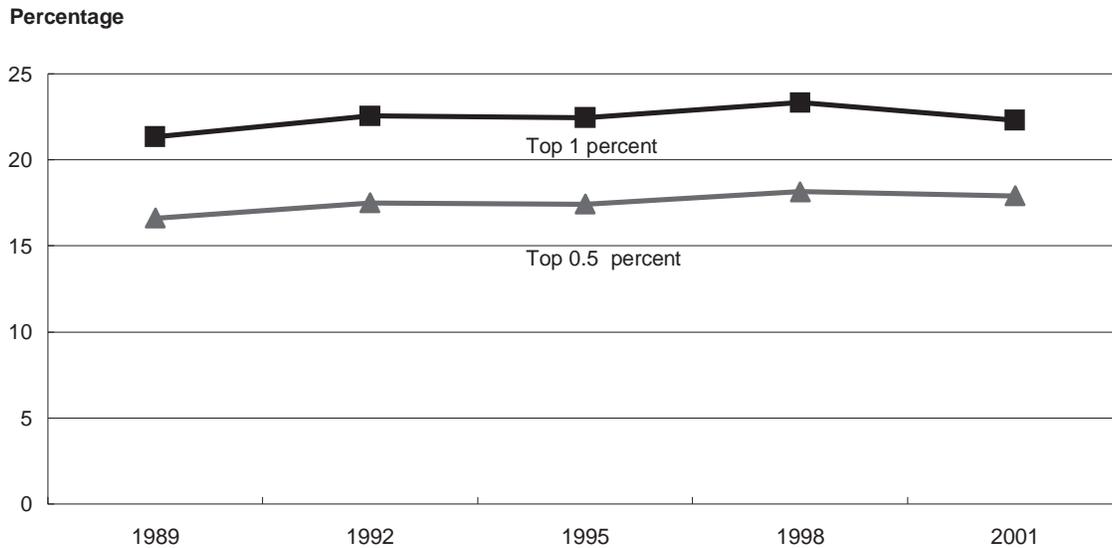
There were more than 7.3 million individuals in the United States with gross assets of \$675,000 or more in 2001. These individuals represented about 3.5 percent of the total U.S. adult population. Top wealth holders had a combined net worth of \$13.8 trillion, or 32.7 percent of total U.S. net worth. Almost 4.0 million, or 53.7 percent, of these wealthy individuals were male, and 3.4 million were female. Although the median net worth of male and female top wealth holders was similar, men had a significantly higher average net worth, reflecting the impact of a relatively few very wealthy men at the top end of the wealth distribution.

The age, gender, and relative wealth of top wealth holders impacted the composition of their portfolios. Women's portfolios contained a greater proportion of real estate and stock in public corporations than those of men. Conversely, men's portfo-

Personal Wealth, 2001

Figure P

Percentage of Total U.S. Net Worth Held by the Top 1 Percent and 0.5 Percent of the U.S. Population, 1989-2001



lios were made up of proportionately more closely held stock, business assets, and retirement assets. The value of the personal residence made up smaller percentages in the portfolios of older top wealth holders than in portfolios held by younger individuals in the same wealth classes. Men in each wealth and age class had a higher ratio of debts to total assets than their female counterparts.

There was a significant increase in the number of U.S. citizens with net worth of \$1.0 million or more between 1998 and 2001. While the number of millionaires in each wealth class grew more rapidly than the overall U.S. population during this period, the growth rate in the number of millionaires with net worth of less than \$5 million was slower than the rate for millionaires with net worth of \$5 million or more.

In 2001, California remained the State with the largest number of millionaires, while Connecticut was the State with the greatest per capita concentration of millionaires. Estimates of the amount of wealth held by the top 1.0 percent and 0.5 percent of the U.S. population suggest that the percentage of overall U.S. wealth held by these groups has not changed significantly between 1989 and 2001.

Data Sources and Limitations

Statistics of Income collects data from an annual sample of Federal estate tax returns that are used primarily for policy and budget purposes. The sample follows a 3-year cycle that is designed mainly to accommodate year-of-death estimates, with each study concentrating on decedents who died in the first year, the focus year, of the 3-year cycle. The annual samples are also adequate for producing filing-year estimates. Year-of-death estimates are desirable, because filing extensions and other filing delays mean that returns filed in any given calendar year may represent decedents who died in many different years. Thus, estate tax return data for a single filing year may reflect different economic and tax law conditions. By concentrating on a single year of death, these limitations can be overcome, making it possible to study the data in the context of a single time period.

Returns are selected using a stratified random sample with three stratifying variables. The stratifying variables are: year of death (focus year versus nonfocus years), total gross estate plus certain adjusted taxable gifts made during a decedent's lifetime,

Personal Wealth, 2001

and age at death. The gross estate plus gifts variable is divided into five categories: \$675,000 under \$1 million, \$1 million under \$2.5 million, \$2.5 million under \$5 million, \$5 million under \$10 million, and \$10 million or more. Age at death is also divided into five categories: under 40, 40 under 50, 50 under 65, 65 under 75, and 75 and older. Sample rates vary from 3 percent to 100 percent, with over half the strata selected with certainty, i.e., at the 100-percent rate.

SOI has combined Federal estate tax returns filed in 2001, 2002, and 2003 to produce the estimates of wealth for 2001 presented here. One of the strengths of estimates derived from SOI samples of estate tax returns is the large sample on which the estimates are based. The 2001 sample includes more than 25,800 returns [14].

While the sample size and richness of available data make the estimation techniques used in this study attractive, there are limitations to be noted. First, and most important, estate tax returns provide a presumably random sample, stratified by age, not of the total population, but of living persons with gross assets at or above the estate tax filing threshold. Sample rates are approximated by appropriate mortality rates; however, determining appropriate mortality rates for use in calculating sample weights is by no means a straightforward exercise. The Appendix to this article discusses the estate multiplier technique and recent innovations in calculating sample weights for SOI's personal wealth estimates.

Second, while estate tax returns are generally prepared by professionals and are, therefore, likely to be more accurate in detail than survey responses, the values reported are used to compute tax liability so that there is a natural tendency for the values to be somewhat conservative. This is especially true for hard-to-value assets, such as businesses and certain types of real estate. It should also be noted that the estate tax data used for these estimates are preaudit figures. A Statistics of Income (SOI) study, based on the results of IRS audits of estate tax returns filed in 1992, estimated that detected undervaluation of assets was about 1.2 percent of total asset holdings [15]. In addition, it is common to claim substantial discounts when valuing ownership interests of less than 50 percent in small companies, partnerships, and other, nonliquid assets. Increasingly, estate planning techniques are used to fracture ownership interests in

a variety of business and financial assets to take advantage of these discounts.

Third, while estate tax returns report assets that are owned outright, total wealth might ideally include wealth to which a person has an income interest but not necessarily actual title. Examples of the latter include defined-benefit pension plans and Social Security benefits.

Finally, the wealth of some individuals near death may differ somewhat from that of the general population in the same age cohort. For some, portfolios may have been altered or simplified to ensure the uninterrupted continuation of an ongoing business or to simplify the task of executing the estate. For others, wealth will have been reduced through expenses related to a final illness. In many cases, effective estate planning may also have reduced the value of the estate reportable for tax purposes.

Appendix: The Estate Multiplier Technique

The estate multiplier technique assumes that estate tax returns, taken as a whole, represent a random sample of the living wealthy population and thus provide a means of producing reasonable estimates of personal wealth [16]. Estimates of the wealth holdings of the living population are derived by applying a multiplier, based on appropriate mortality rates, to this sample. The multiplier is equivalent to a sampling weight where the probabilities of selection include the probability of being a decedent and also that of being included in the Statistics of Income sample of estate tax returns. Mathematically, this is represented as:

$$\text{MULT} = 1 / (p \cdot r) \text{ where}$$

p = probability of selection to the estate tax sample, and

r = mortality rate appropriate to wealthy individuals.

Some smoothing of the multipliers was employed to constrain both tails of the net worth distribution.

The more difficult computation is determining the probability of being a decedent. Mortality rates for the general population, by age and sex, are available from the National Center for Health Statistics. However, there is much evidence that the wealthy have mortality rates significantly lower than those of the entire population. Research has demonstrated that "individuals who are economically or socially better

Personal Wealth, 2001

off also live longer, on average, and are healthier” [17]. Factors such as access to better health services, better diet and nutrition, and fewer work-related risks seem to contribute to this phenomenon. If mortality and wealth are inversely related, then mortality rates unadjusted for wealth level will be too low and, thus, undervalue wealth. Therefore, it is important to determine a mortality rate appropriate to the wealthy decedents in the estate tax return sample.

There have been a considerable number of attempts to quantify differences between the mortality of the general population and that of the very wealthy, looking at factors such as education, income, and occupation. In years past, SOI calculated mortality rates for its Personal Wealth estimates by adjusting mortality rates for the entire population using mortality differentials derived using the National Longitudinal Mortality Study (NLMS) sponsored by the National Institutes of Health. However, the most recent publicly available microdata from the NLMS are from 1995. In order to incorporate mortality information that was more contemporary with the SOI data, the 2001 estate multipliers were calculated using mortality rates for holders of large dollar value annuity policies obtained from the Society of Actuaries (SOA). This data source has several advantages beyond being more recently updated. First, annual annuitant mortality rates are available. Second, use of this source is consistent with other recent academic research within and outside the IRS.

For consistency, estimates for 1998 used in this article were recalculated using the annuitant mortality rates. Therefore, they differ somewhat from 1998 estimates previously published by SOI. The most significant difference between the two weighting methodologies is that, relative to employing the annuitant mortality data, using the NLMS data tended to slightly underestimate the proportion of wealthy women in the top wealth holder population.

Notes and References

- [1] Estimates of the equity value of life insurance included in total assets were approximated, based on the face value reported on Federal estate tax returns and on the decedent’s age. A ratio of the equity value to the face value was developed, using data from wealthy respondents to the 1989, 1992, and 1995 Surveys of Consumer Finances. A simple regression was used
- to estimate the ratio of the equity value to the face value as a function of age in the SCF and then applied to the Statistics of Income data.
- In addition, the Internal Revenue Code (IRC) section 2032 allows executors to value property as of the date 6 months after a decedent’s death (or on the date property is distributed, sold, exchanged, or otherwise disposed of, within 6 months of death) in cases where the value of the gross estate decreased. Values presented in this article are as reported for the decedent’s date of death.
- Finally, under IRC section 2032A, executors are allowed to value certain qualified real property used in a farm or other business based on its business (qualified) use rather than at a higher fair market value under certain circumstances. For this article, fair market values are substituted for the qualified values used to determine estate tax liability.
- [2] Population estimates were obtained from the *Statistical Abstract of the United States*, U.S. Bureau of the Census, Washington, DC, various years, Table entitled “*Resident Population by Sex and Age*.”
- [3] Estimate of the total net worth of the United States is taken from household estimates derived from the Board of Governors of the Federal Reserve System’s Survey of Consumer Finances (SCF), found in Kennickell, Arthur B. (2001), “A Rolling Tide: Changes in the Distribution of Wealth in the U.S., 1989-2001,” Board of Governors of the Federal Reserve System working paper, p. 21.
- [4] Retirement assets considered part of portfolio wealth in these estimates include contribution type plans such as Individual Retirement Arrangements (IRAs), 401K, and Keogh accounts, as well as annuities.
- [5] A closely held company is a corporation whose stock is not publicly traded, usually a family-owned enterprise.
- [6] While the size of the underlying sample of estate tax returns makes estimates of wealth derived using the estate multiplier technique fairly robust,

Personal Wealth, 2001

estimates of wealth by State can be subject to significant year-to-year fluctuations. This is especially true for individuals at the extreme tail of the net worth distribution and for States with relatively small decedent populations.

- [7] Statistics on U.S. population, by State, for 2001 were obtained from the U.S. Bureau of the Census, "Population by State," published online at: <http://www.census.gov/popest/states>.
- [8] Estimates for 1998 have been converted to constant 2001 dollars for consistency, using the GDP chain-type price index. See the Federal Reserve Economic Data Web site at: <http://research.stlouisfed.org/fred2>.
- [9] Data on business cycle expansions and contractions were obtained from the National Bureau of Economic Research (NBER). See <http://www.nber.org/cycles/cyclesmain.html>.
- [10] Change in housing prices was calculated using the Office of Federal Housing Enterprise Oversight (OFHEO) House Price Index. See <http://www.ofheo.gov>.
- [11] Data on returns of the S&P 500 index were obtained from the Standard & Poor Web site. See <http://www2.standardandpoors.com>.
- [12] See Footnote 2.
- [13] These results are consistent with those derived from the Federal Reserve Board's Survey of Consumer Finances. See Kennickell (2001).
- [14] Although the overall sample of estate tax returns is large, the number of decedents who were young (less than 40) or extremely wealthy (gross assets of \$5 million or more) in any given year varies considerably and is small in comparison to their number in the living population. Because of this, the resulting estimates of wealth for these two categories of living individuals would be subject to significant fluctuations from period to period. To reduce this variance, the sample is "smoothed" by including all returns for young or wealthy decedents filed during the 3-year sample period without regard to their years of death. These segments of the sample are then poststratified and reweighted to represent the true decedent population for the year of interest. This technique reduces the effect of outliers on estimates of personal wealth.
- [15] Eller, Martha Britton (2001), "Audit Revaluation of Federal Estate Tax Returns," *Internal Revenue Service Statistics of Income Bulletin*, Winter 2000-2001, Washington, DC.
- [16] See Atkinson, A.B. and Harrison, A.J. (1978), *Distribution of Personal Wealth in Britain*, for a thorough discussion of the estate multiplier technique.
- [17] See Menchik, Paul (1991), "Economic Status as a Determinant of Mortality Among Nonwhite and White Older Males: or, Does Poverty Kill?" Institute for Research on Poverty, Discussion Paper Number 93891.

Personal Wealth, 2001

Table 1.--Personal Wealth, 2001: Top Wealth Holders with Gross Assets of \$675,000 or More, Type of Property by Size of Net Worth

[All figures are estimates based on samples--numbers are in thousands, money amounts are in millions of dollars]

Size of net worth	Total assets		Debts and mortgages		Net worth		Personal residence	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Total.....	7,357	15,181,904	5,683	1,348,314	7,357	13,833,590	5,486	1,790,585
Size of net worth:								
Negative net worth ¹	32	34,901	32	59,218	32	-24,318	20	6,897
\$1 under \$600,000.....	1,509	980,726	1,343	299,959	1,509	680,767	1,182	282,507
\$600,000 under \$1,000,000.....	2,307	2,080,347	1,657	178,962	2,307	1,901,385	1,654	411,849
\$1,000,000 under \$2,500,000.....	2,569	4,127,949	1,896	290,366	2,569	3,837,583	1,904	585,453
\$2,500,000 under \$5,000,000.....	574	2,106,827	451	145,890	574	1,960,937	438	211,564
\$5,000,000 under \$10,000,000.....	243	1,771,700	196	104,753	243	1,666,947	187	143,179
\$10,000,000 under \$20,000,000.....	77	1,128,101	66	74,128	77	1,053,973	62	74,680
\$20,000,000 or more.....	46	2,951,352	42	195,037	46	2,756,315	39	74,457
Size of net worth	Other real estate		Closely held stock		Publicly traded stock		State and local government bonds	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Total.....	3,453	1,483,808	1,179	1,228,657	5,475	3,492,512	2,073	877,867
Size of net worth:								
Negative net worth ¹	15	4,116	8	2,209	16	8,058	1	155
\$1 under \$600,000.....	621	140,049	182	29,826	900	68,119	99	4,623
\$600,000 under \$1,000,000.....	970	221,197	217	49,671	1,700	333,887	586	65,654
\$1,000,000 under \$2,500,000.....	1,267	451,974	448	203,715	2,042	814,725	925	191,683
\$2,500,000 under \$5,000,000.....	339	259,276	166	165,506	486	487,587	257	133,125
\$5,000,000 under \$10,000,000.....	150	175,206	93	173,792	216	450,143	133	165,256
\$10,000,000 under \$20,000,000.....	56	96,322	39	154,327	71	300,377	46	99,247
\$20,000,000 or more.....	34	135,669	27	449,612	43	1,029,616	27	218,124
Size of net worth	Federal savings bonds		Other Federal bonds		Corporate and foreign bonds		Bond funds	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
Total.....	867	34,918	1,068	237,996	1,155	123,750	377	28,251
Size of net worth:								
Negative net worth ¹	2	1	--	--	2	515	--	--
\$1 under \$600,000.....	189	1,425	65	2,992	91	2,944	32	714
\$600,000 under \$1,000,000.....	312	11,985	349	28,393	386	20,311	138	6,589
\$1,000,000 under \$2,500,000.....	287	17,810	466	60,430	469	40,260	153	11,924
\$2,500,000 under \$5,000,000.....	53	2,566	109	28,846	120	20,599	35	3,782
\$5,000,000 under \$10,000,000.....	17	663	49	21,077	50	11,775	12	2,358
\$10,000,000 under \$20,000,000.....	5	214	16	18,637	21	7,609	4	844
\$20,000,000 or more.....	2	254	14	77,621	15	19,737	3	2,041

Footnotes at end of table.

Personal Wealth, 2001

Table 1.--Personal Wealth, 2001: Top Wealth Holders with Gross Assets of \$675,000 or More, Type of Property by Size of Net Worth--Continued

[All figures are estimates based on samples--numbers are in thousands, money amounts are in millions of dollars]

Size of net worth	Diversified mutual funds ²		Cash		Cash management accounts		Mortgages and notes	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
Total.....	1,616	141,541	6,936	836,805	4,656	583,257	1,455	379,574
Size of net worth:								
Negative net worth ¹	3	12	24	1,698	10	844	4	783
\$1 under \$600,000.....	236	7,597	1,426	52,750	684	19,482	201	18,876
\$600,000 under \$1,000,000.....	544	25,201	2,172	185,816	1,457	87,089	384	47,220
\$1,000,000 under \$2,500,000.....	586	38,836	2,418	278,841	1,772	170,679	558	106,889
\$2,500,000 under \$5,000,000.....	144	22,725	548	108,247	432	86,697	169	52,727
\$5,000,000 under \$10,000,000.....	66	8,833	229	67,677	194	79,643	80	60,807
\$10,000,000 under \$20,000,000.....	23	5,366	74	46,625	66	49,364	35	31,962
\$20,000,000 or more.....	15	32,973	45	95,150	40	89,459	25	60,310

Size of net worth	Cash value life insurance		Noncorporate business assets		Farm assets		Limited partnerships	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)
Total.....	4,936	257,998	1,052	646,274	726	356,921	747	408,577
Size of net worth:								
Negative net worth ¹	30	3,086	6	1,837	4	1,964	1	7
\$1 under \$600,000.....	1,354	76,095	189	20,768	86	25,522	56	2,428
\$600,000 under \$1,000,000.....	1,472	53,199	205	33,456	211	65,491	148	10,696
\$1,000,000 under \$2,500,000.....	1,547	76,310	368	99,258	304	128,713	300	43,421
\$2,500,000 under \$5,000,000.....	324	24,754	135	84,715	69	45,387	117	38,668
\$5,000,000 under \$10,000,000.....	139	14,170	86	84,869	33	34,624	66	55,530
\$10,000,000 under \$20,000,000.....	42	4,925	34	87,094	10	15,628	32	40,503
\$20,000,000 or more.....	27	5,459	28	234,278	9	39,592	26	217,325

Size of net worth	Retirement assets ³		Art		Other assets	
	Number	Amount	Number	Amount	Number	Amount
	(41)	(42)	(43)	(44)	(45)	(46)
Total.....	5,541	1,802,138	235	60,915	6,549	409,565
Size of net worth:						
Negative net worth ¹	13	931	1	32	26	1,754
\$1 under \$600,000.....	1,204	184,939	25	329	1,366	38,743
\$600,000 under \$1,000,000.....	1,729	358,632	35	886	2,002	63,127
\$1,000,000 under \$2,500,000.....	1,915	697,096	81	3,483	2,288	106,453
\$2,500,000 under \$5,000,000.....	414	273,472	39	7,176	524	49,412
\$5,000,000 under \$10,000,000.....	178	160,929	24	3,553	225	57,617
\$10,000,000 under \$20,000,000.....	55	66,207	15	4,772	74	23,400
\$20,000,000 or more.....	33	59,934	15	40,683	45	69,059

¹ Includes individuals with zero net worth.² Mutual funds with a single investment objective are grouped with similar direct investments in this table.³ Includes individual retirement accounts, annuities, and self-employed retirement or Keogh plans.

Personal Wealth, 2001

Table 2.--Personal Wealth, 2001: Male Top Wealth Holders with Gross Assets of \$675,000 or More, Type of Property by Size of Net Worth

[All figures are estimates based on samples--numbers are in thousands, money amounts are in millions of dollars]

Size of net worth	Total assets		Debts and mortgages		Net worth		Personal residence	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Total.....	3,953	8,890,276	3,050	890,738	3,953	7,999,538	2,893	887,979
Size of net worth:								
Negative net worth ¹	26	32,272	26	56,118	26	-23,846	17	5,907
\$1 under \$600,000.....	919	562,062	815	178,495	919	383,567	715	158,339
\$600,000 under \$1,000,000.....	1,083	984,350	758	93,780	1,083	890,570	746	162,180
\$1,000,000 under \$2,500,000.....	1,363	2,243,244	993	189,812	1,363	2,053,432	989	284,976
\$2,500,000 under \$5,000,000.....	333	1,222,038	268	92,767	333	1,129,271	251	110,947
\$5,000,000 under \$10,000,000.....	155	1,148,462	125	84,312	155	1,064,150	118	83,846
\$10,000,000 under \$20,000,000.....	42	624,240	36	43,765	42	580,475	32	30,216
\$20,000,000 or more.....	31	2,073,608	28	151,689	31	1,921,920	26	51,568
Size of net worth	Other real estate		Closely held stock		Publicly traded stock		State and local government bonds	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Total.....	1,895	848,748	822	883,579	2,822	1,946,329	947	451,288
Size of net worth:								
Negative net worth ¹	10	3,400	8	2,209	14	8,026	1	155
\$1 under \$600,000.....	344	74,712	139	23,875	517	38,808	49	2,334
\$600,000 under \$1,000,000.....	501	114,128	142	35,262	759	141,310	243	25,164
\$1,000,000 under \$2,500,000.....	683	247,600	305	145,384	1,046	385,646	405	80,165
\$2,500,000 under \$5,000,000.....	202	143,503	114	121,794	281	253,438	135	59,062
\$5,000,000 under \$10,000,000.....	100	115,265	72	150,390	137	269,144	73	87,486
\$10,000,000 under \$20,000,000.....	31	50,809	23	77,985	39	159,053	23	52,029
\$20,000,000 or more.....	23	99,331	19	326,681	30	690,904	18	144,893
Size of net worth	Federal savings bonds		Other Federal bonds		Corporate and foreign bonds		Bond funds	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
Total.....	471	14,227	475	135,232	531	61,662	174	12,541
Size of net worth:								
Negative net worth ¹	1	(²)	--	--	2	515	--	--
\$1 under \$600,000.....	135	653	30	498	47	1,563	19	270
\$600,000 under \$1,000,000.....	138	4,788	152	12,022	139	5,912	56	2,241
\$1,000,000 under \$2,500,000.....	153	6,351	189	25,036	227	17,669	70	4,947
\$2,500,000 under \$5,000,000.....	31	1,741	59	14,818	64	8,117	18	2,014
\$5,000,000 under \$10,000,000.....	9	360	27	12,554	31	6,325	8	1,877
\$10,000,000 under \$20,000,000.....	3	128	8	11,457	10	4,272	1	319
\$20,000,000 or more.....	2	206	9	58,848	11	17,288	3	873

Footnotes at end of table.

Personal Wealth, 2001

Table 2.--Personal Wealth, 2001: Male Top Wealth Holders with Gross Assets of \$675,000 or More, Type of Property by Size of Net Worth--Continued

[All figures are estimates based on samples--numbers are in thousands, money amounts are in millions of dollars]

Size of net worth	Diversified mutual funds ³		Cash		Cash management accounts		Mortgages and notes	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
Total.....	796	78,572	3,744	485,476	2,337	320,619	842	215,185
Size of net worth:								
Negative net worth ¹	3	12	21	1,670	10	843	4	783
\$1 under \$600,000.....	147	4,385	875	32,038	368	8,551	120	9,795
\$600,000 under \$1,000,000.....	199	10,152	1,020	79,495	620	36,773	209	19,629
\$1,000,000 under \$2,500,000.....	298	18,898	1,286	146,168	912	77,647	317	60,888
\$2,500,000 under \$5,000,000.....	83	7,752	321	69,611	243	48,475	100	31,307
\$5,000,000 under \$10,000,000.....	44	5,693	150	49,352	122	50,212	56	35,377
\$10,000,000 under \$20,000,000.....	13	2,417	41	30,554	36	29,452	19	16,859
\$20,000,000 or more.....	10	29,261	30	76,588	27	68,665	17	40,546
Size of net worth	Cash value life insurance		Noncorporate business assets		Farm assets		Limited partnerships	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)
Total.....	3,072	198,673	698	440,794	442	238,942	418	281,092
Size of net worth:								
Negative net worth ¹	24	2,787	5	1,813	3	1,549	1	7
\$1 under \$600,000.....	864	55,230	148	16,429	63	19,939	25	1,595
\$600,000 under \$1,000,000.....	786	35,977	128	20,334	130	41,324	82	6,288
\$1,000,000 under \$2,500,000.....	997	61,317	229	65,926	173	81,308	155	26,433
\$2,500,000 under \$5,000,000.....	237	21,615	90	44,834	40	31,289	72	26,556
\$5,000,000 under \$10,000,000.....	112	13,016	59	57,511	21	18,926	45	35,791
\$10,000,000 under \$20,000,000.....	30	4,352	19	54,237	6	10,590	18	22,873
\$20,000,000 or more.....	23	4,380	21	179,711	6	34,016	19	161,549
Size of net worth	Retirement assets ⁴		Art		Other assets			
	Number	Amount	Number	Amount	Number	Amount		
	(41)	(42)	(43)	(44)	(45)	(46)		
Total.....	3,091	1,147,780	110	21,083	3,516	220,478		
Size of net worth:								
Negative net worth ¹	11	910	1	32	20	1,653		
\$1 under \$600,000.....	728	88,220	10	132	830	24,695		
\$600,000 under \$1,000,000.....	843	199,488	21	742	942	31,141		
\$1,000,000 under \$2,500,000.....	1,071	446,225	32	1,389	1,212	59,273		
\$2,500,000 under \$5,000,000.....	258	193,665	21	5,770	300	25,730		
\$5,000,000 under \$10,000,000.....	123	120,919	11	1,036	143	33,383		
\$10,000,000 under \$20,000,000.....	33	52,954	6	2,269	39	11,414		
\$20,000,000 or more.....	24	45,400	8	9,713	30	33,189		

¹ Includes individuals with zero net worth.² Less than \$500,000.³ Mutual funds with a single investment objective are grouped with similar direct investments in this table.⁴ Includes individual retirement accounts, annuities, and self-employed retirement or Keogh plans.

Personal Wealth, 2001

Table 3.--Personal Wealth, 2001: Female Top Wealth Holders with Gross Assets of \$675,000 or More, Type of Property by Size of Net Worth

[All figures are estimates based on samples--numbers are in thousands, money amounts are in millions of dollars]

Size of net worth	Total assets		Debts and mortgages		Net worth		Personal residence	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Total.....	3,404	6,291,628	2,633	457,576	3,404	5,834,052	2,592	902,607
Size of net worth:								
Negative net worth ¹	6	2,628	6	3,100	6	-472	3	990
\$1 under \$600,000.....	589	418,664	528	121,464	589	297,201	467	124,168
\$600,000 under \$1,000,000.....	1,224	1,095,997	899	85,182	1,224	1,010,815	908	249,669
\$1,000,000 under \$2,500,000.....	1,206	1,884,705	903	100,554	1,206	1,784,151	916	300,477
\$2,500,000 under \$5,000,000.....	240	884,789	183	53,123	240	831,666	186	100,617
\$5,000,000 under \$10,000,000.....	88	623,239	71	20,441	88	602,798	69	59,333
\$10,000,000 under \$20,000,000.....	35	503,862	30	30,363	35	473,498	30	44,464
\$20,000,000 or more.....	15	877,743	14	43,349	15	834,395	13	22,889
Size of net worth	Other real estate		Closely held stock		Publicly traded stock		State and local government bonds	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Total.....	1,558	635,060	357	345,078	2,653	1,546,183	1,127	426,579
Size of net worth:								
Negative net worth ¹	5	716	--	--	2	32	--	--
\$1 under \$600,000.....	276	65,337	43	5,951	384	29,311	50	2,289
\$600,000 under \$1,000,000.....	469	107,069	74	14,409	940	192,577	343	40,490
\$1,000,000 under \$2,500,000.....	584	204,374	143	58,332	996	429,079	520	111,518
\$2,500,000 under \$5,000,000.....	137	115,773	52	43,712	205	234,149	122	74,063
\$5,000,000 under \$10,000,000.....	50	59,941	22	23,402	80	180,999	59	77,769
\$10,000,000 under \$20,000,000.....	25	45,513	16	76,342	32	141,324	23	47,218
\$20,000,000 or more.....	12	36,338	8	122,931	14	338,713	10	73,231
Size of net worth	Federal savings bonds		Other Federal bonds		Corporate and foreign bonds		Bond funds	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
Total.....	396	20,691	593	102,764	624	62,088	203	15,711
Size of net worth:								
Negative net worth ¹	1	1	--	--	--	--	--	--
\$1 under \$600,000.....	54	772	34	2,493	44	1,381	13	444
\$600,000 under \$1,000,000.....	173	7,198	197	16,371	247	14,399	82	4,348
\$1,000,000 under \$2,500,000.....	135	11,459	278	35,394	242	22,591	84	6,977
\$2,500,000 under \$5,000,000.....	22	825	50	14,028	56	12,482	17	1,768
\$5,000,000 under \$10,000,000.....	8	303	21	8,524	19	5,449	4	481
\$10,000,000 under \$20,000,000.....	2	85	8	7,180	11	3,336	2	525
\$20,000,000 or more.....	1	47	5	18,773	5	2,449	1	1,167

Footnotes at end of table.

Personal Wealth, 2001

Table 3.--Personal Wealth, 2001: Female Top Wealth Holders with Gross Assets of \$675,000 or More, Type of Property by Size of Net Worth--Continued

[All figures are estimates based on samples--numbers are in thousands, money amounts are in millions of dollars]

Size of net worth	Diversified mutual funds ²		Cash		Cash management accounts		Mortgages and notes	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
Total.....	820	62,969	3,193	351,329	2,320	262,638	613	164,389
Size of net worth:								
Negative net worth ¹	--	--	3	28	1	1	--	--
\$1 under \$600,000.....	88	3,212	551	20,713	317	10,931	81	9,081
\$600,000 under \$1,000,000.....	345	15,048	1,152	106,321	836	50,316	175	27,591
\$1,000,000 under \$2,500,000.....	289	19,937	1,132	132,673	860	93,032	240	46,001
\$2,500,000 under \$5,000,000.....	61	14,972	227	38,635	189	38,222	69	21,419
\$5,000,000 under \$10,000,000.....	22	3,140	80	18,325	72	29,431	24	25,430
\$10,000,000 under \$20,000,000.....	10	2,948	34	16,071	31	19,912	16	15,103
\$20,000,000 or more.....	5	3,712	15	18,563	13	20,793	8	19,764
Size of net worth	Cash value life insurance		Noncorporate business assets		Farm assets		Limited partnerships	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)
Total.....	1,864	59,325	353	205,480	284	117,979	329	127,485
Size of net worth:								
Negative net worth ¹	6	298	1	24	1	415	--	--
\$1 under \$600,000.....	491	20,865	41	4,339	23	5,583	31	833
\$600,000 under \$1,000,000.....	686	17,222	77	13,122	81	24,166	66	4,408
\$1,000,000 under \$2,500,000.....	551	14,992	139	33,332	131	47,405	145	16,988
\$2,500,000 under \$5,000,000.....	87	3,139	46	39,882	29	14,098	45	12,112
\$5,000,000 under \$10,000,000.....	27	1,154	27	27,358	13	15,698	21	19,739
\$10,000,000 under \$20,000,000.....	13	574	15	32,857	4	5,038	14	17,629
\$20,000,000 or more.....	4	1,079	7	54,567	3	5,576	7	55,776
Size of net worth	Retirement assets ³		Art		Other assets			
	Number	Amount	Number	Amount	Number	Amount		
	(41)	(42)	(43)	(44)	(45)	(46)		
Total.....	2,450	654,358	125	39,832	3,033	189,086		
Size of net worth:								
Negative net worth ¹		21	--	--	6	102		
\$1 under \$600,000.....	476	96,719	15	197	536	14,048		
\$600,000 under \$1,000,000.....	886	159,144	14	144	1,060	31,985		
\$1,000,000 under \$2,500,000.....	844	250,872	49	2,094	1,076	47,180		
\$2,500,000 under \$5,000,000.....	156	79,807	18	1,406	224	23,682		
\$5,000,000 under \$10,000,000.....	55	40,009	13	2,518	82	24,234		
\$10,000,000 under \$20,000,000.....	22	13,253	9	2,503	34	11,986		
\$20,000,000 or more.....	8	14,534	7	30,970	15	35,870		

¹ Includes individuals with zero net worth.² Mutual funds with a single investment objective are grouped with similar direct investments in this table.³ Includes individual retirement accounts, annuities, and self-employed retirement or Keogh plans.

Personal Wealth, 2001

Table 4.--Personal Wealth 2001: Male Top Wealth Holders with Gross Assets of \$675,000 or More, Type of Property, by Age

[All figures are estimates based on samples--numbers are in thousands, money amounts are in thousands of dollars]

Age	Total assets		Debts and mortgages		Net worth		Personal residence	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Total.....	3,953	8,890,276	3,050	890,738	3,954	7,999,538	2,893	887,979
Age								
Under 50.....	1,534	3,148,044	1,351	503,431	1,534	2,644,612	1,116	372,880
50 under 65.....	1,183	2,760,038	921	262,419	1,183	2,497,619	933	270,514
65 under 75.....	643	1,573,360	406	86,704	643	1,486,656	460	132,473
75 under 85.....	438	997,017	268	30,496	438	966,522	300	86,412
85 and older.....	155	411,817	103	7,688	155	404,129	84	25,700
Age	Investment real estate		Closely held stock		Other stocks		State and local bonds	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Total.....	1,895	848,748	822	883,579	2,822	1,946,329	947	451,288
Age								
Under 50.....	619	259,990	356	337,051	1,040	680,832	208	146,040
50 under 65.....	656	307,553	281	326,319	866	493,987	248	105,095
65 under 75.....	369	174,543	124	135,458	456	323,478	197	70,267
75 under 85.....	193	83,033	49	70,736	336	265,432	204	82,826
85 and older.....	58	23,628	12	14,015	124	182,600	90	47,060
Age	Federal savings bonds		Other Federal bonds		Corporate and foreign bonds		Bond funds	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
Total.....	471	14,227	475	135,232	531	61,662	174	12,541
Age								
Under 50.....	156	1,299	121	47,445	124	16,566	50	5,299
50 under 65.....	148	3,271	123	32,854	143	17,769	48	2,795
65 under 75.....	81	3,855	93	17,730	119	12,282	31	1,638
75 under 85.....	64	4,001	100	26,946	103	10,602	32	1,854
85 and older.....	22	1,803	38	10,257	42	4,443	13	954

Footnotes at end of table.

Personal Wealth, 2001

Table 4.--Personal Wealth 2001: Male Top Wealth Holders with Gross Assets of \$675,000 or More, Type of Property, by Age--Continued

[All figures are estimates based on samples--numbers are in thousands, money amounts are in millions of dollars]

Age	Diversified mutual funds ¹		Cash		Cash management accounts		Mortgages and notes	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
Total.....	796	78,572	3,744	485,476	2,337	320,619	842	215,185
Age								
Under 50.....	263	20,882	1,442	207,603	810	126,357	293	76,270
50 under 65.....	254	37,469	1,122	112,242	729	90,132	249	61,180
65 under 75.....	136	9,981	611	71,585	392	50,910	170	47,084
75 under 85.....	104	6,991	421	64,523	302	37,990	102	24,707
85 and older.....	39	3,249	148	29,523	104	15,231	28	5,944

Age	Cash value life insurance		Noncorporate business assets		Farm assets		Limited partnerships	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)
Total.....	3,072	198,673	698	440,794	442	238,942	418	281,092
Age								
Under 50.....	1,231	80,707	323	187,323	117	78,402	137	114,664
50 under 65.....	967	79,503	207	125,140	149	73,041	126	74,810
65 under 75.....	476	24,099	105	76,004	89	45,112	82	64,909
75 under 85.....	305	11,309	50	42,406	66	33,309	58	21,399
85 and older.....	92	3,054	14	9,921	21	9,077	15	5,311

Age	Retirement assets ²		Art		Other assets	
	Number	Amount	Number	Amount	Number	Amount
	(41)	(42)	(43)	(44)	(45)	(46)
Total.....	3,091	1,147,780	110	21,083	3,516	220,478
Age						
Under 50.....	1,182	282,475	35	5,371	1,342	100,588
50 under 65.....	1,003	477,608	41	6,026	1,072	62,731
65 under 75.....	540	272,678	18	4,844	586	34,433
75 under 85.....	307	102,456	11	3,389	389	16,697
85 and older.....	60	12,563	4	1,454	127	6,030

¹ Mutual funds with a single investment objective are grouped with similar direct investments in this table.² Includes individual retirement accounts, annuities, and self-employed retirement or Keogh plans.

Personal Wealth, 2001

Table 5.--Personal Wealth 2001: Female Top Wealth Holders with Gross Assets of \$675,000 or More, Type of Property, by Age

[All figures are estimates based on samples--numbers are in thousands, money amounts are in millions of dollars]

Age	Total assets		Debts and mortgages		Net worth		Personal residence	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Total.....	3,404	6,291,628	2,633	457,576	3,404	5,834,052	2,592	902,607
Age								
Under 50.....	1,034	1,729,592	871	251,843	1,034	1,477,749	785	321,778
50 under 65.....	1,028	2,086,151	818	138,603	1,028	1,947,548	866	308,483
65 under 75.....	609	1,138,054	422	38,573	609	1,099,480	502	146,184
75 under 85.....	502	899,508	342	21,871	502	877,638	331	93,923
85 and older.....	230	438,323	180	6,686	230	431,637	109	32,239
Age	Investment real estate		Closely held stock		Other stocks		State and local bonds	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Total.....	1,558	635,060	357	345,078	2,653	1,546,183	1,127	426,579
Age								
Under 50.....	387	144,581	120	105,878	794	417,211	169	62,295
50 under 65.....	593	263,592	140	174,361	777	413,818	302	115,225
65 under 75.....	292	122,435	52	34,839	499	281,582	272	93,372
75 under 85.....	215	80,383	36	21,812	398	270,512	264	100,347
85 and older.....	71	24,070	10	8,188	184	163,060	120	55,340
Age	Federal savings bonds		Other Federal bonds		Corporate and foreign bonds		Bond funds	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
Total.....	396	20,691	593	102,764	624	62,088	203	15,711
Age								
Under 50.....	70	1,048	113	20,439	111	17,318	48	3,925
50 under 65.....	103	1,587	151	18,693	184	14,916	53	4,313
65 under 75.....	96	6,929	139	27,672	129	9,392	47	3,512
75 under 85.....	92	8,510	123	19,871	138	13,951	36	2,141
85 and older.....	35	2,617	67	16,089	61	6,512	19	1,819

Footnotes at end of table.

Personal Wealth, 2001

Table 5.--Personal Wealth 2001: Female Top Wealth Holders with Gross Assets of \$675,000 or More, Type of Property, by Age--Continued

[All figures are estimates based on samples--numbers are in thousands, money amounts are in millions of dollars]

Age	Diversified mutual funds ¹		Cash		Cash management accounts		Mortgages and notes	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
Total	820	62,969	3,193	351,329	2,320	262,638	613	164,389
Age								
Under 50.....	247	20,774	924	62,278	702	74,399	183	74,508
50 under 65.....	266	22,059	975	87,616	683	74,873	176	43,009
65 under 75.....	138	8,442	582	73,594	423	51,562	126	24,368
75 under 85.....	117	7,570	490	80,063	351	40,308	95	16,899
85 and older.....	52	4,125	223	47,778	160	21,496	34	5,604
Age	Cash value life insurance		Noncorporate business assets		Farm assets		Limited partnerships	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)
Total	1,864	59,325	353	205,480	284	117,979	329	127,485
Age								
Under 50.....	706	29,041	117	60,484	38	14,292	81	24,525
50 under 65.....	616	18,779	131	78,550	105	39,706	104	67,566
65 under 75.....	256	5,819	51	30,465	61	26,866	78	16,816
75 under 85.....	212	4,117	42	27,886	50	23,625	49	12,163
85 and older.....	74	1,569	13	8,096	29	13,491	17	6,415
Age	Retirement assets ²		Art		Other assets			
	Number	Amount	Number	Amount	Number	Amount		
	(41)	(42)	(43)	(44)	(45)	(46)		
Total	2,450	654,358	125	39,832	3,033	189,086		
Age								
Under 50.....	794	203,821	35	3,215	918	67,783		
50 under 65.....	842	244,670	49	28,448	935	65,887		
65 under 75.....	467	141,726	21	4,267	567	28,215		
75 under 85.....	283	54,093	14	2,082	433	19,252		
85 and older.....	64	10,048	7	1,819	182	7,948		

¹ Mutual funds with a single investment objective are grouped with similar direct investments in this table.² Includes individual retirement accounts, annuities, and self-employed retirement or Keogh plans.

Personal Wealth, 2001

Table 6.--2001 Top Wealth Holders with Net Worth of \$1 Million or More, Net Worth and Selected Assets, by State of Residence ¹

[All figures are estimates based on samples--numbers are in thousands, money amounts are in millions of dollars]

	Net worth		Financial assets ²		All real estate		All other assets	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Total.....	3,510	11,275,755	3,506	9,611,914	3,085	2,207,780	3,241	1,557,880
State of residence:								
Alabama.....	35	88,579	35	80,870	30	16,131	34	8,480
Alaska.....	6	15,689	6	13,369	5	3,103	6	1,895
Arizona.....	45	152,533	45	127,553	40	27,363	45	22,883
Arkansas.....	22	58,856	22	44,568	20	14,029	21	11,340
California.....	572	1,940,734	571	1,496,938	522	608,229	543	266,870
Colorado.....	59	267,715	59	259,455	48	37,457	56	29,816
Connecticut.....	83	322,668	83	246,932	77	71,085	78	31,940
Delaware.....	11	30,846	11	23,561	11	6,690	11	3,430
District of Columbia.....	11	38,063	11	29,525	10	8,773	11	3,481
Florida.....	249	837,498	249	729,526	227	158,231	234	91,980
Georgia.....	86	220,277	86	184,022	80	44,333	82	32,511
Hawaii.....	13	29,387	13	16,124	12	15,928	11	1,677
Idaho.....	13	34,559	13	30,517	13	8,507	13	3,926
Illinois.....	185	522,196	185	462,905	153	88,951	165	59,866
Indiana.....	53	128,883	53	117,063	45	15,261	48	19,323
Iowa.....	32	60,127	32	52,598	27	7,507	31	10,985
Kansas.....	28	62,142	28	52,953	22	8,578	23	8,355
Kentucky.....	26	65,622	26	60,655	23	7,069	24	11,157
Louisiana.....	34	89,790	34	79,174	31	13,881	34	14,347
Maine.....	12	26,130	12	27,041	10	5,112	11	1,338
Maryland.....	69	186,861	69	164,539	59	30,213	60	21,285
Massachusetts.....	105	455,761	105	407,759	90	81,189	97	45,635
Michigan.....	88	237,762	88	225,432	73	36,456	82	25,596
Minnesota.....	60	180,335	60	158,195	53	34,561	58	23,750
Mississippi.....	11	32,457	11	28,695	10	4,366	11	7,614
Missouri.....	58	155,805	58	154,981	50	23,150	53	20,320
Montana.....	11	29,836	11	24,031	9	5,044	11	6,164
Nebraska.....	14	66,470	14	81,015	11	3,540	14	13,598
Nevada.....	26	97,954	26	66,973	24	24,482	24	21,915
New Hampshire.....	17	42,208	17	35,654	12	5,749	15	3,344
New Jersey.....	178	579,085	178	487,555	165	102,427	153	61,128
New Mexico.....	18	47,827	18	46,796	15	8,059	18	3,841
New York.....	317	1,315,450	316	1,030,640	276	244,759	268	240,804
North Carolina.....	83	266,524	83	210,248	79	43,583	77	50,539
North Dakota.....	5	8,831	5	8,147	3	616	5	1,125
Ohio.....	114	328,870	114	298,077	91	39,468	100	33,416
Oklahoma.....	22	106,653	22	97,099	19	6,041	21	25,832
Oregon.....	41	111,321	41	97,612	32	24,189	39	16,144
Pennsylvania.....	135	372,109	135	337,839	109	50,678	117	49,320
Rhode Island.....	13	28,121	13	25,183	13	6,123	11	1,879
South Carolina.....	40	110,356	40	93,843	36	23,234	40	13,458
South Dakota.....	10	20,185	10	12,762	8	4,157	10	6,610
Tennessee.....	49	141,637	49	118,835	46	21,848	48	24,446
Texas.....	182	577,967	182	518,731	164	77,124	177	102,036
Utah.....	14	38,342	13	21,852	13	5,648	14	15,654
Vermont.....	3	9,355	3	7,942	3	2,709	3	726
Virginia.....	94	229,300	94	196,234	85	47,544	88	26,041
Washington.....	73	257,268	73	264,275	64	50,054	73	34,002
West Virginia.....	10	29,580	10	35,777	9	2,360	10	2,420
Wisconsin.....	54	165,763	54	169,187	48	22,819	50	18,725
Wyoming.....	7	24,221	7	25,145	5	2,789	6	2,853
Other areas ³	9	29,251	9	25,512	7	6,579	8	2,058

¹ While the size of the underlying sample of estate tax returns makes estimates of wealth derived using the estate multiplier technique fairly robust, estimates of wealth by State can be subject to significant year-to-year fluctuations. This is especially true for individuals at the extreme tail of the net worth distribution and for States with relatively small decedent populations.

² Includes all stocks, bonds, mutual funds, cash, cash management accounts, retirement assets, and life insurance.

³ Includes U.S. territories and possessions.