

Introduction

Introduction to Compendium of Federal Estate Tax and Personal Wealth Studies, Volume II

Presented in this volume are reports and research papers produced between 1995 and 2011 using data from Statistics of Income Division (SOI) Estate and Gift Tax studies. These studies present data reported on gift tax returns, filed annually by donors to report relatively large gifts to individual and institutional beneficiaries, and estate tax returns, on which complete inventories of relatively wealthy decedents' assets, liabilities, bequests and tax liabilities are reported.

In the 17 years that have passed since SOI published Volume I of this series, much has changed. There have been numerous revisions to the estate tax law affecting filing thresholds and tax rates, and even a brief period when the estate tax was suspended. In addition, computer technology has changed in ways almost unimaginable in 1994, affecting every aspect of the Division's work. Even the process used to produce this volume has been transformed. Volume I was produced almost entirely by hand, using a light board and glue stick to prepare the camera-ready galley sheets from text produced on a word processor. The finished product was a paper volume that was sold to the public and distributed by mail. Only recently, scanned PDF images of the publication were made available on SOI's web pages. In contrast, this volume was produced electronically, using modern desktop publishing techniques. It incorporates features to improve online navigation and ensure accessibility by those with visual impairments, and, it will be the first SOI publication to be published exclusively to the Web --no paper volumes are planned-- and it will be available at no cost.

I hope that the revolution in technology reflected in the mechanics of producing this publication is also evident in the research presented. The contents include periodic reports through which the Division makes available basic information on the estate and gift tax filing populations. These reports have been used by researchers and the general public to better understand contemporary and proposed tax policies. Research on the timing and distribution of intergenerational transfers and behavioral responses to transfer taxes is also included.

Part II focuses on SOI's popular personal wealth series, which is derived from information reported on estate tax returns. Perhaps the most exciting work in this section combines data on realized income, reported on individual income tax returns, with the wealth data. These studies provide insights in to the relationship between these two complimentary, but very different measures of well-being.

The final section of this volume presents research that highlights advances in the methodologies used to produce SOI's estate, gift and personal wealth estimates. It closes with related research that provides comparisons of income and wealth estimates from tax data with those produced by the Survey of Consumer Finances, an important and widely used source of high quality data collected through personal interviews.

This volume would not have been possible without the dedication of the hard working staff in the Ogden and Cincinnati Submission Processing Centers, and all those who have contributed to and supported SOI's estate, gift, and wealth programs, especially Marvin Schwartz, Arthur Kennickell, and Fritz Scheuren.

Barry W. Johnson
Editor