

# Online Appendix

## Where Does Wealth Come From? Measuring Lifetime Resources in Norway

Table A1: Household's net wealth – distribution in 2014 (EUR thousands)

	EU	Germany	Italy	Norway	France	Austria
Mean	219.9	214.3	225.6	242.7	243.1	258.4
p10	0.8	0.0	2.5	-28.6	3.0	1.0
p20	6.9	2.5	10.6	-0.5	10.3	6.4
p30	23.4	10.6	44.1	10.6	27.6	15.8
p40	56.6	26.8	98.3	58.0	65.2	34.4
p50	96.4	60.8	147.0	122.3	113.3	85.9
p60	148.9	111.9	191.6	193.2	170.0	162.5
p70	211.8	174.8	246.0	275.9	235.7	252.5
p80	300.9	274.2	323.0	384.8	332.3	363.8
p90	487.0	468.8	506.9	580.9	536.1	518.1

Notes: The table reports the average household net wealth in 2014 (in thousands of euros) at each percentile of the distribution for 5 European countries and in the EU. For Norway, the table is based on our own calculations, including all individuals older than 16 in the household. For other countries, the data come from the HFCS Statistical Tables Wave 2014, Table J3.

Table A2: Descriptive Statistics

Variables	Mean	Median	SD	Observations
Net wealth in 2013	1625658	1089610	7852663	1535056
Lifetime resources	6999534	6096310	11615416	1535056
Net labor income	4099420	4125837	2142961	1535056
Net capital income	433382	162488	4020864	1535056
Government transfers net of taxes	678765	367830	759661	1535056
Net inheritance and gifts received	199929	8700	644378	1535056
Lottery/gambling gains	9322	0	202545	1535056
Capital gains on real assets	1088884	882882	1156886	1535056
Net capital gains on risky financial assets	334103	24714	7559382	1535056
Wealth tax	46878	699	832100	1535056
Net wealth in 1994	202607	47545	1590605	1535056
Parental wealth in 1994	971296	586629	3955838	1372347
Age in 1994	33.2	33.0	7.4	1535056
Number of children	2.0	2.0	1.2	1535056
Women	0.49	0.00	0.50	1535056
Non Norwegian background	0.10	0.00	0.30	1535056
Higher education degree	0.32	0.00	0.47	1535056
Last surviving parent died before 1995	0.04	0.00	0.20	1403226
Last surviving parent died during 1995-2013	0.27	0.00	0.44	1403226
Last surviving parent died after 2013	0.69	1.00	0.46	1403226
Number of siblings	2.1	2.0	1.4	1446569

Notes: The figure refers to a balanced panel of all adults born between 1948 and 1973 and registered as Norwegian residents in each year between 1994 and 2013. Each row corresponds to a specific variable. The first row corresponds to individuals' net wealth in 2013. The second row indicates individuals' lifetime resources. The following nine rows report the components of individuals' lifetime resources. Row 12 reports parental net wealth in 1994 (for individuals who have at least one parent alive and resident of Norway in 1994). Rows 13 to 21 further describe individuals' characteristics, that is their age in 1994 (row 13), how many children they have (row 14), their gender (row 15), whether they have an immigrant background (row 16), whether they hold a higher education degree (row 17), information on the timing of the death of their last surviving parent (row 18 to 20), and how many siblings they have (row 21).

Table A3: Predictions of Child Outcomes

	Middle school GPA	Enrollment in academic high school track	Enrollment in higher education	Completed years of education
<i>Panel A: Parents' position in the distribution of lifetime resources</i>				
R-squared	0.069	0.061	0.070	0.068
<i>Panel B: Parents' position in the distribution of net wealth in 2013</i>				
R-squared	0.034	0.035	0.037	0.042
Mean	-0.000	0.410	0.617	13.751
N	298734	298734	298734	140179

Notes: The Table refers to the same sample as Table A2, restricted to parents whose first child was between 16 and 22 in 2013 (columns 1 to 3), or between 20 and 22 in 2013 (column 4). Each cell reports the R-squared from separate regressions with the variable mentioned above as dependent variable, and 99 indicators for parents' percentile rank in the distribution of lifetime resources (Panel A) or net wealth (Panel B) as independent variables. Parents' percentile rankings are age-specific. All dependent variables concern parents' first child, and children's middle school GPA is standardized to zero mean and unit variance.

Table A4: Inheritance tax rates in Norway

	Inheritance value	Chidren, parents	Other heir
<i>1993-1998</i>			
	0 - 100,000	0%	0%
	100,000 - 400,000	8%	10%
	> 400,000	20%	30%
<i>1999-2002</i>			
	0 - 200,000	0%	0%
	200,000 - 500,000	8%	10%
	> 500,000	20%	30%
<i>2003-2008</i>			
	0 - 250,000	0%	0%
	250,000 - 550,000	8%	10%
	> 550,000	20%	30%
<i>2009-2013</i>			
	0 - 470,000	0%	0%
	470,000 - 800,000	6%	8%
	> 800,000	10%	15%

Notes: The table reports the tax rates on inheritances across time. Tax rates vary based on the amount of the inheritance and the relationship to the deceased.