

## Read me

The “AuerbachHassett\_2015\_Data” Excel workbook is the only file of data associated with this paper. Within this file, each figure’s data has its own sheet. This read-me explains how to reconstruct the data in those sheets from the original source data.

The charts were all constructed in Microsoft Excel using straightforward chart construction techniques. No other software program besides basic Excel is required to reconstruct them.

### Figure I

The series entitled “Top 1% wealth share, no averages” comes from Piketty’s cited source data on the share of wealth held by the top 1%. The 1962 observation is an average of the values reported separately in Table 4 of Wolff (1994) and in Table 5 in Kennickell (2011) for that year. The 1983 observation comes from Table 4 of Wolff (1994). The values for 1989, 1992, 1995, 1998, 2001, and 2007 come from Table 4 in Kennickell (2009)/Table 5 in Kennickell (2011); Table 4 in Kennickell (2009) and Table 5 in Kennickell (2011) contain identical values for each year of observation, and both were consulted when constructing the series.

The series entitled “Top 1% wealth share, Piketty averages” comes from the spreadsheet Piketty posted in conjunction with *Capital in the Twenty-First Century*. The specific file in question is the “Chapter10TablesFigures.xlsx” file, as last modified on May 26 2014 and available for download [here](#). The relevant sheet within that Excel file is entitled ‘TS10.1DetailsUS’.

### Figure II

The data come from the data [posted](#) on Piketty’s website in conjunction with the working paper that ultimately became Piketty and Zucman (2014). Specifically, to generate the values shown, you divide the data for each nation’s capital stock by its flow of capital income in that same year. Though it seems possible to navigate to the data a number of different ways, the chart was constructed by compiling the data contained in each country’s separate country file into one spreadsheet.

### Figure III

The annual GNP series used in the chart was accessed through the Federal Reserve Economic Data Excel add-on, which cites the Bureau of Economic Analysis as the original source of the data.

The data necessary to replicate the Piketty and Zucman series for  $r$  (“Piketty and Zucman, pre-tax”) come from data [posted](#) on Piketty’s website in conjunction with Piketty and Zucman

(2014). Specifically, one can find the necessary data on the sheet entitled ‘Table US.3c: Summary macro variables, 1910-2010 (annual series)’ in the country file on the USA. The values for  $r$  are in column [6] of that sheet. The variable used as the tax rate to construct the “Piketty and Zucman, post-tax” series is the “Correct capital tax rate” variable found in column [11] of that same sheet.

Yields on the 10-year US Treasury bond proxy for the “risk-adjusted, pre-tax return” series. The Treasury bond yield series comes from Global Financial Data, where it has series ID IGUSA10D. The tax rate used to generate the “risk-adjusted, post-tax” specification of  $r$  is the variable that appears as “totalmtr” on the ‘Supp. Figure III data’ sheet. “Totalmtr” represents the average marginal tax rate that the top 1% of income earners would pay if they were to increase their interest income by 1% , according to simulations performed by the NBER’s Dan Feenberg in TAXSIM.<sup>1</sup>

The sheet entitled ‘Supp. Figure III data’ features the annual 10-year US Treasury yield data and the annual tax data used to construct the 4-year rolling averages.

#### Figure IV

The data necessary to construct this figure again come from the data [posted](#) on Piketty’s website in conjunction with the working paper that ultimately became Piketty and Zucman (2014). The specific variable for capital’s share of national income can be found in column [3] of the “Table U.S3c: Summary macro variables, 1919-2010 (annual series)” that is available in the USA country file posted on the website.

#### Figure V

The data necessary to construct this figure again come from the data [posted](#) on Piketty’s website in conjunction with the working paper that ultimately became Piketty and Zucman (2014). Within the USA country file, the data on the sources of capital income necessary to reconstruct the series displayed in the chart can be found in ‘Table US.11: Structure of national income in the U.S., 1929-2010: capital & labor shares in national income.’ That table appears within the Excel file on the sheet entitled ‘TableUS11’.

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<sup>1</sup> That is, the calculation is done by first calculating the tax on the taxpayers above the threshold for the top 1%. Then every taxpayer's interest income is multiplied by 1.01 and total tax liability is calculated again. That divided by .01 times interest income is the "average marginal rate", but note that this is the tax on the average dollar of marginal interest income, not the average per return.

## Figure VI

The data necessary to reconstruct this figure from Burtless (2014) were accessed through the Federal Reserve Economic Data Excel add-on, which cites the Bureau of Economic Analysis as its original source. There are two specific series necessary to reconstruct the data. One is “Government current transfer payments: Government social benefits” (series ID: W063RC1A027NBEA). The second is “Personal income” (series ID: A065RC1A027NBEA). The government social benefits series is then divided by the series on total personal income in order to generate the series that is then displayed in the chart.