Measuring Economic Inequality in the United States

Presentation by Eric Zwick before the Joint Economic Committee
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Are Top Earners Human-Capital Rich?

Share of People by Majority Income Source

Fiscal Income (FI)

Imputed National Income (INI)

Share of people (%)

Fiscal Income Bin

Imputed National Income Bin

- Wages + .75 Pass-through
- Wages
- Business
- Other capital income: interest, rents, royalties, estates, trusts
- Business - .75 Pass-through
Comparing Fiscal and Alternative Distributional Accounts Series

- Top 1% Share

- Piketty-Saez-Zucman Imputed

- Piketty-Saez Fiscal

- Auten-Splinter Imputed

Year: '60, '65, '70, '75, '80, '85, '90, '95, '00, '05, '10, '15
**KEY ASSUMPTIONS**

1. Equal rate of return across income distribution on fixed income
2. Ownership of C-corporations
3. Ownership of pension wealth

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**KEY ASSUMPTIONS**

1. Allocation of retained earnings
2. Allocation of pension income
3. Allocation of tax gap across income distribution