

predicted values. However, since in our sample this is only the case in about 4% of the cases (with mostly low absolute values) the inequality levels calculated are almost the same based either on  $\hat{W}_i + \sqrt{\hat{W}_i^2 + 1}$  or  $\hat{W}_i$ .

## Empirical results

In order to describe the situation of wealth distribution in the analysed countries, we start by taking a look at the inequality of wealth and income across countries. Table 1 presents the Gini indices of wealth of households. We can observe that both gross and net wealth are distributed much more unequally compared to household gross income. Moreover, the Gini indices for household wealth are much higher in Germany and Austria, while lowest in the group of countries analysed in this paper in Poland, Belgium and Spain. Bequests and gifts at present value are even more unequally distributed than net wealth. Taking into account the underreporting of inheritances, the inequality of bequests may be even higher. This is an effect of the relatively low rates of households having acquired an inheritance (or substantial gift) up to the date of the survey. In Italy only an estimated 20.1% of all households received bequests, while in Austria and France the share is 37.6% and 38.8%, respectively.

Table 1: Descriptive statistics of inheritance and gifts, gross and net wealth and household income

	AT	BE	DE	ES	FR	IT	LU	PL	PT
Number of households	2,997	2,238	4,461	6,106	12,035	8,156	1,601	3,455	6,207
received inheritance or gift	37.6	30.2	26.7	33.6	38.8	20.1	29.7	23	22.6
received inh. or gift before 1960	1.2	2.5	0.7	2.8	0.9	2.8	1.8	1.5	2.4
Gini coefficients <sup>1)</sup>									
Gross wealth	0.709 (0.764)	0.547 (0.566)	0.728 (0.746)	0.550 (0.573)	0.646 (0.665)	0.589 (0.605)	0.601 (0.633)	0.573 (0.585)	0.613 (0.630)
Net wealth	0.731 (0.784)	0.589 (0.607)	0.762 (0.777)	0.599 (0.623)	0.676 (0.694)	0.603 (0.619)	0.646 (0.677)	0.587 (0.600)	0.678 (0.693)
Inheritance - present value	0.897 (0.925)	0.874 (0.886)	0.917 (0.937)	0.929 (0.96)	0.907 (0.928)	0.940 (0.950)	0.898 (0.919)	0.997 (1.000)	0.956 (0.970)
Gross household income	0.349 (0.362)	0.392 (0.416)	0.449 (0.468)	0.437 (0.454)	0.374 (0.383)	0.416 (0.430)	0.417 (0.430)	0.401 (0.414)	0.437 (0.456)

Note: 1) Lower and upper bounds of 95% confidence interval in parentheses.

Source: HFCS 2014 - UDB 2.0, wiiw calculations.

## Regression analysis

The Shapley value decomposition approach described above requires first to regress the IHS-transformed net wealth level of the households on the explanatory variables. In our case these are first the IHS-transformed (calculated) present values of five different groups of specific asset types inherited or acquired