Notes on top incomes series, to accompany Leigh & Jencks "Inequality and Mortality: Long-Run Evidence from a Panel of Countries" (2007), *Journal of Health Economics*, 26(1): 1-24

The following pages set out the sources and adjustments made to the top incomes series used in Leigh & Jencks (2007). For notes on the mortality and control variables, see the Data Appendix to Leigh & Jencks (2007).

Inclusion of capital gains. In some cases, researchers have presented separate series with and without capital gains. Where possible, we use the series that include capital gains. For Germany, Dell (2005) presents top income shares excluding capital gains for 1891-1998, and including capital gains for 1950-1998, so we adjust the series for years prior to 1950 using the ratio of the two series in 1950. Likewise for Canada, Saez and Veall (2005) show data excluding capital gains for 1920-2000, and including capital gains for 1972-2000, so we adjust the series in years prior to 1972 using the ratio in 1972. For France, Piketty (2003) presents only data excluding capital gains.

Interpolation. In several instances, taxation statistics are unavailable. For example, income taxation statistics for New Zealand are available for 1921-2002, but were not compiled during the Depression (1931-32), World War II (1941-44), and a few later years (1961, 1974 and 1976). Where the gap is four years or less, we linearly interpolate for the missing years. However, in some cases, the gap is larger than four years. For example, the share of the richest 10 percent in the UK is missing from 1920-36, and in such instances, we do not interpolate. In the case of Switzerland, taxpayers are only required to file returns every two years, so we assign the same figure to both years. For France, top income shares for 1900-1910 are based on average data for the period, so we assign the number to 1905.

Updates. Note that Leigh & Jencks (2007) cites Leigh (2006). That paper (drafted in February 2006) used top incomes series that were as up to date as possible at the time. Where possible, the series in Leigh & Jencks (2007) *include* capital gains. In a revise and resubmit in December 2006 (after Leigh & Jencks 2007 was in press), referees asked for the series in Leigh (2006) to be updated to *exclude* capital gains. In addition, several of the top incomes papers had been updated during 2006, so where this had occurred, Leigh also updated the series. The country most affected by this is Ireland, for which Nolan revised upwards his preferred estimates. If Leigh (2006) is published, readers should be aware that there will be some minor differences between the series there and the series used in Leigh & Jencks (2007). These differences are partly a product of compiling top incomes series from working papers, and partly due to the issue of whether to include or exclude capital gains.

Researchers using this series should cite Leigh & Jencks (2007).

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Sources and Adjustments

Country	Source	Adjustments
Australia	Atkinson and Leigh (2005a, Table 1)	Converted to calendar year basis.
Canada	Saez and Veall (2005, Excel Tables B1 Panel A and Table B2)	For 1920-71, 10 percent series excluding capital gains is multiplied by 1.007, and the 1 percent series excluding capital gains is multiplied by 1.019.
France	Piketty (2003, Table A1)	Top income shares for 1900-1910 are based on average data for the period, so we assign the number to 1905. (NB. French series exclude capital gains).
Germany	Dell (2006, supplied by author)	For 1891-1949, the 10 percent series excluding capital gains is multiplied by 1.006, and the 1 percent series excluding capital gains is multiplied by 1.023.
Ireland	Nolan (2004, Table 3)	Converted to calendar year basis.
Netherlands	Atkinson and Salverda, (2003, Table 2NL)	No adjustments made.
New Zealand	Atkinson and Leigh (2005b, Table 3)	Converted to calendar year basis.
Spain	Alvardo and Saez (2005, Table B1)	No adjustments made
Sweden	Roine and Waldenström (2005, tables supplied by authors)	No adjustments made.
Switzerland	Dell 2005, Dell, Piketty and Saez 2006	Taxpayers are only required to file returns every two years, so we assign the same figure to both years.
United Kingdom	Atkinson (2006, Table 1)	In 1908-1989, 10 percent share multiplied by 1.081 and 1 percent share multiplied by 1.130, to take account of the shift from joint to individual filing in 1990. Converted to calendar year basis.
United States	Piketty and Saez (2001, 2003, Excel Table A3)	No adjustments made.

Notes:

1. Conversion to calendar year basis uses the formula C=0.75(T-1) + 0.25T for Ireland, New Zealand and the UK, and C=0.5(T-1) + 0.5T for Australia, where C is the top income share in calendar year C, and T is the top income share in the tax year T to T+1.
2. For all countries, data for missing years is linearly interpolated, so long as the gap is four years or less.

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