Supplemental Appendix

Who Reaches the Top? Intergenerational Wealth Transfers,

Wealth Inequality and Wealth Mobility in the United States

Christophe Van Langenhove

May 2026

Contents

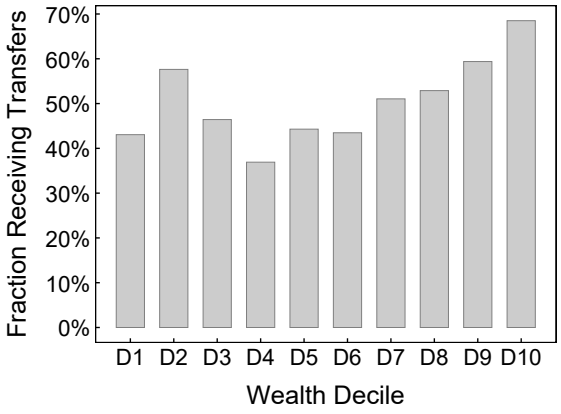
SA.A Alternative wealth transfer definitions

The main text uses gifts and inheritances from the PSID as the baseline wealth transfer definition. This section reports the core results under the broad and lump-sum definitions documented in Appendix A.1. The qualitative patterns are robust to the choice of wealth transfer definition.

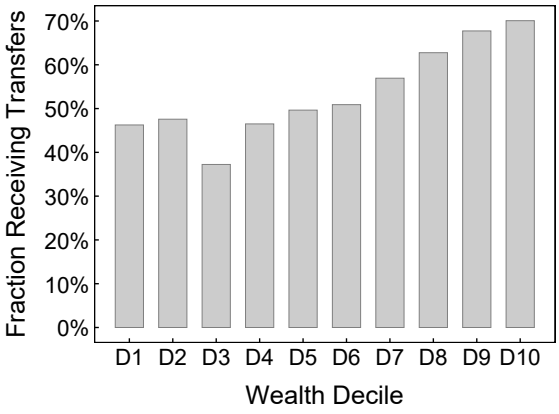
SA.A.1 Extensive margin

Figure SA.1: Wealth transfer receipt rate by wealth decile, broad definition (inheritance + help from relatives), ages 60–64

(a) Overall wealth deciles



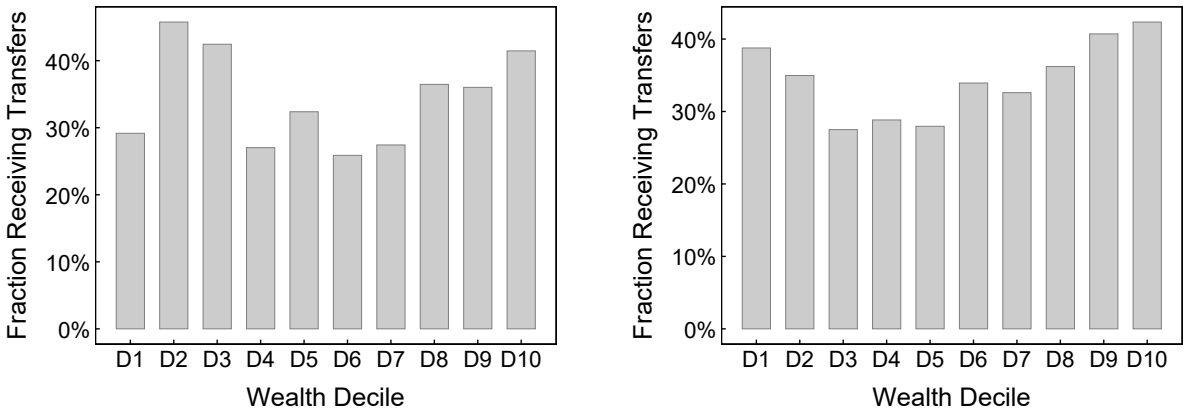
(b) Within-cohort wealth deciles



Notes: Share of individuals who received at least one wealth transfer (%), by wealth decile. Broad wealth transfer definition (inheritance plus help from relatives). Left panel: overall wealth ranks. Right panel: within-cohort wealth ranks (10-year birth cohorts). PSID 2001–2021, SRC subsample (unweighted), individuals aged 60–64.

Figure SA.2: Wealth transfer receipt rate by wealth decile, lump-sum definition (lump-sum inheritance + help from relatives, excluding annuity-type payments), ages 60–64

(a) Overall wealth deciles (b) Within-cohort wealth deciles

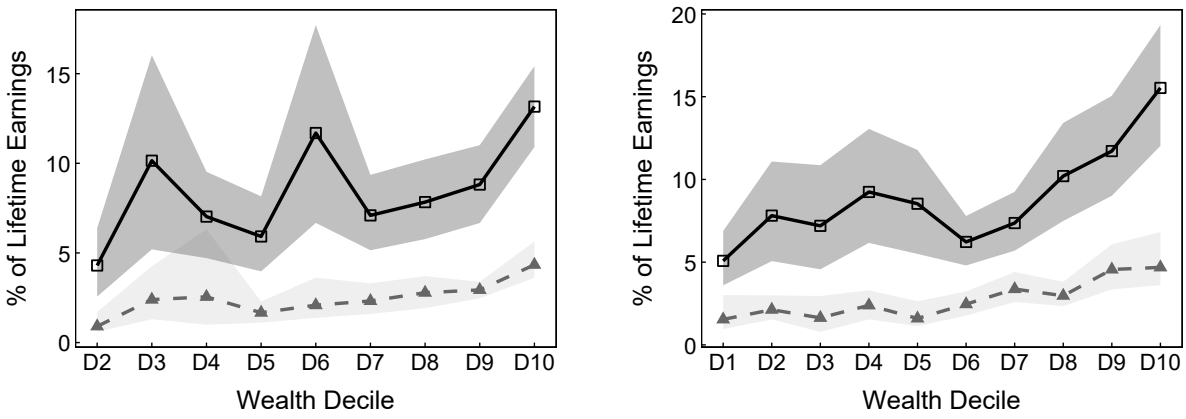


Notes: Share of individuals who received at least one wealth transfer (%), by wealth decile. Lump-sum wealth transfer definition (lump-sum inheritance plus help from relatives, excluding annuity-type payments). Left panel: overall wealth ranks. Right panel: within-cohort wealth ranks (10-year birth cohorts). PSID 2001–2021, SRC subsample (unweighted), individuals aged 60–64.

SA.A.2 Intensive margin

Figure SA.3: Conditional wealth transfer importance by wealth decile, broad definition (inheritance + help from relatives), ages 60–64

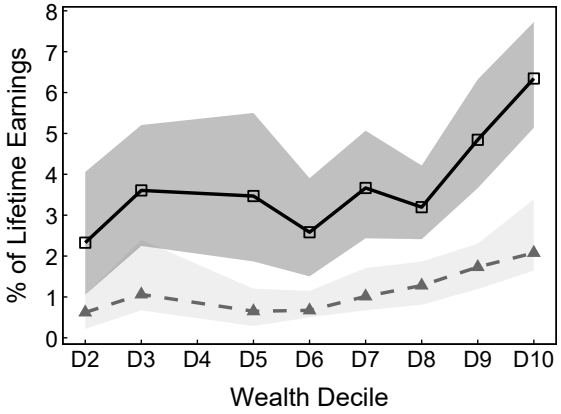
(a) Overall wealth deciles (b) Within-cohort wealth deciles



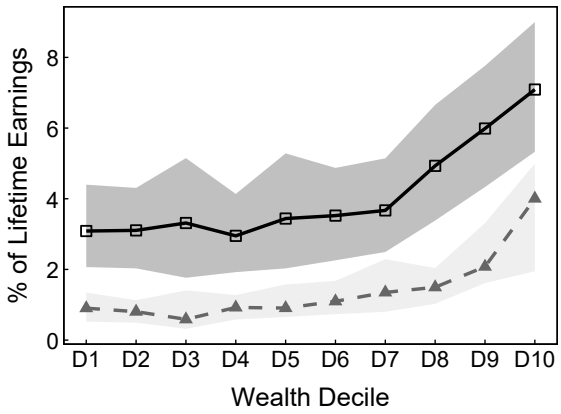
Notes: Cumulative capitalized wealth transfer conditional on receipt, as a percentage of lifetime earnings. Solid line: mean. Dashed line: median. Homogeneous capitalization ($r = \bar{r}$). Shaded bands: 95% confidence intervals from 1,000 bootstrap replications. Broad wealth transfer definition. Left panel: overall wealth ranks. Right panel: within-cohort wealth ranks (10-year birth cohorts). PSID 2001–2021, SRC subsample (unweighted), individuals aged 60–64.

Figure SA.4: Conditional wealth transfer importance by wealth decile, lump-sum definition (lump-sum inheritance + help from relatives, excluding annuity-type payments), ages 60–64

(a) Overall wealth deciles



(b) Within-cohort wealth deciles



Notes: Cumulative capitalized wealth transfer conditional on receipt, as a percentage of lifetime earnings. Solid line: mean. Dashed line: median. Homogeneous capitalization ($r = \bar{r}$). Shaded bands: 95% confidence intervals from 1,000 bootstrap replications. Lump-sum wealth transfer definition. Left panel: overall wealth ranks. Right panel: within-cohort wealth ranks (10-year birth cohorts). PSID 2001–2021, SRC subsample (unweighted), individuals aged 60–64.

The timing results for the broad and lump-sum definitions are qualitatively identical to the baseline. Weighted median receipt ages vary by fewer than 3 years across wealth deciles under both alternative definitions. Within-cohort concentration results for all three definitions are reported in Section SA.J.

SA.B Capitalization sensitivity and wealth rank robustness

The headline results are robust to the capitalization choice and to the wealth-rank aggregator. The baseline capitalizes at each individual's own portfolio return r_i (Section 2.2). A common median return leaves every statistic essentially unchanged, as this section shows.

SA.B.1 Homogeneous capitalization

The baseline uses individual-specific returns r_i. The alternative, homogeneous capitalization, applies the sample median return $\bar{r}$ to every individual. Table SA.1 reports the headline statistics under both. The two agree to within two percentage points on every measure. The top-wealth-decile intensive margin is the only number that moves, from 16% to 14%, because individual returns are higher at the top. The mechanical inequality and mobility contributions are unchanged.

Table SA.1: Headline statistics under the heterogeneous baseline and homogeneous capitalization, ages 60–64

Statistic	Heterogeneous (baseline)	Homogeneous
Top-wealth-decile intensive margin (% of LR_i)	16	14
Deciles 1–9 intensive margin range (%)	7–11	7–11
Intergenerational mechanical share (%)	21	19
Intragenerational mechanical share (%)	7	8
Within-cohort Gini effect, subtraction (%)	0	1

Notes: Each row reports a headline statistic from the main text under the two capitalization approaches. Heterogeneous capitalization uses each individual's own portfolio return r_i (the baseline). Homogeneous capitalization uses the sample median return $\bar{r}$ for all individuals. The intensive margin is the mean cumulative capitalized wealth transfer conditional on receipt, as a percentage of lifetime earnings. The mechanical share is $1 - \beta_{\text{CF}}/\beta_{\text{actual}}$. The Gini effect is the percentage reduction under the subtraction counterfactual. PSID 2001–2021, SRC subsample (unweighted), individuals aged 60–64. Baseline wealth transfer definition.

SA.B.2 Capitalized versus uncapitalized amounts

The extensive margin (fraction receiving positive wealth transfers) is invariant to the capitalization rate. Capitalizing at any positive rate keeps a positive receipt positive, so recipient status never changes. Only the intensive margin (conditional wealth-transfer amounts) is affected.

The wealth-transfer gradient is preserved whether wealth transfers are capitalized at $\bar{r}$ or left uncapitalized (Table SA.2). The table contrasts the homogeneous-capitalized and non-capitalized measures. The heterogeneous-capitalization gradient is shown in the intensive-

margin panel of Figure 2. Capitalized and non-capitalized amounts differ in size, but the gradient across wealth deciles is the same under both.

Table SA.2: Capitalization sensitivity: capitalized vs. non-capitalized wealth transfers.

	Capitalized (% LR)		Non-capitalized (% LR)		Ratio	
Wealth decile	Mean	Median	Mean	Median	Mean	Median
1-10	7.0	3.9	8.2	2.1	0.86	1.89
11-20	8.5	2.6	4.1	1.2	2.06	2.08
21-30	8.4	3.1	4.6	1.5	1.81	2.07
31-40	10.0	3.1	12.0	1.5	0.83	2.12
41-50	7.3	1.8	6.0	1.0	1.22	1.75
51-60	6.9	2.7	8.9	1.4	0.78	2.00
61-70	8.2	3.4	4.8	1.6	1.69	2.06
71-80	8.9	2.8	8.2	1.8	1.09	1.60
81-90	10.6	4.2	282.2	2.4	0.04	1.77
91-100	13.9	4.3	44.3	2.8	0.31	1.51

Notes: Conditional wealth transfer amounts (mean and median) for positive recipients, by terminal wealth decile (ages 60–64). Both columns expressed as % of lifetime earnings. Left columns capitalize past wealth transfers at the sample median portfolio return ($\bar{r} = 4\%$, baseline). Right columns use non-capitalized cumulative wealth transfers. Ratio = capitalized / non-capitalized. A ratio above one indicates that capitalization increases measured wealth-transfer importance. The extensive margin (fraction receiving) is invariant to capitalization. Baseline wealth transfer definition. PSID 2001–2021.

SA.B.3 Terminal rank robustness

The baseline wealth rank is the median of the individual's within-cohort percentile ranks across observed waves. The extensive margin gradient and the intensive margin ratio are robust across three alternative rank definitions (Table SA.3). The alternatives are mean, first-wave rank, and last-wave rank.

Table SA.3: Terminal rank robustness: alternative rank aggregation methods.

Method	Frac. D1 (%)	Frac. D10 (%)	Gradient (p.p.)	Mean ratio (D10/D1)
Median	23.8	69.6	45.8	1.98
Mean	23.6	69.4	45.8	1.93
First	26.4	68.9	42.6	1.82
Last	26.4	69.2	42.9	1.85

Notes: Wealth transfer receipt statistics under alternative terminal wealth rank definitions. Median (baseline), mean, first-wave, and last-wave within-cohort wealth rank at ages 60-64. Gradient = fraction receiving in top decile minus bottom decile. Mean ratio = conditional mean wealth transfer in D10 / D1. Baseline wealth transfer definition. PSID 2001–2021.

SA.C Age-bracket robustness

The main text reports wealth transfer receipt results for the baseline age bracket (60–64). This section summarizes the results across all non-baseline brackets, from 25–29 through 75+. The wealth-transfer gradient is positive in every bracket and ranges from 14.2 to 45.8 percentage points. The conditional mean ratio ranges from 1.31 to 2.94 (Table SA.4). The concentration of measured wealth transfers at the top is therefore not an artifact of the baseline age restriction.

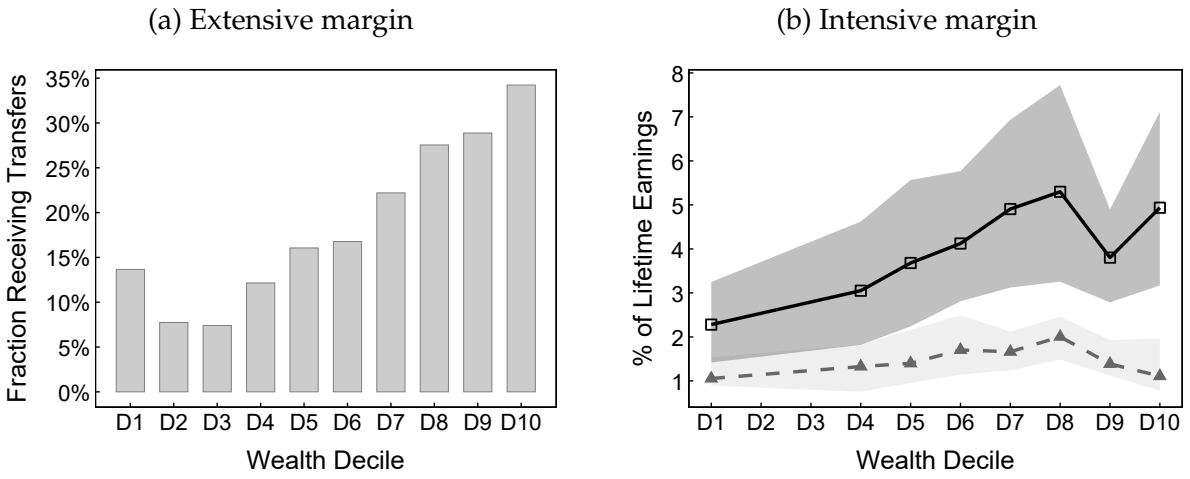
Table SA.4: Age-bracket robustness summary.

Age bracket	*N*	Frac. D1 (%)	Frac. D10 (%)	Gradient (p.p.)	Ratio (D10/D1)
25	5,098	5.8	20.0	14.2	1.62
30	5,270	11.6	28.6	17.0	2.94
35	4,778	13.7	34.2	20.6	2.16
40	4,913	15.7	40.2	24.5	1.77
45	4,112	16.7	41.6	24.9	1.78
50	3,749	19.3	55.5	36.2	1.63
55	3,352	20.7	61.2	40.5	1.31
60	2,727	23.8	69.6	45.8	1.98
65	2,215	27.5	72.0	44.5	2.49
70	1,586	26.8	64.1	37.3	2.14
75	1,357	20.5	56.2	35.8	2.22

Notes: D1 = bottom wealth decile, D10 = top wealth decile. Gradient = D10 fraction minus D1 fraction. Ratio = conditional mean wealth transfer in D10 / conditional mean in D1. Age bracket label is the lower bound of the five-year bracket (e.g., 60 = ages 60–64). Baseline wealth transfer definition. PSID 2001–2021.

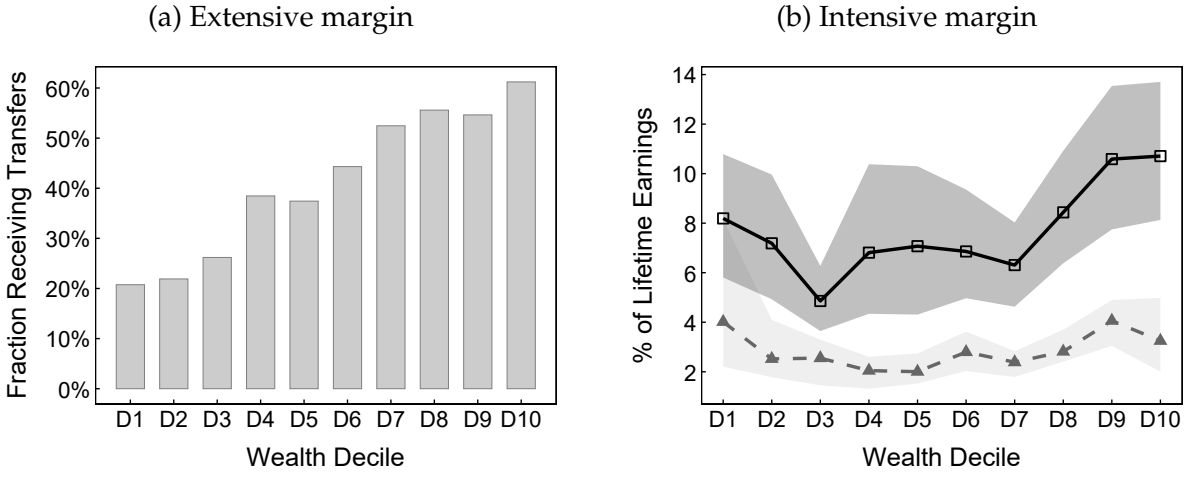
Three representative brackets span the lifecycle: 35–39 (early career), 55–59 (pre-retirement), and 65–69 (post-retirement). The extensive and intensive margin gradients confirm the pattern in each (Figures SA.5, SA.6, SA.7).

Figure SA.5: Wealth transfer receipt rate and importance by within-cohort wealth decile, ages 35–39



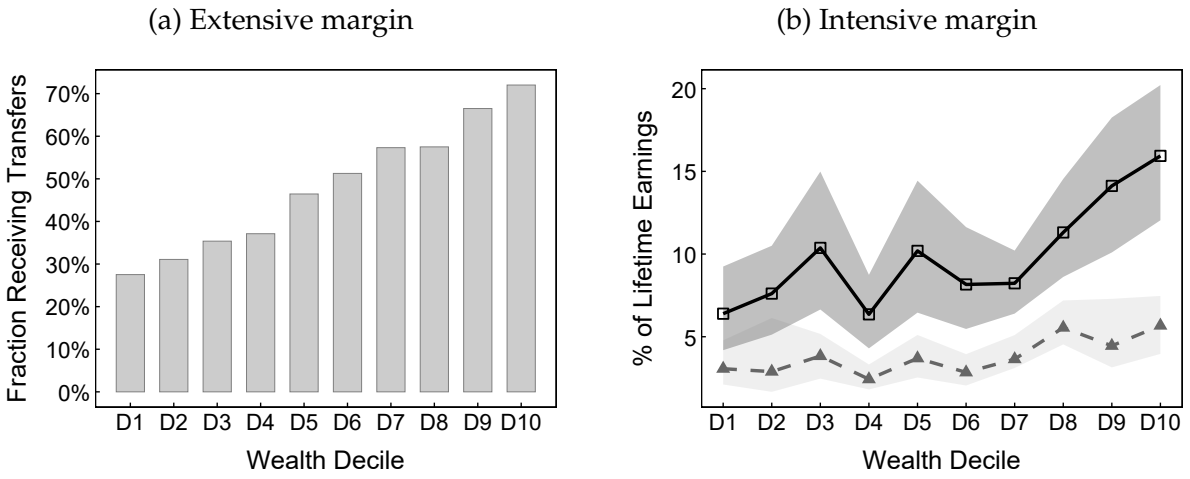
Notes: Panel (a): share of individuals who received at least one PSID-reported wealth transfer (%), by within-cohort wealth decile. Panel (b): cumulative capitalized wealth transfer conditional on receipt, as a percentage of lifetime earnings. Solid line: mean. Dashed line: median. Homogeneous capitalization ($r = \bar{r}$). Shaded bands: 95% confidence intervals from 1,000 bootstrap replications. PSID 2001–2021, SRC subsample (unweighted), within-cohort wealth deciles based on 10-year birth cohorts. Baseline wealth transfer definition.

Figure SA.6: Wealth transfer receipt rate and importance by within-cohort wealth decile, ages 55–59



Notes: Panel (a): share of individuals who received at least one PSID-reported wealth transfer (%), by within-cohort wealth decile. Panel (b): cumulative capitalized wealth transfer conditional on receipt, as a percentage of lifetime earnings. Solid line: mean. Dashed line: median. Homogeneous capitalization ($r = \bar{r}$). Shaded bands: 95% confidence intervals from 1,000 bootstrap replications. PSID 2001–2021, SRC subsample (unweighted), within-cohort wealth deciles based on 10-year birth cohorts. Baseline wealth transfer definition.

Figure SA.7: Wealth transfer receipt rate and importance by within-cohort wealth decile, ages 65–69



Notes: Panel (a): share of individuals who received at least one PSID-reported wealth transfer (%), by within-cohort wealth decile. Panel (b): cumulative capitalized wealth transfer conditional on receipt, as a percentage of lifetime earnings. Solid line: mean. Dashed line: median. Homogeneous capitalization ($r = \bar{r}$). Shaded bands: 95% confidence intervals from 1,000 bootstrap replications. PSID 2001–2021, SRC subsample (unweighted), within-cohort wealth deciles based on 10-year birth cohorts. Baseline wealth transfer definition.

SA.D Within-cohort ranking methodology

This section defines the within-cohort percentile ranking procedure used in the pooled panel analysis (Online Supplement, Appendix I) and the concentration analysis (Online Supplement, Appendix J).

SA.D.1 Cohort definitions

Birth cohorts are defined in 10-year bins based on the individual's year of birth. I use five cohorts: 1936–1945, 1946–1955, 1956–1965, 1966–1975, and 1976–1985.

The concentration analysis (Online Supplement, Appendix J) uses four cohorts: 1936–1945 through 1966–1975. These cohorts have sufficient observations across the age range 25–69 during the 2001–2021 sample period.

SA.D.2 Within-cohort percentile ranks

For each wave t and each birth cohort c, the within-cohort wealth percentile rank of individual i is:

$$r_{i,t}^{within} = \left\lceil \frac{\text{rank}(W_{i,t} \mid \text{cohort}(i) = c)}{N_{c,t}} \times 100 \right\rceil \tag{SA.1}$$

where $\text{rank}(\cdot)$ is the ascending rank (1 for the lowest-wealth individual, $N_{c,t}$ for the highest). $W_{i,t}$ is net worth and $N_{c,t}$ is the number of individuals in cohort c with non-missing wealth. The ceiling $\lceil \cdot \rceil$ rounds up to the nearest integer. This rank takes integer values from 1 to 100 and is binned into wealth deciles for the analysis.

SA.D.3 Comparison with overall ranks

Overall percentile ranks are computed identically but using the full cross-sectional distribution rather than the cohort-specific distribution:

$$r_{i,t}^{overall} = \frac{\text{rank}(W_{i,t})}{N_t} \times 100 \tag{SA.2}$$

Overall ranks conflate two things the within-cohort ranks separate: lifecycle stage and distributional position. A 60-year-old in the 8th overall wealth decile may be in the 5th within-cohort wealth decile. Older cohorts are generally wealthier due to longer accumulation time. Within-cohort ranks isolate the distributional component by comparing each individual only to others at the same lifecycle stage.

SA.E Wealth transfers and homeownership

Wealth transfer recipients display higher homeownership transition rates than non-recipients in most wealth deciles (Table SA.5). Sizeable gaps appear in decile 1 (+10.0 p.p.), deciles 5–6 (+8.7 and +8.7 p.p.), and deciles 8–9 (+8.0 and +10.7 p.p.). Among bottom-decile recipients, the transition rate (18.1%) is more than double the non-recipient rate (8.0%). Deciles 4, 7, and 10 show no significant difference. This pattern is consistent with wealth transfers enabling homeownership across the distribution. Low-wealth households who otherwise lack a down payment benefit most. The comparison is associational: wealth transfer receipt is not randomly assigned, so the estimates capture correlation only. The pattern is qualitatively unchanged under alternative wealth transfer definitions (Section SA.A).

Table SA.5: Homeownership transitions by wealth transfer receipt.

	With transfer		Without transfer		
Wealth decile	*N*	Rate (%)	*N*	Rate (%)	Diff. (p.p.)
1-10	277	18.1	5,966	8.0	10.0***
11-20	203	11.8	6,538	5.6	6.3***
21-30	190	13.2	6,208	6.7	6.5***
31-40	251	24.3	3,884	24.6	-0.3
41-50	255	44.3	2,131	35.6	8.7***
51-60	199	49.7	1,424	41.1	8.7**
61-70	189	38.1	1,054	39.7	-1.6
71-80	151	50.3	700	42.3	8.0*
81-90	119	44.5	620	33.9	10.7**
91-100	112	33.9	441	33.1	0.8

Notes: Homeownership transition rates by within-cohort wealth decile, comparing households with and without a recent wealth transfer (received within 4 years). Difference in percentage points. Significance from a two-sample proportion test: $^{***}p < 0.01$, $^{**}p < 0.05$, $^{*}p < 0.10$. Baseline wealth transfer definition. Sample restricted to renters and new homeowners. PSID 2001–2021.

SA.F Lagged wealth rank and pre-transfer rank sensitivity

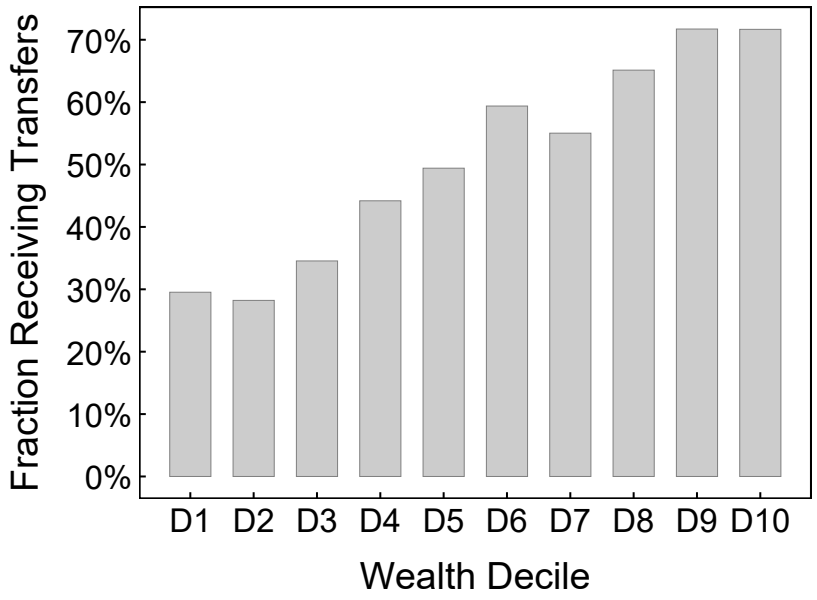
The wealth-transfer gradient persists when individuals are ranked by their pre-receipt wealth position. This section reports two robustness exercises: alternative lag horizons and a pre-receipt rank sensitivity.

SA.F.1 Alternative lag horizons

Individuals are ranked by their within-cohort wealth percentile at $t-4$, $t-6$, $t-8$, and $t-10$ years before the final observation. If the gradient persists under lagged ranking, measured wealth transfers flow to individuals who were already wealthy. These wealth transfers therefore could not have moved recipients into their measured wealth position. I show results for $t-4$ and $t-10$.

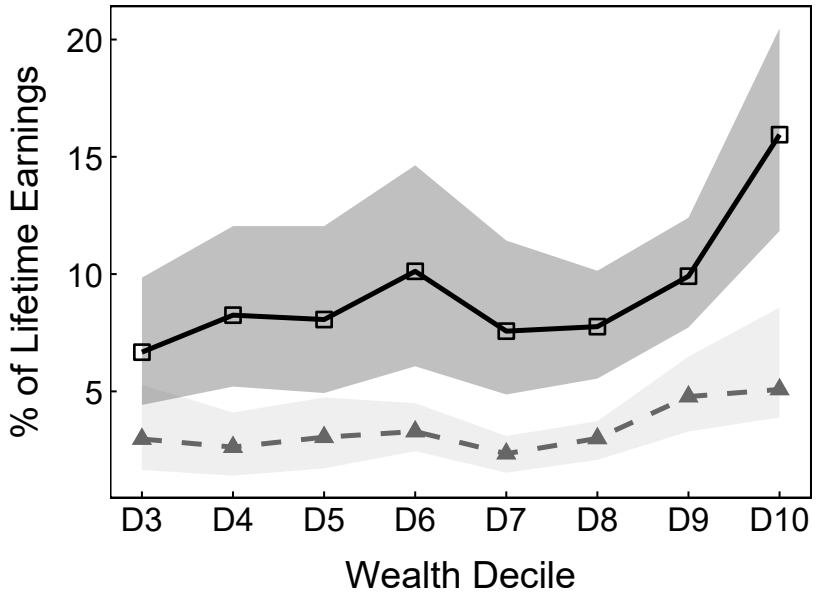
The positive gradient is preserved at all horizons and is not sensitive to the choice of lag length (Figure SA.8–Figure SA.11). The lagged-gradient evidence complements the pre-transfer rank analysis in Section 4.4. That analysis traces recipients to the wave before their first wealth transfer rather than using a fixed lag.

Figure SA.8: Wealth transfer receipt rate by within-cohort wealth decile measured 10 years prior, ages 60–64



Notes: Share of individuals who received at least one wealth transfer (%), by within-cohort wealth decile. Wealth decile is measured 10 years before the final observation. Error bars: 95% confidence intervals from 1,000 bootstrap replications. PSID 2001–2021, SRC subsample (unweighted), individuals aged 60–64 with a valid wealth observation at $t-10$. The sample is a subset of the $N = 2{,}754$ baseline cohort, restricted to those observed 10 years prior. Baseline wealth transfer definition.

Figure SA.9: Conditional wealth transfer importance by within-cohort wealth decile measured 10 years prior, ages 60–64

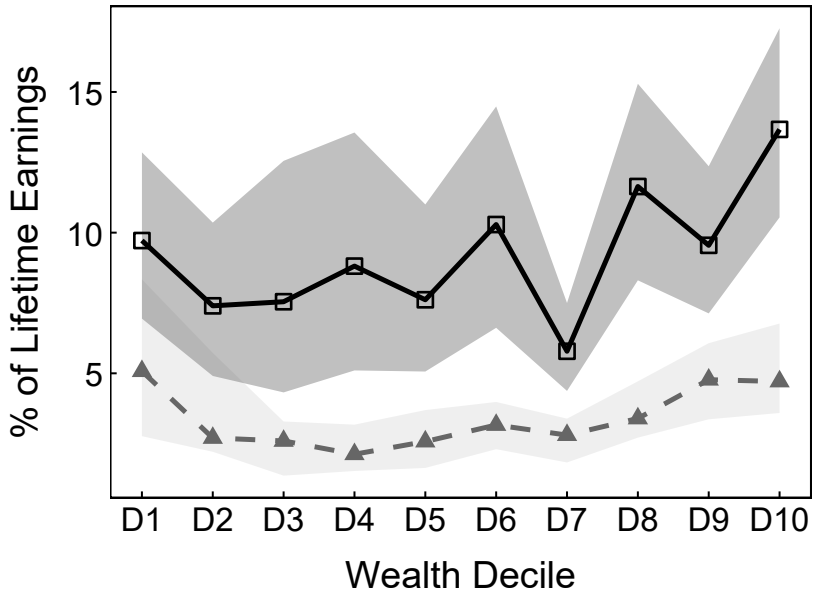


Notes: Mean (solid) and median (dashed) cumulative capitalized wealth transfer conditional on receipt, as a percentage of lifetime earnings. Within-cohort wealth decile is measured 10 years before the final observation. Shaded bands: 95% confidence intervals from 1,000 bootstrap replications. PSID 2001–2021, SRC subsample (unweighted), individuals aged 60–64 with a valid wealth observation at $t - 10$. The sample is a subset of the $N = 2{,}754$ baseline cohort, restricted to those observed 10 years prior. Baseline wealth transfer definition.

Figure SA.10: Wealth transfer receipt rate by within-cohort wealth decile measured 4 years prior, ages 60–64

Notes: Share of individuals who received at least one wealth transfer (%), by within-cohort wealth decile. Wealth decile is measured 4 years before the final observation. Error bars: 95% confidence intervals from 1,000 bootstrap replications. PSID 2001–2021, SRC subsample (unweighted), individuals aged 60–64. The sample is a subset of the $N = 2{,}754$ baseline cohort, restricted to those observed 4 years prior. Baseline wealth transfer definition.

Figure SA.11: Conditional wealth transfer importance by within-cohort wealth decile measured 4 years prior, ages 60–64



Notes: Mean (solid) and median (dashed) cumulative capitalized wealth transfer conditional on receipt, as a percentage of lifetime earnings. Within-cohort wealth decile is measured 4 years before the final observation. Shaded bands: 95% confidence intervals from 1,000 bootstrap replications. PSID 2001–2021, SRC subsample (unweighted), individuals aged 60–64. The sample is a subset of the $N = 2{,}754$ baseline cohort, restricted to those observed 4 years prior. Baseline wealth transfer definition.

SA.F.2 Pre-transfer rank sensitivity

Section 4.4 traces recipients back to the wave before their first reported wealth transfer. This measures their pre-transfer wealth position. For individuals receiving their first wealth transfer near age 25, the pre-transfer observation falls around age 23. Wealth at this age may be low and volatile, attenuating the pre-transfer rank signal.

To assess this concern, I restrict the sample to recipients whose first wealth transfer occurred at age 30 or later. The pre-transfer wealth observation then captures a more stable position. The results are qualitatively unchanged. Top-wealth-decile recipients were already concentrated in the upper part of the wealth distribution before receiving their first wealth transfer. The conditional mean wealth transfer continues to increase with pre-transfer wealth rank.

SA.G Wealth inequality indices and counterfactual

This appendix complements the rank-based counterfactual in Section 4.2 with standard wealth inequality indices. I report the Gini coefficient, top-10% and top-20% wealth shares, and the Mean Log Deviation (MLD). All indices are computed on the actual wealth distribution at ages 60–64. The counterfactual distribution removes cumulative capitalized wealth transfers from net worth.

The PSID baseline sample at ages 60–64 contains roughly 2,700 individuals. It underrepresents the top of the wealth distribution relative to the Survey of Consumer Finances. Wealth inequality indices, in particular top shares and the Gini coefficient, are sensitive to top-tail coverage. The rank-based counterfactual in the main text is less sensitive to top-tail underrepresentation. I therefore present the results below as supplementary to it.

SA.G.1 Wealth inequality indices

Table SA.6 reports the four indices under the actual and counterfactual distributions. Under the subtraction counterfactual, all four indices rise. The Gini increases from 0.703 to 0.707. The top-10% share rises from 0.573 to 0.585. Wealth transfers therefore lower within-cohort wealth inequality slightly, consistent with the main text (Section 4.3) and with Scandinavian evidence (Boserup, Kopczuk and Kreiner, 2016; Elinder, Erixson and Waldenström, 2018). The equalizing pattern reflects the fact that less wealthy recipients receive larger wealth transfers relative to their existing wealth.

My mechanical index changes are not directly comparable to the Palomino et al. (2022) Shapley decomposition. That decomposition attributes 26–36% of the MLD across four countries, and 32% for the U.S., to wealth transfers. That decomposition captures indirect channels beyond the mechanical effect of wealth-transfer amounts.

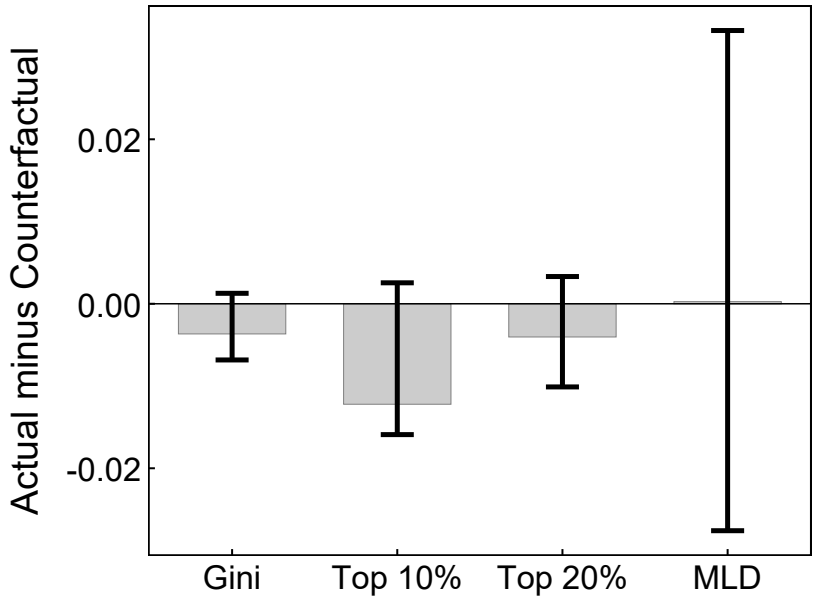
Figure SA.12 presents the same differences graphically with bootstrapped 95% confidence intervals. Removing wealth transfers leaves relative wealth positions largely unchanged (Section 4.4).

Table SA.6: Contribution of wealth transfers to wealth inequality.

Measure	Actual	Counterfactual	Difference	95% CI
Gini coefficient	0.703	0.707	-0.004	[-0.007, 0.001]
Top 10% share	0.573	0.585	-0.012	[-0.016, 0.003]
Top 20% share	0.729	0.733	-0.004	[-0.010, 0.003]
MLD (positive wealth)	1.279	1.279	0.000	[-0.028, 0.033]

Notes: Counterfactual wealth = net worth minus cumulative capitalized wealth transfers. Gini and top shares computed on non-negative wealth values. MLD computed on strictly positive wealth values only. Differences = actual minus counterfactual. Positive values indicate wealth transfers increase wealth inequality. Bootstrap 95% confidence intervals from 1,000 replications. Caveat: the PSID underrepresents the top tail. Inequality indices should be interpreted cautiously. Baseline age bracket (ages 60-64). Baseline wealth transfer definition. PSID 2001–2021.

Figure SA.12: Change in within-cohort wealth inequality indices from removing wealth transfers, ages 60–64

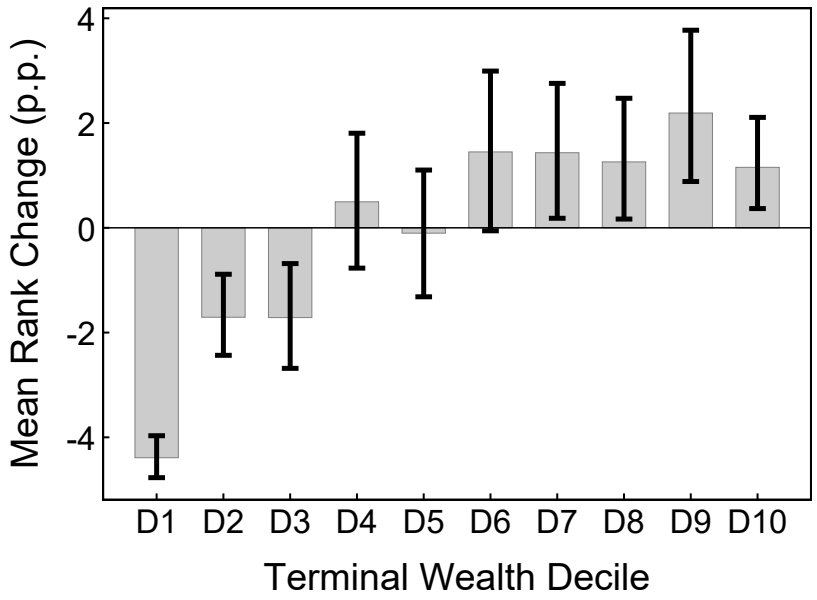


Notes: Difference between actual and counterfactual wealth inequality indices (actual minus counterfactual). Counterfactual wealth equals net worth minus cumulative capitalized wealth transfers. Positive values indicate that wealth transfers increase wealth inequality. Error bars: 95% confidence intervals from 1,000 bootstrap replications. MLD computed on strictly positive wealth only. Caveat: PSID underrepresents the top tail. PSID 2001–2021, SRC subsample (unweighted), individuals aged 60–64, within-cohort indices computed within 10-year birth cohorts. Baseline wealth transfer definition.

SA.G.2 Rank changes by terminal wealth decile

Figure SA.13 shows the full distribution of percentile rank changes from removing cumulative capitalized wealth transfers, by terminal wealth decile. Top-decile recipients move by only a few percentile points on average, consistent with the small wealth mobility effect reported in Section 4.4.

Figure SA.13: Distribution of percentile rank changes from removing wealth transfers, by terminal wealth decile, ages 60–64



Notes: Mean percentile rank change when cumulative capitalized wealth transfers are subtracted from net worth. Values are by within-cohort wealth decile at ages 60–64. Individuals are reranked after subtraction. Positive values indicate that wealth transfers push the individual higher in the distribution. Error bars: 95% confidence intervals from 1,000 bootstrap replications. Homogeneous capitalization ($r = \bar{r}$). PSID 2001–2021, SRC subsample (unweighted), within-cohort wealth deciles based on 10-year birth cohorts. Baseline wealth transfer definition.

SA.H Household-to-individual allocation robustness

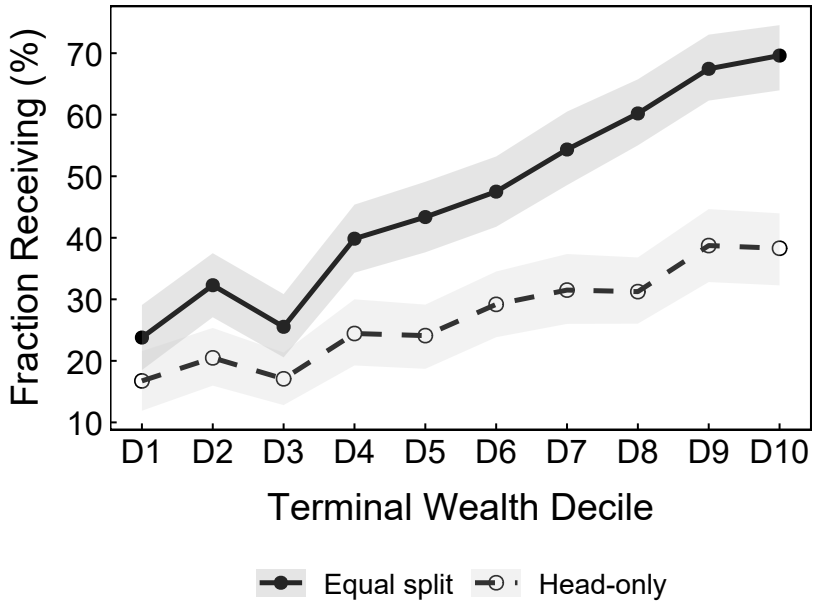
The PSID collects wealth-transfer data at the household level. There is no breakdown between the household head and spouse or partner. The baseline analysis allocates each household's reported wealth transfer equally between the head and spouse. Each adult receives the household amount divided by the number of adults. This appendix tests robustness to an alternative head-only allocation in which the head receives 100% and the spouse receives zero. Both approaches use the same sample and the same household-level wealth-transfer amounts.

The head-only allocation produces a lower receipt rate because spouses mechanically become non-recipients. It produces higher conditional wealth-transfer amounts for recipients because heads receive the full amount rather than half. I test whether the wealth gradient and the wealth inequality contribution are sensitive to this allocation choice.

SA.H.1 Extensive and intensive margins

Figure SA.14 compares the fraction receiving any wealth transfer by wealth decile. The head-only allocation produces a lower extensive margin because spouses are classified as non-recipients. The wealth gradient is preserved: receipt rates increase with wealth under both allocations.

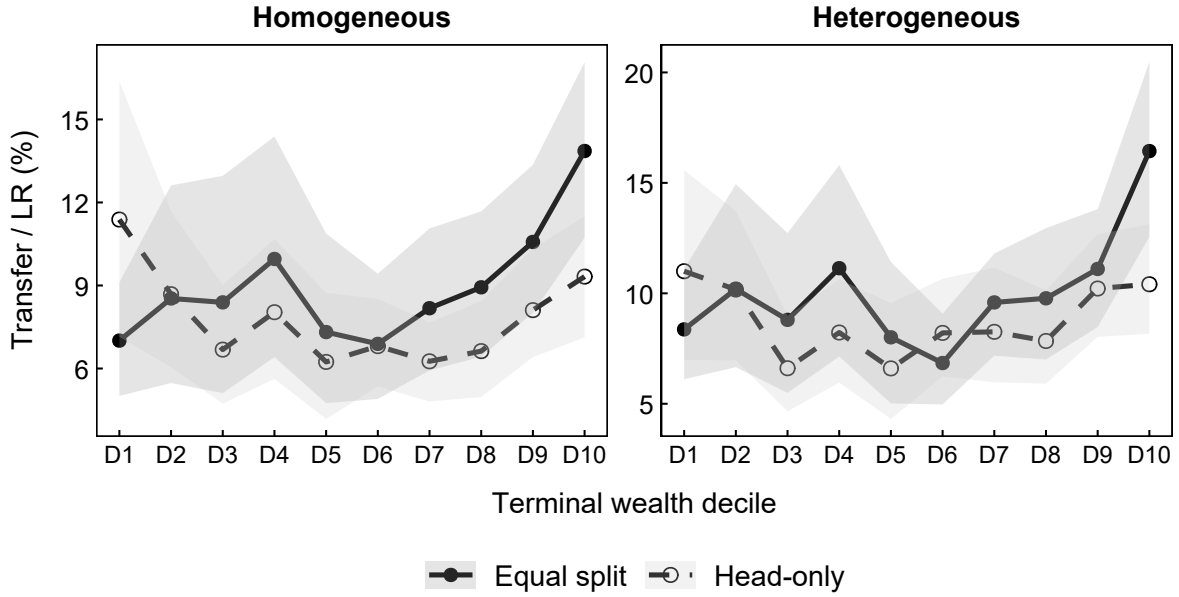
Figure SA.14: Wealth transfer receipt rate by wealth decile under equal-split and head-only allocation, ages 60–64



Notes: Share of individuals who received at least one wealth transfer (%), by within-cohort wealth decile, under two household-to-individual allocation methods. Equal split: each adult receives transfer / n_{adults}. Head-only: head receives 100%, spouse receives 0. Shaded bands: 95% confidence intervals from 1,000 bootstrap replications. PSID 2001–2021, SRC subsample (unweighted), individuals aged 60–64. Baseline wealth transfer definition.

Figure SA.15 compares the conditional intensive margin (wealth-transfer / lifetime earnings ratio) under both capitalization approaches. Conditional on receipt, head-only wealth transfers are mechanically larger (the full household amount rather than half). The positive wealth gradient is robust to the allocation choice across both capitalization approaches.

Figure SA.15: Conditional wealth transfer importance by wealth decile under equal-split and head-only allocation, ages 60–64

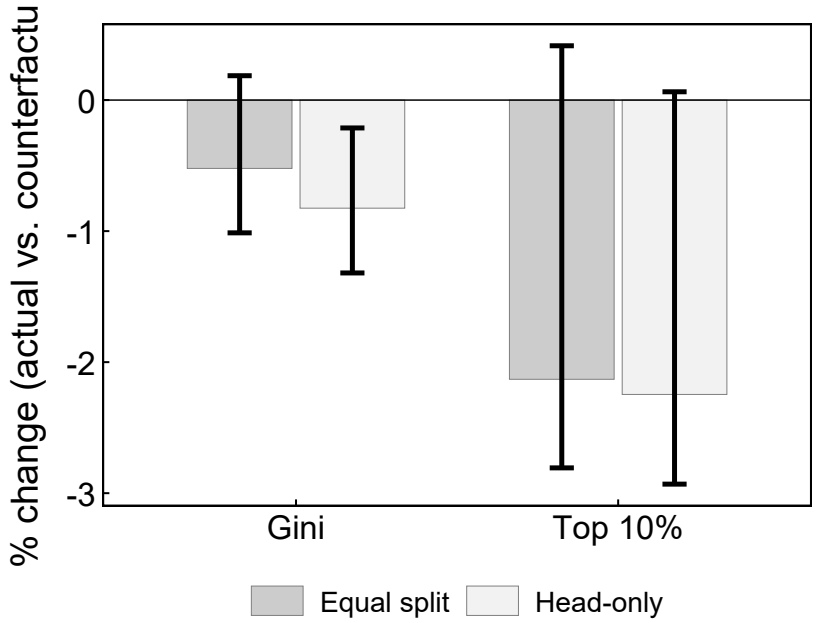


Notes: Mean cumulative capitalized wealth transfer conditional on receipt, as a percentage of lifetime earnings, by within-cohort wealth decile. Two allocation methods and two capitalization approaches (homogeneous $r = \bar{r}$, heterogeneous $r = r_i$). Shaded bands: 95% confidence intervals from 1,000 bootstrap replications. PSID 2001–2021, SRC subsample (unweighted), individuals aged 60–64. Baseline wealth transfer definition.

SA.H.2 Wealth inequality contribution

Figure SA.16 compares the percentage change in the Gini and top-10% wealth share under the two allocations.

Figure SA.16: Change in within-cohort wealth inequality from removing wealth transfers under equal-split and head-only allocation, ages 60–64



Notes: Percentage change in the Gini coefficient and top-10% wealth share when cumulative capitalized wealth transfers are subtracted from net worth. Homogeneous capitalization, under two household-to-individual allocation methods. Error bars: 95% confidence intervals from 1,000 bootstrap replications. PSID 2001–2021, SRC subsample (unweighted), individuals aged 60–64. Baseline wealth transfer definition.

SA.H.3 Wealth mobility

Table SA.7 reports the intragenerational rank-rank slope (ages 35–39 to 60–64) under both allocations. It also reports the share of wealth mobility mechanically explained by wealth transfers.

Table SA.7: Intra-generational wealth persistence: equal-split vs. head-only allocation.

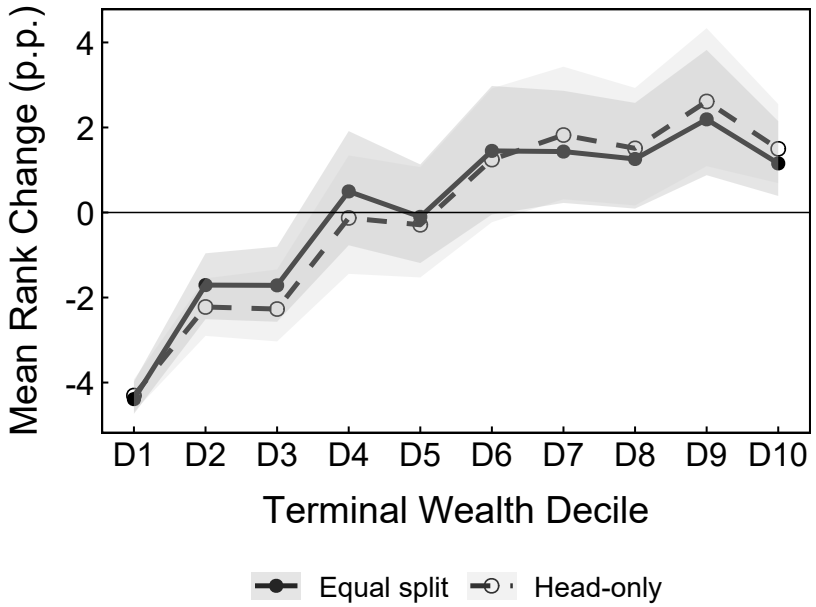
Measure	Estimate	95% CI
Actual slope	0.597	[0.564, 0.632]
CF slope (equal split)	0.552	—
CF slope (head-only)	0.564	—
% mechanical share (equal split)	7.6	[5.3, 9.9]
% mechanical share (head-only)	5.6	[3.1, 8.4]

Notes: Rank-rank slope of within-cohort wealth percentile at ages 60–64 on wealth percentile at ages 35–39. Counterfactual: subtract cumulative capitalized wealth transfers (homogeneous returns) from terminal wealth, then rerank. Mechanical share equals $1 - \beta_{\text{CF}}/\beta_{\text{actual}}$. Bootstrap 95% confidence intervals from 1,000 replications. Baseline wealth transfer definition. PSID 2001–2021.

SA.H.4 Rank change by decile

Figure SA.17 compares the mean percentile rank change from removing cumulative capitalized wealth transfers across wealth deciles.

Figure SA.17: Mean percentile rank change from removing wealth transfers by wealth decile under equal-split and head-only allocation, ages 60–64



Notes: Mean percentile rank change when cumulative capitalized wealth transfers (homogeneous capitalization) are subtracted from net worth, by within-cohort wealth decile. Individuals are reranked after subtraction. Positive values indicate that wealth transfers push the individual higher in the distribution. Two household-to-individual allocation methods. Shaded bands: 95% confidence intervals from 1,000 bootstrap replications. PSID 2001–2021, SRC subsample (unweighted), individuals aged 60–64. Baseline wealth transfer definition.

SA.I Pooled panel analysis

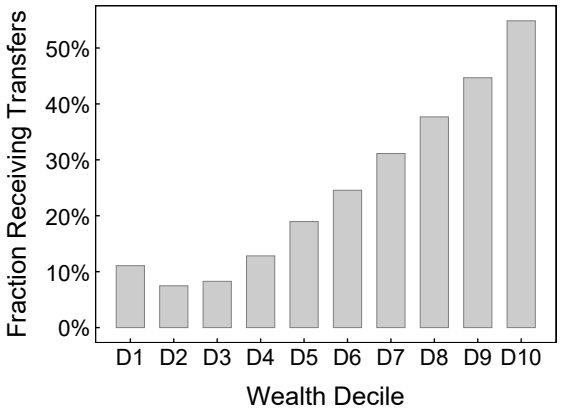
The receipt-rate and intensive-margin gradients hold in the pooled panel across all waves and all ages. The main text restricts the analysis to the baseline age bracket (60–64) to eliminate lifecycle confounds. This section rebuilds the gradients on the pooled panel using all waves (2001–2021) and all ages (25–69). I report under both overall and within-cohort wealth ranks.

SA.I.1 Extensive margin

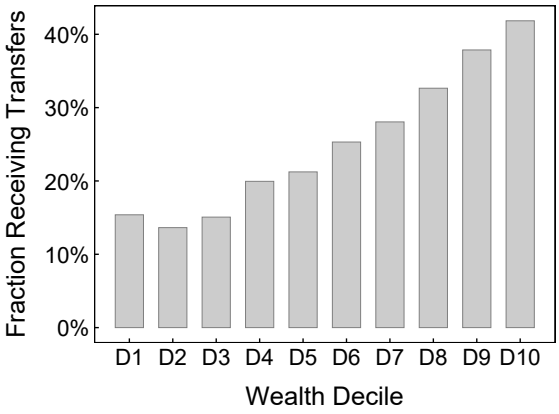
The receipt-rate gradient is positive under both overall and within-cohort wealth ranks (Figure SA.18).

Figure SA.18: Wealth transfer receipt rate by wealth decile, pooled panel, PSID 2001–2021

(a) Overall wealth deciles



(b) Within-cohort wealth deciles

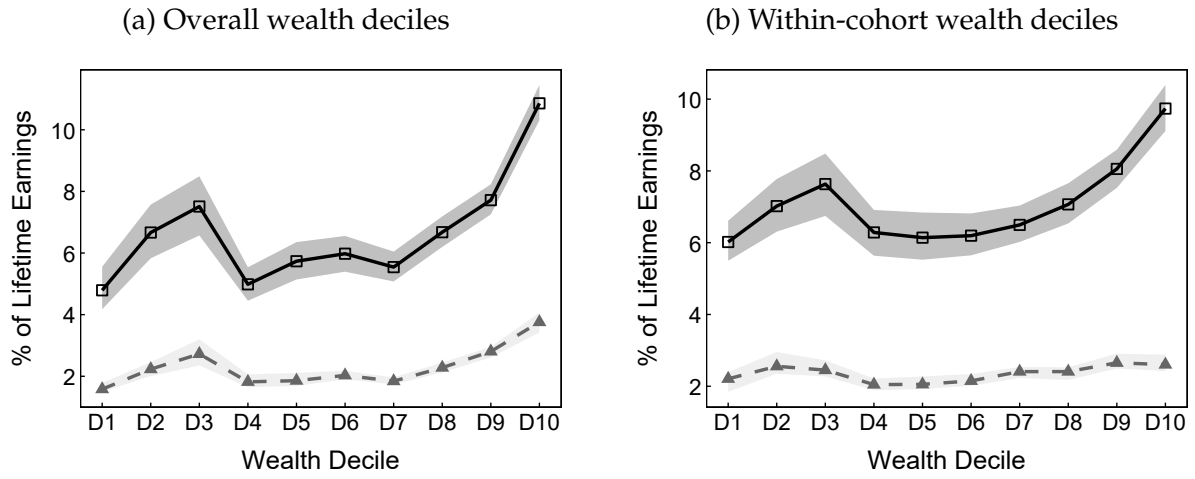


Notes: Share of individuals who received at least one PSID-reported wealth transfer (%), by wealth decile. Left panel: overall wealth ranks. Right panel: within-cohort wealth ranks (10-year birth cohorts). Homogeneous capitalization. PSID 2001–2021, SRC subsample (unweighted), individuals aged 25–69 ($N = 13,013$ individuals across all waves pooled). Baseline wealth transfer definition.

SA.I.2 Intensive margin

The importance gradient is likewise positive under both ranking schemes (Figure SA.19).

Figure SA.19: Conditional wealth transfer importance by wealth decile, pooled panel, PSID 2001–2021



Notes: Cumulative capitalized wealth transfer conditional on receipt, as a percentage of lifetime earnings. Solid line: mean. Dashed line: median. Homogeneous capitalization ($r = \bar{r}$). Shaded bands: 95% confidence intervals from 1,000 bootstrap replications. Left panel: overall wealth ranks. Right panel: within-cohort wealth ranks (10-year birth cohorts). PSID 2001–2021, SRC subsample (unweighted), individuals aged 25–69 ($N = 13,013$ individuals across all waves pooled). Baseline wealth transfer definition.

SA.I.3 Pooled panel summary table

The pooled receipt and importance gradients by decile appear in Table SA.8. The receipt rate rises from 7.5% in decile 2 to 54.9% in the top decile. The bottom decile (11.1%) sits slightly above decile 2. Young recipients who have not yet accumulated wealth land in low-wealth bins. This is the same decile 1 anomaly noted in the main text (Figure 2). The conditional intensive margin follows the same pattern from decile 2 upward.

Table SA.8: Wealth transfer receipt by wealth decile.

Wealth decile	*N*	Receiving (%)	Mean (% LR)	Median (% LR)	Mean (cond.) (% LR)	Median (cond.) (% LR)
1-10	8,530	11.1	0.5	0.0	4.8	1.6
11-20	8,677	7.5	0.5	0.0	6.7	2.2
21-30	8,325	8.3	0.6	0.0	7.5	2.7
31-40	8,536	12.8	0.6	0.0	5.0	1.8
41-50	8,532	19.0	1.1	0.0	5.7	1.9
51-60	8,505	24.6	1.5	0.0	6.0	2.0
61-70	8,515	31.1	1.7	0.0	5.5	1.8
71-80	8,492	37.7	2.5	0.0	6.7	2.3
81-90	8,437	44.7	3.4	0.0	7.7	2.8
91-100	8,335	54.9	6.0	0.4	10.9	3.8
Full sample	84,884	25.1	1.8	0.0	7.3	2.4

Notes: Wealth transfer receipt statistics by within-cohort wealth decile. Amounts expressed as percentage of lifetime earnings (% LR). Conditional columns restrict to positive recipients. PSID 2001–2021, SRC subsample (unweighted), individuals aged 25–69. Baseline wealth transfer definition.

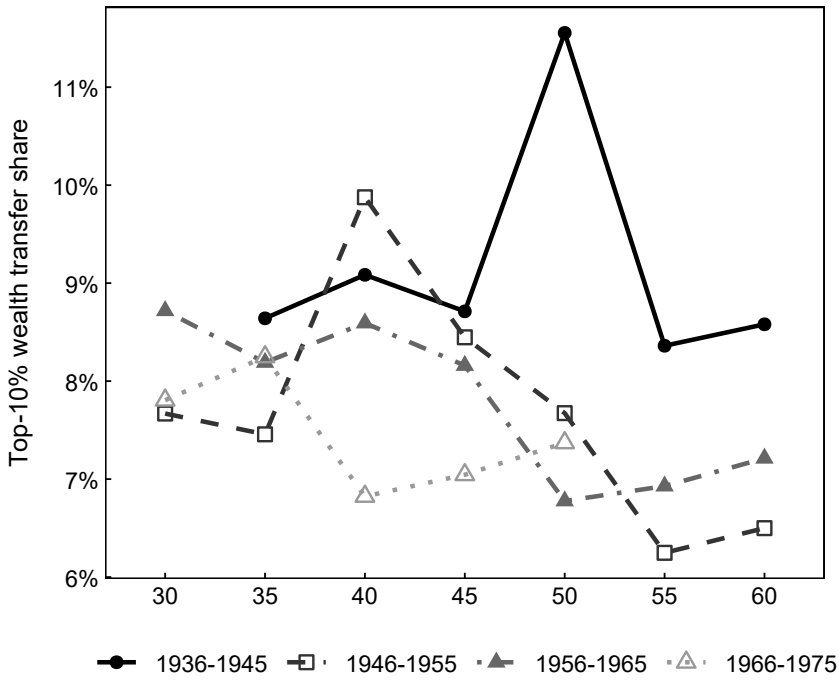
SA.J Within-cohort wealth transfer concentration

Cumulative capitalized wealth transfers are concentrated within birth cohorts. This section reports the within-cohort concentration results that complement the wealth inequality discussion in Section 4.3.

SA.J.1 Concentration over the lifecycle

The top-10% share of cumulative wealth transfers fluctuates between roughly 6 and 11 percent (Figure SA.20). It does so across the four birth cohorts and the age range 30–64. The 1936–1945 cohort shows a peak around age 50. The other three cohorts (1946–1955, 1956–1965, 1966–1975) display weaker and less monotonic age profiles. Concentration is broadly stable rather than monotonically rising.

Figure SA.20: Top-10% cumulative wealth-transfer share over the lifecycle, by birth cohort, PSID 2001–2021



Notes: Each line plots the top-10% share of cumulative capitalized wealth transfers within a birth cohort. Shares are plotted at five-year age brackets. Four cohorts: 1936–1945, 1946–1955, 1956–1965, 1966–1975. PSID 2001–2021, SRC subsample (unweighted), $N = 13,013$ individuals across all cohorts (sample size varies by cohort and age bracket). Baseline wealth transfer definition.

SA.J.2 Concentration by cohort at fixed age

Wealth transfer concentration at a fixed age bracket (55–59) is broadly similar across cohorts (Figure SA.21). The fixed-age comparison provides a cross-cohort snapshot of wealth transfer inequality at comparable lifecycle positions.

Figure SA.21: Top-10% cumulative wealth-transfer share at ages 55–59, by birth cohort

Notes: Share of cumulative capitalized wealth transfers held by the top 10% of recipients within each birth cohort. Values are evaluated at ages 55–59. PSID 2001–2021, SRC subsample (unweighted), N varies by birth cohort. Baseline wealth transfer definition.

The concentration patterns are qualitatively identical under the broad and lump-sum wealth transfer definitions (Section SA.A).

SA.K Cohort robustness

This section examines whether the wealth-transfer gradient varies across birth cohorts. I report results for three cohorts: 1936–1945, 1946–1955, and 1956–1965. Later cohorts have insufficient observations at ages 60–64 in the 2001–2021 window.

The positive gradient appears in every cohort, supporting external validity across generations (Table SA.9). Gradient magnitudes range from 38.7 to 49.6 percentage points, with all three cohorts showing large positive effects.

Table SA.9: Wealth transfer gradient by birth cohort.

Cohort group	N	Frac. D1 (%)	Frac. D10 (%)	Gradient (p.p.)	G_{ext}	G_{int}
1936–1945	651	19.2	58.0	38.7	1.45	—
1946–1955	1,432	27.7	77.4	49.6	1.51	1.69
1956–1965	635	19.6	66.2	46.6	1.31	—

Notes: Wealth transfer receipt gradient by birth cohort group. Gradient = D10 fraction minus D1 fraction. G_{ext}: extensive margin gradient ratio (D10 / mean of D5–D7). G_{int}: intensive margin gradient ratio. Baseline age bracket (ages 60-64). Baseline wealth transfer definition. PSID 2001–2021.

SA.L Income-conditional gradient

This section tests whether the wealth-transfer gradient is a proxy for income differences. I split the baseline sample into terciles of household labor income. The top-wealth-decile gradient ratio is recomputed within each tercile.

The positive gradient persists in all three income groups (Table SA.10). Measured wealth transfers flow disproportionately to wealthier individuals even after conditioning on income.

Table SA.10: Wealth transfer gradient by labor income tercile.

Income tercile	N	Frac. D1 (%)	Frac. D10 (%)	Gradient (p.p.)	G_{ext}	G_{int}
Bottom tercile	906	20.2	72.8	52.6	1.66	—
Middle tercile	903	21.5	68.0	46.5	1.39	—
Top tercile	905	—	69.1	—	1.30	1.98

Notes: Wealth transfer receipt gradient by labor income tercile. Gradient = D10 fraction minus D1 fraction. G_{ext}: extensive margin gradient ratio (D10 / mean of D5–D7). G_{int}: intensive margin gradient ratio. Baseline age bracket (ages 60-64). Baseline wealth transfer definition. PSID 2001–2021.

SA.M Counterfactual on the overall wealth distribution

The main text decomposes within-cohort wealth inequality (Section 4.3). This appendix reports the counterfactual on the overall wealth distribution, pooling all individuals aged 25–69 regardless of birth cohort.

The PSID identifies recipients but not givers. The counterfactual therefore captures only the effect of receiving wealth transfers on recipient-side wealth inequality. Pooling ages also mixes lifecycle and cohort effects.

SA.M.1 Results

I pool one observation per individual (latest wave, ages 25–69, $N = 13,013$). For each individual, I subtract cumulative capitalized wealth transfers from net worth under the two capitalization approaches. I then recompute wealth inequality indices.

Table SA.11 reports the results. Wealth transfers change the overall Gini by -0.4% under homogeneous capitalization and -0.5% under heterogeneous capitalization. A negative value means wealth transfers lower the Gini. The top-10% wealth share changes by -0.9% under homogeneous capitalization and -1.1% under heterogeneous capitalization. Both effects are small and of similar order of magnitude to the within-cohort effects in the main text (Section 4.3). Measured wealth transfers account for a small share of overall wealth inequality.

Figure SA.22 presents the percentage changes graphically with bootstrapped 95% confidence intervals.

SA.M.2 Redistribution counterfactual

The subtraction counterfactual removes all cumulative capitalized wealth transfers from recipients' net worth. An alternative, proposed by Feiveson and Sabelhaus (2018), redistributes wealth transfers equally across all individuals rather than removing them:

$$w_i^{\text{CF}} = w_i - T_i + \bar{T}, \tag{SA.3}$$

where T_i is individual i's cumulative capitalized wealth transfers and $\bar{T}$ is the sample mean (including non-recipients with $T_i = 0$). This keeps the aggregate stock of wealth transfers constant. It isolates the wealth inequality contribution of the unequal distribution of wealth transfers.

Under this redistribution counterfactual, the overall Gini changes by 4.1% (homogeneous capitalization) and 4.0% (heterogeneous capitalization). The top-10% share changes by 1.6% and 1.5%, respectively.

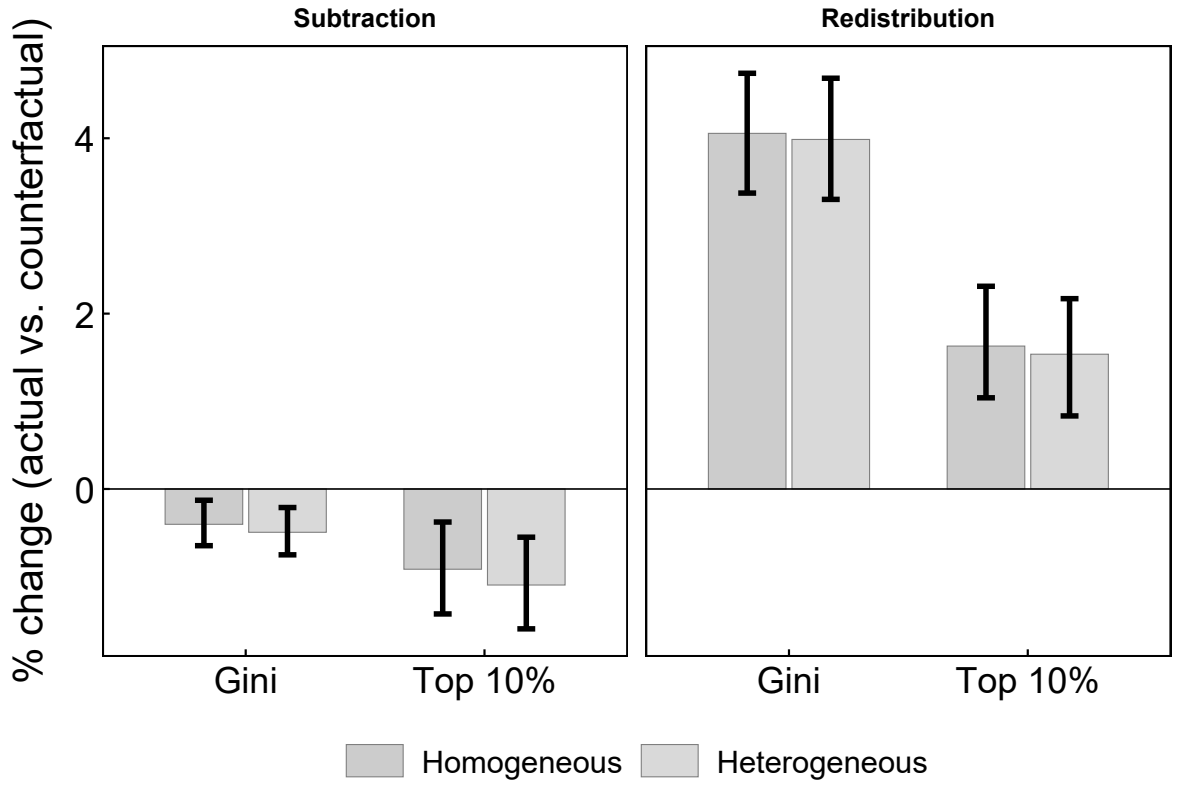
Table SA.11 reports both counterfactuals side by side. Figure SA.22 presents the percentage changes graphically.

Table SA.11: Contribution of wealth transfers to overall wealth inequality (ages 25–69).

		Counterfactual	
Measure	Actual	Homogeneous	Heterogeneous
Panel A: Subtraction counterfactual			
Gini coefficient	0.750	0.753	0.753
Top 10% share	0.609	0.614	0.615
Top 20% share	0.772	0.774	0.776
MLD (positive wealth)	1.451	1.454	1.456
% change Gini		-0.4%	-0.5%
% change Top 10%		-0.9%	-1.1%
Panel B: Redistribution counterfactual (Feiveson & Sabelhaus, 2018)			
Gini coefficient	0.750	0.720	0.721
Top 10% share	0.609	0.599	0.600
Top 20% share	0.772	0.754	0.755
MLD (positive wealth)	1.451	1.111	1.111
% change Gini		4.1%	4.0%
% change Top 10%		1.6%	1.5%

Notes: Panel A subtracts cumulative capitalized wealth transfers from net worth. Panel B redistributes wealth transfers equally across all individuals (Feiveson & Sabelhaus, 2018): $w_i^{\text{CF}} = w_i - T_i + \bar{T}$, where $\bar{T}$ is the sample mean of cumulative capitalized wealth transfers. Two capitalization approaches: homogeneous (median portfolio return) and heterogeneous (individual-specific) returns. One observation per individual (latest wave, ages 25–69). Gini and top shares computed on non-negative wealth values. MLD computed on strictly positive wealth values only. Percentage change = (actual − counterfactual) / |counterfactual| × 100. Caveat: sample contains recipients only. Givers are not identified. N = 13,013. Baseline wealth transfer definition. PSID 2001–2021.

Figure SA.22: Percentage change in overall wealth inequality indices under subtraction and redistribution counterfactuals, ages 25–69



Notes: Percentage change in the Gini coefficient and top-10% wealth share under two counterfactuals. Subtraction: net worth minus cumulative capitalized wealth transfers. Redistribution: net worth minus individual wealth transfers plus sample mean. Homogeneous and heterogeneous capitalization. Percentage change equals (actual − counterfactual) / |counterfactual| × 100. Negative values indicate that wealth transfers reduce wealth inequality, positive values that they raise it. Error bars: 95% confidence intervals from 1,000 bootstrap replications. One observation per individual (latest wave). PSID 2001–2021, SRC subsample (unweighted), individuals aged 25–69. Baseline wealth transfer definition.

SA.N Regression evidence

The descriptive gradient documented in Section 3 could reflect household characteristics correlated with both wealth and wealth transfer receipt. To test whether observable covariates account for the gradient, I estimate two regression specifications.

For the extensive margin, I estimate a logit model:

$$\Pr(T_i^{\text{cum}} > 0) = \Lambda\left(\alpha + \beta \cdot \text{WealthRank}_i + \gamma' X_i\right), \tag{SA.4}$$

where $\Lambda(\cdot)$ is the logistic function and WealthRank_i is the within-cohort wealth rank scaled to $[0, 1]$. The covariate vector X_i includes a white race indicator, log household labor income, and birth cohort fixed effects. For the intensive margin, I estimate an OLS regression of the log wealth-transfer-to-lifetime-earnings ratio on the same covariates among recipients:

$$\log(T_i^{\text{cum}} / LR_i) = \alpha + \beta \cdot \text{WealthRank}_i + \gamma' X_i + \varepsilon_i. \tag{SA.5}$$

The wealth rank coefficient on the extensive margin remains positive and statistically significant after controlling for race, income, and cohort. The intensive margin coefficient is similarly robust (Table SA.12). I do not observe education, a potentially important omitted variable. The gradient persists within income terciles (Section SA.L), so current income alone does not explain it.

Table SA.12: Regression evidence on the wealth-transfer gradient.

	Extensive margin (logit)		Intensive margin (OLS)	
	(1)	(2)	(3)	(4)
Wealth rank	2.304***	2.128***	0.365**	0.378**
	(0.149)	(0.153)	(0.155)	(0.155)
Race (white)		1.026***		0.253
		(0.165)		(0.208)
Log household labor income		0.005		-0.031***
		(0.008)		(0.008)
Cohort FE	No	Yes	No	Yes
N	2,714	2,714	1,271	1,271
AME of wealth rank	0.520	0.468		
R^2			0.004	0.021

Notes: Columns (1)–(2) report logit estimates. The dependent variable is an indicator for positive cumulative capitalized wealth transfers. Columns (3)–(4) report OLS estimates. The dependent variable is the log wealth-transfer-to-lifetime-earnings ratio among recipients. Wealth rank is scaled to [0,1]. AME: average marginal effect of wealth rank on receipt probability. Cohort FE: 10-year birth cohort fixed effects. Baseline age bracket (ages 60-64). Baseline wealth transfer definition. PSID 2001–2021. $^{***}p < 0.01$, $^{**}p < 0.05$, $^{*}p < 0.1$.

SA.O Additional robustness: top decomposition, quintile ranking, and bottom wealth decile exclusion

The baseline wealth-transfer gradient is robust to three sensitivity checks: top-tail decomposition, quintile ranking, and exclusion of the bottom decile.

SA.O.1 Top-wealth-decile decomposition

I decompose the top 20% of the wealth distribution into five-percentile bins (81–85, 86–90, 91–95, 96–100). This decomposition tests whether the top-wealth-decile gradient is driven by a few extreme observations.

The wealth-transfer gradient extends smoothly through the top of the distribution and is not driven by extreme observations (Table SA.13).

Table SA.13: Wealth transfer receipt in the top 20%: decomposition by five-percentile bin.

Bin	*N*	Receiving (%)	Mean (cond., % LR)	Median (cond., % LR)
81-85	136	65.4	10.2	4.0
86-90	116	69.8	11.0	4.7
91-95	150	66.7	11.3	4.2
96-100	133	72.9	16.5	4.3

Notes: Wealth transfer receipt statistics for the top 20% of the wealth distribution, split into five-percentile bins. Conditional statistics restrict to positive recipients. Baseline age bracket (ages 60-64). Baseline wealth transfer definition. PSID 2001–2021.

SA.O.2 Quintile-based ranking

I re-estimate the baseline analysis using five wealth quintiles instead of ten wealth deciles. The coarser binning tests whether small cell sizes drive the results.

The monotonic gradient from the bottom to the top quintile confirms the main findings (Table SA.14).

Table SA.14: Wealth transfer receipt by wealth quintile.

Wealth quintile	N	Receiving (%)	Mean (cond., % LR)	Median (cond., % LR)
1-20	515	28.5	8.0	3.0
21-40	553	32.5	9.3	3.1
41-60	559	45.4	7.1	2.3
61-80	565	57.3	8.6	3.1
81-100	535	68.6	12.3	4.2

Notes: Wealth transfer receipt statistics by terminal wealth quintile. Conditional statistics restrict to positive recipients. Baseline age bracket (ages 60-64). Baseline wealth transfer definition. PSID 2001–2021.

SA.O.3 Excluding the bottom wealth decile

I restrict the sample to individuals with wealth rank above the 10th percentile and re-rank within this restricted sample. The restriction tests whether zero- or negative-wealth households mechanically generate the baseline gradient.

The gradient persists after removing the bottom wealth decile (Table SA.15). The baseline pattern is not driven by individuals with near-zero wealth.

Table SA.15: Wealth transfer receipt excluding the bottom decile.

Wealth decile	N	Receiving (%)	Mean (cond., % LR)	Median (cond., % LR)
1-10	251	31.5	9.2	2.7
11-20	249	28.1	7.3	3.2
21-30	245	30.2	11.5	2.9
31-40	262	46.6	8.0	2.4
41-50	240	44.2	8.4	2.9
51-60	254	50.4	5.4	2.5
61-70	250	56.4	8.8	3.3
71-80	247	64.0	9.7	2.8
81-90	253	65.6	9.8	4.3
91-100	249	69.9	14.6	4.3

Notes: Wealth transfer receipt statistics excluding individuals with terminal wealth rank $\leq$ 10th percentile. Individuals are re-ranked within the restricted sample. Baseline age bracket (ages 60-64). Baseline wealth transfer definition. PSID 2001–2021.

SA.P Post-2013 wave subsample

The headline within-cohort wealth-rank gradient holds on the post-2013 wave subsample. The PSID added employer-administered defined-contribution balances, including 401(k) plans, to the wealth question in 2013 (Cooper, Dynan and Rhodenhiser, 2019). This section restricts the ages 60–64 sample to individuals whose terminal (within-bracket) observation falls in waves 2013 through 2021. Pre-2013 waves are excluded. Their wealth ranks then rest on a consistent net-worth concept across the retained waves. Cumulative capitalized wealth transfers are still summed from 1984 and lifetime earnings averaged over all observed waves, as in the baseline.

Receipt rate On the post-2013 wave subsample, the top-wealth-decile receipt rate is 72% (against 70% in the full sample). The bottom-decile receipt rate is 24% (against 24%). Both rates are within two percentage points of the full-sample baseline (Table SA.16).

Intensive margin The top-wealth-decile intensive margin is 14% of lifetime earnings, against 6–10% in deciles 1–9. The top-to-middle gap is qualitatively unchanged relative to the baseline (14% top vs 7–11% in deciles 1–9).

Table SA.16: Headline wealth-transfer gradient on the full and post-2013 wave subsamples, ages 60–64

Statistic	Full sample (2001–2021)	Post-2013 waves
Top-wealth-decile receipt rate (%)	70	72
Bottom-wealth-decile receipt rate (%)	24	24
Top-wealth-decile intensive margin (% of LR_i)	14	14
Deciles 1–9 intensive margin range (%)	7–11	6–10

Notes: Each row reports a headline statistic from the main text. The full PSID sample period covers waves 2001–2021. The post-2013 wave subsample covers 2013, 2015, 2017, 2019, and 2021. It excludes waves before the 2013 wealth-question revision that added defined-contribution balances. The intensive margin uses homogeneous capitalization ($r = \bar{r}$). PSID, SRC subsample (unweighted). Baseline wealth transfer definition.

SA.Q SCF top-tail reweighting check

The PSID does not oversample wealthy households as the SCF does. PSID wealth levels at the top are therefore systematically lower. To quantify the resulting bias in the headline magnitudes, I reweight top-wealth-decile observations wave by wave. The reweighting targets the SCF top-10% mean wealth. The procedure follows Van Langenhove (2026). Reweighting corrects under-coverage of levels in the top wealth decile, not the missing top 1% that neither survey captures.

Table SA.17 reports four headline statistics under the baseline ages 60–64 sample and after SCF top-10% reweighting. Each magnitude shifts by at most one percentage point.

Table SA.17: Headline statistics under baseline and SCF top-tail-reweighted samples

Statistic	Baseline	SCF-reweighted
Top-wealth-decile receipt rate (%)	70	71
Top-wealth-decile intensive margin (% of LR_i)	14	15
Parent-child rank-rank slope	0.46	0.47
Redistribution counterfactual: % of within-cohort Gini	6	5

Notes: Each row reports a headline statistic from the main text under two samples. The left column uses the baseline ages 60–64 sample. The right column reweights top-wealth-decile observations, wave by wave, to match the SCF top-10% mean wealth. The reweighting procedure follows Van Langenhove (2026). The intensive margin uses homogeneous capitalization ($r = \bar{r}$). The redistribution counterfactual is the within-cohort Gini effect from Section 4.3. PSID 2001–2021, SRC subsample. Baseline wealth transfer definition.

SA.R Return-cap bounds

Heterogeneous capitalization caps each individual's annualized portfolio return at $[-10\%, 50\%]$ to bound compounding factors (Appendix A.2). This section reruns the heterogeneous intensive margin under four cap-bound sets. The four are: the baseline $[-10\%, 50\%]$, a tighter floor $[-5\%, 50\%]$, a looser floor $[-15\%, 50\%]$, and a higher ceiling $[-10\%, 60\%]$. The homogeneous headline is cap-invariant: its common rate, the positive median return, never reaches either bound. Only the heterogeneous variant and the binding share respond to the bounds.

How often the cap binds At the baseline bounds the cap binds on 7.1% of recipient-years, predominantly at the lower bound. The lower bound clips the most negative realized returns. Tightening the floor to -5% raises the binding share to 15.1%, because more negative-return years are clipped. Loosening it to -15% lowers the binding share to 3.9%. Raising the ceiling to 60% barely changes it (6.4%), since few individual returns exceed 50% annually.

Intensive margin The top-wealth-decile intensive margin is stable across the four bound sets. At the baseline it is 16% of lifetime earnings. The tighter floor, looser floor, and higher ceiling give 17%, 16%, and 16%, respectively. In every case it remains well above the deciles 1–9 range (7–11% at the baseline). The top-to-middle gap that the main text emphasizes is preserved regardless of the bounds (Table SA.18).

Table SA.18: Heterogeneous intensive-margin gradient under alternative return-cap bounds, ages 60–64

Cap bounds $[r_{\min}, r_{\max}]$	Cap binds (%)	Top decile (% LR_i)	Deciles 1–9 (%)
$[-5\%, 50\%]$	15.1	17	7–11
$[-10\%, 50\%]$ (baseline)	7.1	16	7–11
$[-15\%, 50\%]$	3.9	16	7–11
$[-10\%, 60\%]$	6.4	16	7–11

Notes: Heterogeneous capitalization caps each individual's annualized portfolio return at $[r_{\min}, r_{\max}]$. Each row reruns the heterogeneous intensive margin – cumulative capitalized wealth transfers as a percent of lifetime earnings, among recipients, by within-cohort wealth decile at ages 60–64 – and the share of recipient-years on which the cap binds, under the stated bounds. Row $[-10\%, 50\%]$ is the production baseline. The homogeneous headline (not shown) is cap-invariant: the common positive median return never reaches either bound. PSID, SRC subsample (unweighted). Baseline wealth transfer definition.

References

Boserup, Simon H., Wojciech Kopczuk, and Claus T. Kreiner. 2016. "The Role of Bequests in Shaping Wealth Inequality: Evidence from Danish Wealth Records." *American Economic*

Review, 106(5): 656–661.

Cooper, Daniel, Karen Dynan, and Hannah Rhodenhiser. 2019. "Measuring Household Wealth in the Panel Study of Income Dynamics: The Role of Retirement Assets." Federal Reserve Bank of Boston Research Department Working Papers 19-6.

Elinder, Mikael, Oscar Erixson, and Daniel Waldenström. 2018. "Inheritance and Wealth Inequality: Evidence from Population Registers." *Journal of Public Economics*, 165: 17–30.

Feiveson, Laura, and John Sabelhaus. 2018. "How Does Intergenerational Wealth Transmission Affect Wealth Concentration?" *FEDS Notes, Board of Governors of the Federal Reserve System*.

Palomino, Juan C., Gustavo A. Marrero, Brian Nolan, and Juan G. Rodríguez. 2022. "Wealth Inequality, Intergenerational Transfers, and Family Background." *Oxford Economic Papers*, 74(3): 643–670.

Van Langenhove, Christophe. 2026. "Wealth Mobility in the United States: Empirical Evidence from the PSID." UGent, Department of Economics WP25/1104.