Gendered Wealth Trajectories across Union Dissolution

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Abstract

Adverse life events, such as union dissolution, can lead to an exacerbation of socio-economic inequalities. Although it is documented that wealth can act as a buffer, quantitative evidence on wealth trajectories following union dissolution is lacking. As former partners may unequally redistribute assets and liabilities, union dissolution may be a key moment in life course wealth accumulation. Using Dutch register data, we estimate the short-term effect of union dissolution on net per capita wealth trajectories using a stacked event study design. After union dissolution, women's wealth decreases while men's wealth increases. The mechanisms underlying these trends are opposite: men have an increase in *per capita* liabilities but an even larger increase in *per capita* assets, while women's decrease in assets is larger than their decrease in liabilities. Gender inequalities are mostly imputable to differences in housing assets and liabilities (mortgage), and substantial ownership in the aftermath of union dissolution. Finally, we discuss the existence of recovery channels, namely *inter vivos* gifts, which act as informal insurance for a specific subpopulation, and repartnering. For women, these recovery channels mitigate the negative and long-lasting effects of union dissolution on their wealth trajectories.

Keywords: *wealth; union dissolution; divorce; inter vivos gifts;*

JEL Classification: XX

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1 Introduction

Wealth accumulation patterns over the life cycle have been the focus of a long debate in the economic literature, in particular to disentangle the source of wealth between self-generated and inherited wealth (*e.g.* Kotlikoff (1988); Modigliani (1988)). Studies have shown that lifecycle wealth inequalities differ across generations (*e.g.* Bauluz and Meyer (2021)) and across marital histories and statuses (*e.g.* Bonnet et al. (2023); Frémeaux and Leturcq (2022)). In the context of diversifying marital histories, it is crucial to understand the extent to which adverse life events such as union dissolution might contribute to differences in wealth accumulation patterns in both the short and long term.

Adverse life events can have a long-lasting impact on earnings and wealth trajectories. They can have a direct impact on earnings trajectories, in particular through changes in individuals' labour supply capacity and changes in household labour arrangements. In addition, wealth accumulation patterns are likely to be disrupted as a result of immediate financial needs following shocks, changes in household wealth accumulation arrangements and changes in saving capacity following lasting effects on income trajectories. In the case of marital dissolution, assets once shared within couples may be unequally divided, revealing previously invisible wealth inequalities. Moreover, differences in the investment of assets within couples may lead to differences in accumulated wealth at separation.

This paper examines wealth trajectories around union dissolution and investigates whether post-divorce wealth inequalities are dampened by specific recovery channels, namely *inter vivos* gifts and repartnering. In this paper, we provide new estimates of the effect of union dissolution on wealth. We use a staggered difference-in-difference design based, using Dutch administrative data on the full universe of divorce over the 2011-2018 periods. Leveraging wealth and gifts tax records, we can decompose the effect of divorce on a rich set of margins. We first show that, following union dissolution, men increase their net *per capita* wealth, while it decreases for women on average. Differences are mostly imputable to differences in housing assets and liabilities (mortgage), and business ownership. Men keep more debts, but also a greater amount of assets following

divorce. For women, the opposite movement occurs with a decrease in liabilities, but an even greater decrease in assets. We then investigate the channels of recovery that might mitigate the effects of union dissolution on wealth. Wealth transfers in the form of *inter vivos* gifts radically change wealth trajectories after divorce. In particular, women who receive *inter vivos* gifts are more likely to retain their housing wealth *i.e.* avoid downsizing, which has a positive effect on their subsequent wealth trajectories. However, this is a very select sample of fairly wealthy individuals. A much more common route to recovery is repartnering. We show that repartnering leads to a return to baseline wealth levels three years after union dissolution. For those who do not repartner, the effects appear to persist over time.

Our paper relates and contributes to different strands of the economic and quantitative sociology literatures.

The first is the literature that examines the effect of divorce on wealth trajectories. While analyses of the effects of divorce on income trajectories are common (e.g. Bonnet et al. (2021); Leopold and Kalmijn (2024)), papers on wealth trajectories are less common. The interactions between family events and wealth accumulation are complex, as these events and wealth may influence each other. One strand of the literature therefore examines the two-way relationship between the two outcomes in a descriptive way. Killewald et al. (2023) show that wealth has a stabilising function, as wealthier couples have a lower risk of divorce. This is consistent with the buffer function of wealth, which acts as a safety net for individuals in times of crisis (Rodems and Pfeffer (2021)). But different marital trajectories also imply different opportunity structures for wealth accumulation. The literature has consistently shown, for example, that married couples earn a wealth premium, although there are gender differences within households (Kapelle and Lersch (2020); Bonnet et al. (2023)). More causal analyses have attempted to assess the direct effect of union dissolution on wealth trajectories, finding a negative effect of divorce on further wealth accumulation, often more pronounced for women (Zagorsky (2005); Goda and Streeter (2021); Kapelle and Baxter (2021); Boertien and Lersch (2021); Kapelle (2022)). Our paper relates more directly to this later strand of the literature. We make the following contributions. First, we use a staggered difference-in-difference design, which provides a more

credible source of identification than the aforementioned papers, which mostly use simple event-studies with individual fixed effects. Second, while previous studies have used survey data, we use administrative records of the entire population of divorcees in the Netherlands over the period of interest. This gives us two important advantages. First, our large sample size allows us to examine the heterogeneity of the effect across many groups, even small ones. Second, we have detailed information on the wealth category and can decompose the effects between different margins. In particular, we can analyse the effect of divorce on business wealth, which is typically not well captured in surveys and turns out to be an important determinant of the gender gap in the effect of divorce on overall wealth trajectories

Our paper also relates to the literature studying the recovery mechanisms to divorces. Secondary-earners (women in large majority) can see a deterioration of their economic situation – in terms of standard of living or wealth – in case of divorce. An important question is whether this effect is temporary (crisis effect) or permanent (scaring effect), and what are the potential drivers of such differentiated effects. We consider two channels for recovery: repartnering and parental gifts. Repartnering has been identified as a key determinant of recovery in terms of income trajectory (Bonnet et al., 2021; Leopold and Kalmijn, 2024). In terms of wealth, evidence are much more limited. Wilmoth and Koso (2002) compares wealth at older ages for different population groups and provides descriptive evidence that remarriage mitigates the negative effect of divorce on wealth. Repartnering may provide greater stability for accumulating wealth and could even reduce gender wealth inequalities through partial intra-household pooling of resources. We present additional causal evidence on the impact of repartnering on wealth trajectories. In addition to the usual insurance channels (individual, household or public), inter vivos gifts — i.e. wealth transfers from the social network (parents, more distant relatives, friends, etc.) — can act as direct extra-household insurance responses to a divorce. — can act as a direct, extra-household insurance response to divorce. Due to data constraints, such as limited sample size and access to tax records, there is limited evidence on this insurance channel in general and, in particular, in the event of divorce. Some descriptive analyses have shown that the timing of inter vivos gifts is greatly influenced by adverse life events and has sig-

nificant implications for lifetime inequalities (*e.g.* Leopold and Schneider (2011); Boileau and Sturrock (2023)). We provide more direct causal evidence of the effect of divorce occurrence on the probability to receive a gift. In terms of insurance to adverse life-events, Andersen et al. (2020) document informal insurance mechanisms in presence of various events including job loss and divorce, using Danish bank transfers data. Their outcome of interest is disposable income. To our knowledge, this is the first study to document the effect of gifts on wealth trajectories following divorce.

The rest of the paper proceeds as follows. The next section present some key features of the Dutch institutional context. Section 3 presents the data we are using and Section 4 present our conceptual and empirical frameworks. Section 5 presents the results of the effect on wealth trajectories and Section 6 describes the recovery channels. Section 7 concludes.

2 Institutional setting

Union and divorce The basic principles underlying marriage and divorce in the Netherlands are similar to other developed countries (Kabatek, 2018). No-fault divorced was introduced in 1971 and replaced the law granting divorce only on grounds of adultery, cruelty or other pre-specific issues. Registered partnership was introduced in 1998. In 2001, same-sex marriages was legalized and same-sex registered partners became eligible to marry. Conversely, between 2001 and 2009, it was possible for married couples to convert their marriage into a registered partnership. Their partnership could then be cancelled without having to go to court and thirty thousand couples separated through so-called flash divorce (Loozen and van Huis, 2010).

In the presence of children, one of the spouses may have to pay child alimony, to compensate for the costs associated with raising children, and/or spousal alimony to maintain the standard of living after the divorce.

Property regimes Over the period of interest, the property regime for marriage was a general community of property. All present and future assets belong to the community

(with exceptions of some gifts or bequests). All debts past, present and future are shared. The default property regime was changed in 2018. From January 1st, limited community of property is the default option. Only assets and debts owned jointly before marriage and all assets and debts acquired during marriage are shared (with exceptions of some gifts or bequests, and assets replacing past own/personal assets). The same rules apply for registered partnerships. A prenuptial agreement or a civil partnership agreement can alter the above-mentioned structure of property. Those agreements can be reached at any time. Around 25% of couples entered a prenuptial agreement or a civil partnership agreement. The use of prenuptial agreement falls following the 2018 reform which limited the marital community of property.

Taxation of families. A number of rules in the tax and benefit system take account of household characteristics. This means that in some cases the separation of couples can lead to important changes in the taxes paid or benefits received by individuals. Income taxes on labour income are calculated at the individual level and are therefore not directly affected by household composition. On the other hand, the eligibility and amount of some specific tax credits or benefits depend on the income level and structure of the household (single vs. couple, main vs. secondary earner, with or without children).

***Inter vivos* gifts** As in most countries, the Netherlands regulates and taxes the receipt or transfer of wealth during lifetime (*inter vivos* gifts). The applicable tax rates depend on i) the amount transferred, ii) the timing of the gift, iii) the type of property transferred, and iv) the relationship between the giver and the recipient. The annexed Table B2 gives details of the various schedules that apply.

In the general case, gifts are taxed according to a progressive schedule. Multiple gifts made by different members of the same household (e.g. both parents) are considered to have been made by the same donor and are taxed as such. Gifts made less than 180 days before the death of the donor are considered as bequests and follow the inheritance tax regime — which is similar to the gift tax regime in several respects.

There are some yearly exemptions under which gifts are not taxable. It amounts to

2.173 euros annually for a partner, and 5.428 euros for a child. For all gift tax exemptions the parents are considered as a unit, and so are the child and his or her partner. One time tax exemptions can also be claimed for children between 18 and 40 years old : 25k euros for any reason, and 50k euros for education expenses and 100k euros for housing related expenditures (purchase, loan repayment or renovation).[1]

Another exemption scheme exists for the inheritance or gift of a business. Here *business* encompasses individual companies and stocks, shares of a company possessed by several people. It is called the "business succession scheme" and can be joined on the condition[2] that the heir keeps the business afloat for at least 5 years after the gift or the inheritance. In the business succession scheme, in 2021, no tax is paid for a business up to 1.134.403 euros. Above that threshold, 83% of the value is also exonerated.

The gift tax has been reformed twice since 2010. The 2010 reform reduced the number of tax brackets to two and introduced the 50.000 euros one time tax exemption for expensive education or housing. In 2013 and 2014, the one time tax exemption was increased to 100.000 euros. It went back to 50.000 euros afterwards, until 2017, in which a new reform fixed definitively the one time tax exemption for housing back to 100.000 euros and made it independent from family ties.

3 Data

We draw on high-quality register data maintained and provided by Statistics Netherlands (CBS) covering the full population of Dutch residents. Thanks to a unique identifier assigned to each individual, we merge sociodemographic data — gender, age, migration status —, family links data with wealth and *inter vivos* gifts data at the individual level for the period 2006-2023. We recover exhaustive individual and household histories for the universe of Dutch residents within this period. Our outcomes of interests, wealth trajectories, are retrieved from administrative data on wealth tax declaration at the household level. Exact tables and variables used for further analyses are reported in table B1.

[1] Amount are reevaluated each year based on inflation, see Table B2 for the exact amounts.

[2] A secondary condition is that the donator was owner for at least a year when the business is inherited, and at least five years when it is donated.

3.1 Wealth data

Wealth data are available from 2006 onwards. They are retrieved for fiscal reasons as explained above. As the fiscal unit is the household, wealth is declared at the household level. Wealth can be decomposed between assets and liabilities. Additionally, wealth can be disaggregated between different types of assets (financial, real estate, business and substantial ownership) and liabilities (mortgage, student debt, other). This allows to track not only changes in levels of net wealth but in its composition. We adjust for inflation by converting amounts in 2015 constant euros.

3.2 Gifts data

Gifts data are reported when a tax statement is filed for the gift, which is required for any gift above the yearly exemptions or using one-time exemptions. Thus gifts below the yearly exemption limits such as small gifts of money are not covered by our data. Due to this data limitation, we tend to underestimate the direct informal financial support taking the forms of gifts, all the more for gifts of such type that they can be made repeatedly each year provided that they are below the exemption limit. The main features of the gift tax scheme are reported in table B2.

3.3 Union dissolution

We identify union dissolution according to the declared civil status of the individual[3] and construct comprehensive panels of people experiencing this shock. Civil status data tracks the marital status and notably union creation — either marriage and register partnership — and union dissolution. The union dissolution event corresponds to the declared end of a legal union at a given year in the data. If an individual knows multiple union dissolutions across the years, we focus on the first occurrence. Another pitfall of this union dissolution definition is that it fails to capture couple separations when there

[3] As we rely on civil status, the shock and its timing are defined in a legal sense. It is highly plausible that this "legal shock" is the result of a long process taking the form of an informal couple separation during the years before. A further robustness analysis will rely on tax data to identify couple separation.

was no previous legal union scheme (*e.g.* cohabitation). Henceforth, we use the terms divorce and union dissolution interchangeably to describe this event.

4 Conceptual framework and empirical strategy

4.1 Wealth concept

As wealth data are retrieved based on household tax declaration, the unit-level of wealth information is the fiscal household. We denote household wealth for individual i in household h as W_{ih}.

The process we consider, union dissolution, is highly likely to directly impact the household structure. To conceive it simply, a previous household h of two partners i and j disappears upon union dissolution and two households of one individual appear, h_i and h_j. With regards to wealth, the information available in the data will take the following form:

1. Before the union dissolution, partners i and j in the same household h will have the same net household wealth:
$$W_h = W_{ih} = W_{jh}$$

2. After union dissolution, ex-partners i and j within respective households h_i and h_j will have their respective household wealth determined by previous household wealth W_h and by the re-allocation process — as well as wealth gains and losses — following union dissolution. We will observe household wealth W_{ih_i} and W_{jh_j}. These values are not necessarily equal based on the union dissolution effect.

Note that this simple theoretical case can be informative. Assuming a positive household wealth W_h and an equal re-allocation of assets between ex-partners without wealth gains or losses, we will observe after union dissolution:

$$W_{h_i} = W_{h_j} = \frac{W_h}{2}$$

Each individual in this case will know a 50% decrease in net household wealth even

though all assets are shared equally and total wealth remains the same. We propose to adjust for that through a normalization process taking into account the household structure. This is especially important as the shock considered has a direct impact on household structure, corresponding in most cases of the splitting of preceding household into new ones of smaller sizes. We further detail our main wealth concept incorporating a normalization procedure, and what are its underlying assumptions.

One key pitfall of our data is that wealth is collected at the household level, but not at the individual one. When the household is composed of several individuals, the question of how to convert collective wealth into an individualized one lacks a clear answer (Sierminska and Smeeding (2005)). Following studies on income, different equivalence scales can be proposed which correspond to different theories on how we should adjust for household wealth scale effects. Following Frémeaux and Leturcq (2020) and Rapp (2025), we can point to two polar opposites in terms of economies of scales for wealth: (i) the access-to-wealth perspective which considers wealth as public good within the households, where each individual fully enjoy the collective wealth, *i.e.* perfect economies of scale to household wealth; (ii) the ownership perspective which considers wealth as a private good, where each individual enjoys their individual wealth only. In the first case, no equivalence scale is needed when considering household wealth across different household structures as every one shares total access to wealth. In the second case, every asset owned separately should be assigned to the owner, and for jointly owned assets, each individual should receive their asset share in wealth. A standard simplifying assumption is to consider that wealth is shared equally within households — the equal sharing assumption — so that normalized individual wealth is equal to *per capita* household wealth.

As presented above, the shock we consider, union dissolution, is likely to impact both wealth and the household structure and size. We implement a normalization procedure taking into account those who are more likely to generate and own wealth within households, namely adult individuals. This is quite similar to *per capita* household wealth, to the exception that underage individuals are not considered to impact wealth scale effects. Our main concept of individual normalized wealth is per adult wealth (henceforth referred as

per capita wealth):

$$W_{ih} = \frac{W_h}{n_{ah}} \tag{1}$$

where n_{ah} denotes the number of adults in the household.

4.2 Estimation sample

4.2.1 Sample selection

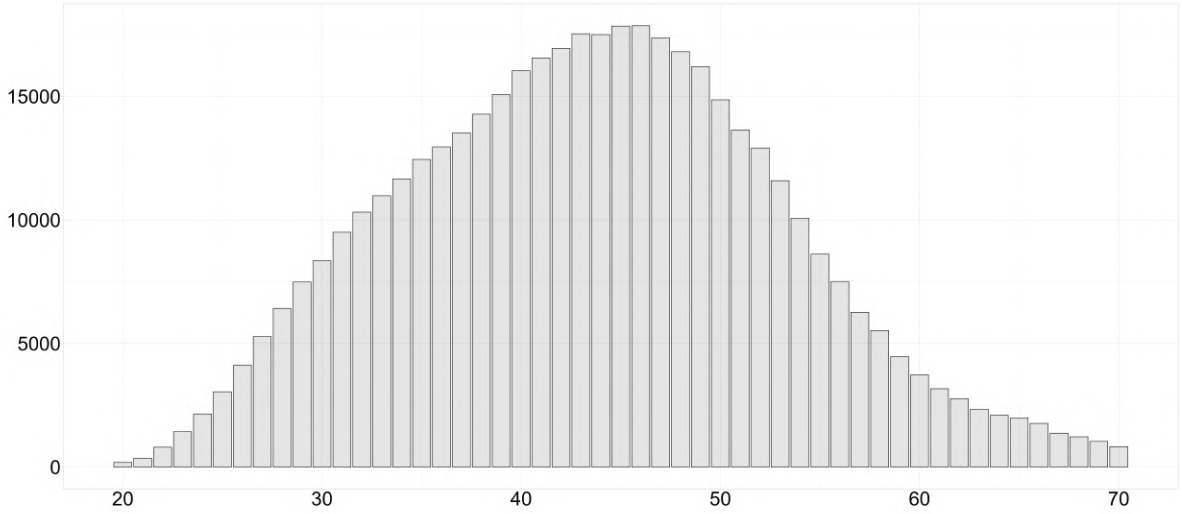
Our empirical strategy relies on the panel dimension of our observations, allowing to track the outcomes' evolutions before and after the union dissolution. We restrict the estimation sample to individuals who are shocked within the period of our wealth data availability, *i.e.* between 2006 and 2023. We define the treated estimation sample as individuals who are observed all along the chosen window around the shock, *i.e.* corresponding to a balanced panel. Notably we want to recover the outcomes from 4 years before the union dissolution to 3 years after: each treated individual must be observed consecutively at least 8 times, centred around the shock, for our main specification[4]. As we want to recover individual observations up to 4 years before and 3 years after, we restrict the treated sample to individuals shocked between 2010 and 2018. Finally, we also restrict the sample to people aged 20 to 70 at the moment of union dissolution: this provides people more likely to know shock responses via different channels: labour market responses, *inter vivos* gifts receipts from the extended family network, household re-formation, *etc*. In the end, our estimation sample is composed of 826 872 divorcees, 430 056 women and 396 816 men, and among them there are respectively 438 814, 229 798 and 209 016 treated individuals.

4.2.2 Descriptive statistics

We proceed to describe individuals entering our estimation sample. Figure 1 plots the distribution of age at union dissolution for our treated sample of estimation. As expected, union dissolutions are more common for individuals in couple between 30 and 55 years old, with a peak around 45.

[4]Robustness analyses will be carried to assess the sensitivity to the chosen window. Notably the balanced panel tends to select people who will not exit the panel, *i.e.* who will not die or migrate within the window.

Figure 1: Distribution of age at union dissolution for our treated sample of estimation.



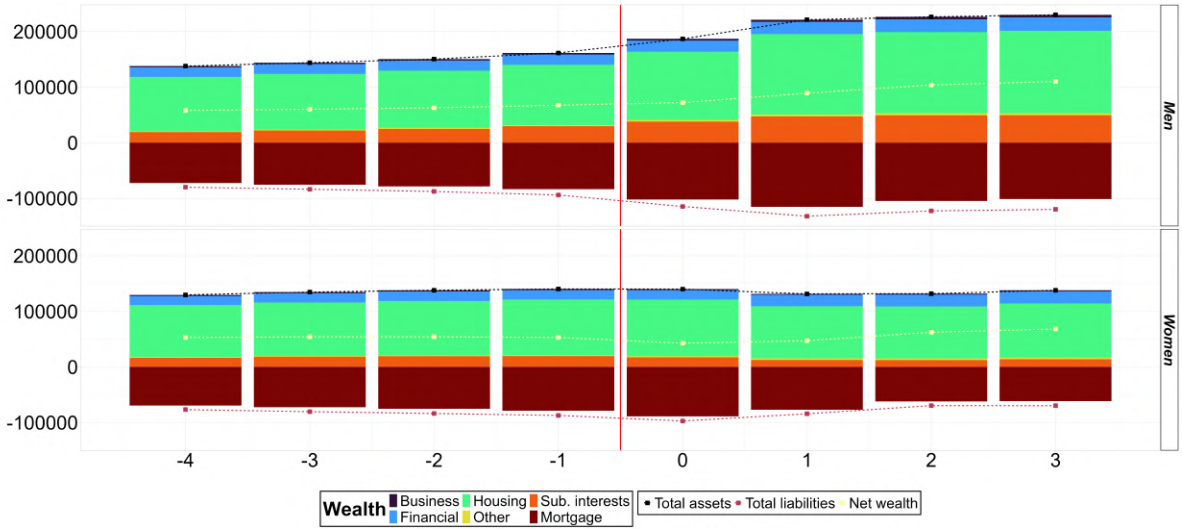
Note: Bars correspond to the number of individuals knowing a union dissolution between 2010 and 2018 by age at the shock, and for whom we observe data from 4 years before to 3 year after the shock.

Age at union dissolution has been gradually increasing between 2010 and 2018 as shown by Figure A1 in appendix. The mean age at union dissolution has increased of around 1.25 year over this 9-years period, similarly for women and men. Note also that, in accordance with age gap in couples, women tend to separate at a lower age than men: from 41.6 in 2010 to 42.9 in 2018, compared to 44.2 in 2010 to 45.5 in 2018. As wealth profiles are greatly correlated with age, differences in age at shock might matter a lot.

We also show wealth trajectories for our treated sample of estimation without controlling for any covariates in Figure 2. First of all, this graph gives a rough idea of the union dissolution effects on wealth. Without controls, net par capita wealth appears to increase following union dissolution for men, while it transitorily decreases for women before increasing a little. Also, assets and liabilities levels increase for men, while they are compressed for women after union dissolution. Finally, we can point out the differences in contribution to net wealth by wealth component. The very main wealth component for both men and women is composed of housing assets, counterbalanced by mortgage. Financial assets contribute a little to net wealth, but this is somehow of little importance. Finally, averaged substantial ownership represent a fair share of net wealth for men, especially after union dissolution, while this component is of less importance for women.

How each wealth component contributes to net wealth is better represented in Figure A2 in appendix.

Figure 2: Net *per capita* wealth decomposition around union dissolution by gender.



4.3 Empirical strategy

4.3.1 Stacked event study design

In order to estimate responses in terms of wealth trajectories to union dissolution, we propose a balanced stacked event study model following Cengiz et al. (2019), Deshpande and Li (2019) and Wing et al. (2024). This stacked model allows us to take into account the staggered nature of the treatment and to tackle problems with time-varying treatment effects if the control group is correctly specified. To avoid the problem of "forbidden comparisons" highlighted in the recent differences-in-differences literature (*e.g.* Sun and Abraham (2021)), our control group is constituted of later-treated individuals. Notably we use as controls people who are treated exactly 5 years after the treatment group, corresponding to a lag equalizing the window plus two years. This avoids our control group to appear at the same time as treated within the estimation window, thus biasing our estimates. The rationale behind using this control group is twofold: first, if selection into union dissolution is consistent across time — which is plausible for our relatively short window —, this implies that our treated and control groups are quite similar; second,

using a never-treated group as control would require to create a fictive counterfactual date of shock, which we avoid there. We rely on the assumptions that *(i)* the timing of shocks is as good as random in the considered window, and that *(ii)* in the absence of the shock, the outcomes of the control and treated groups would have evolved in parallel. The model consists in stacking multiple event study specifications[5] considered each as "sub-experiments" denoted by d and can be written as follows:

$$W_{itda} = \sum_{\substack{\tau=-4 \\ \tau\neq-3}}^{3} \delta_\tau \left(Treated_{id} \times \mathbb{1}\left\{ RTE_{td} = \tau \right\} \right) + Age_a + Date_t + \nu_{id} + \widetilde{\nu_i} + \epsilon_{itda} \quad (2)$$

where W_{it} corresponds to the considered outcome for individual i at time t, RTE_t to the relative time to the shock, $Treated_{id}$ to the treatment status of individual i in sub-experiment d, Age_a to age fixed effects, $Date_t$ to year fixed effects, ν_{id} to individual fixed effects in sub-experiment d, and $\widetilde{\nu_i}$ to individual fixed effects across sub-experiments. The coefficients of interest further reported in the paper correspond to the set $(\delta_\tau)_{-4\leq\tau\leq3}$.

We illustrate our methodology with Figure A3 in appendix. This is a purely descriptive and graphical example: we plot mean net per wealth according to the treatment status and to the date of shock. The control group consists in the 5-years-later-treated group observed for the same years as the treated group. Although the graph shows purely descriptive statistics, the rationale of the stacked event-study design is similar: once other effects such as age and years are accounted for, through the inclusion of fixed effects, the differences between our treated and control groups for each year provide our coefficients of interest, *i.e.* the dynamic effect of union dissolution on our outcome. Each year of shocked requires the definition of a specific treatment and control group, each event study yielding distance-to-event coefficients. The stacked event-study design consists in computing coefficients stacking all event studies together, making sure that the treatment and control groups are correctly defined for each one. An uncontrolled illustration is given by Figure 3 where effects would be differences in outcomes changes between the treated and control group across dates.

To give an idea of our estimation sample, we provide in Table B3 descriptive balancing

[5]This allows one individual to act both as a control and as a treated, but only in different "sub-experiments".

statistics both for the control and treated groups.

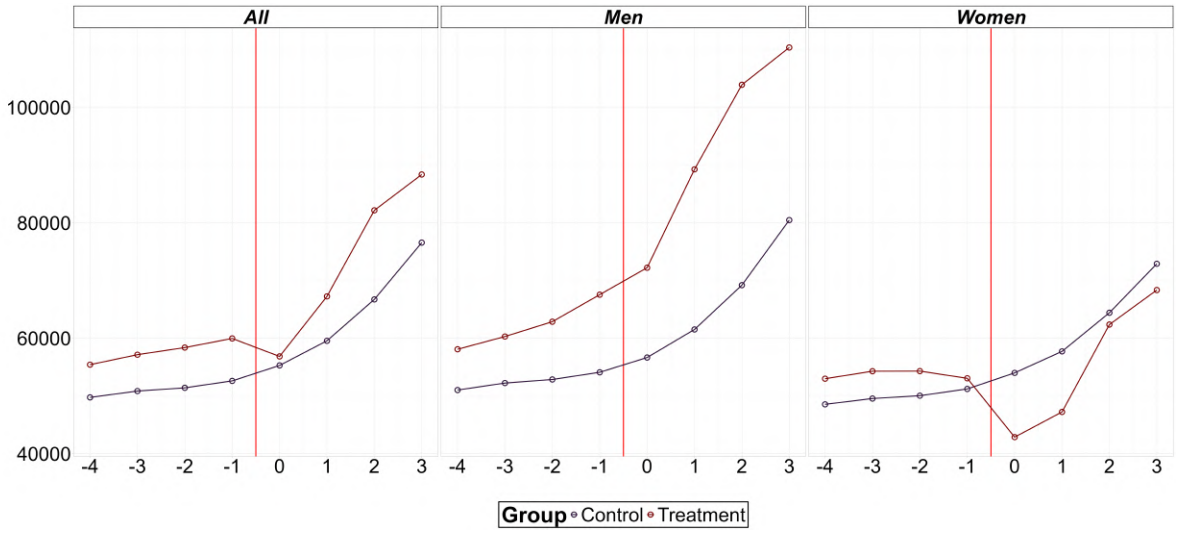
4.3.2 Parallel trends

One key assumption of our identification strategy is that in the absence of the shock, the outcomes of the control and treated groups would have evolved in parallel, the so-called *parallel trends assumption*. We can not directly test it but we can provide evidence that the assumption is plausible in our case. Figure 3 is graphical evidence supporting our assumption concerning our main outcome of interest. The plot shows mean net *per capita* wealth across treated and control groups before and after union dissolution for the treated individuals. From 4 to 2 years before, the mean trajectories for the treated and control groups evolve in parallel.

The year before union dissolution exhibits slight differences for the treated and control groups — a positive discrepancy for men, a negative one for women. We think that there are two main reasons for why we should observe discrepancies in mean net wealth evolution before the union dissolution shock: *(i)* people anticipate their union dissolution and adopt behaviours they would not have had otherwise such as dissaving, separating wealth from joint accounts, *etc.* (Kapelle and Baxter (2021)) ; *(ii)* some couples are already separated, even through the legal union dissolution is not yet pronounced, such that some treated individuals are not in the same household as they were in previous years.

Finally, at the moment of the shock and after, wealth trajectories diverge for the treated and control groups, indicating a plausible effect of union dissolution, even when uncontrolled for other effects.

Figure 3: Stacked differences in mean net *per capita* wealth for control and treatment groups.



Note: The red vertical line corresponds to observed union dissolution for the treated group.

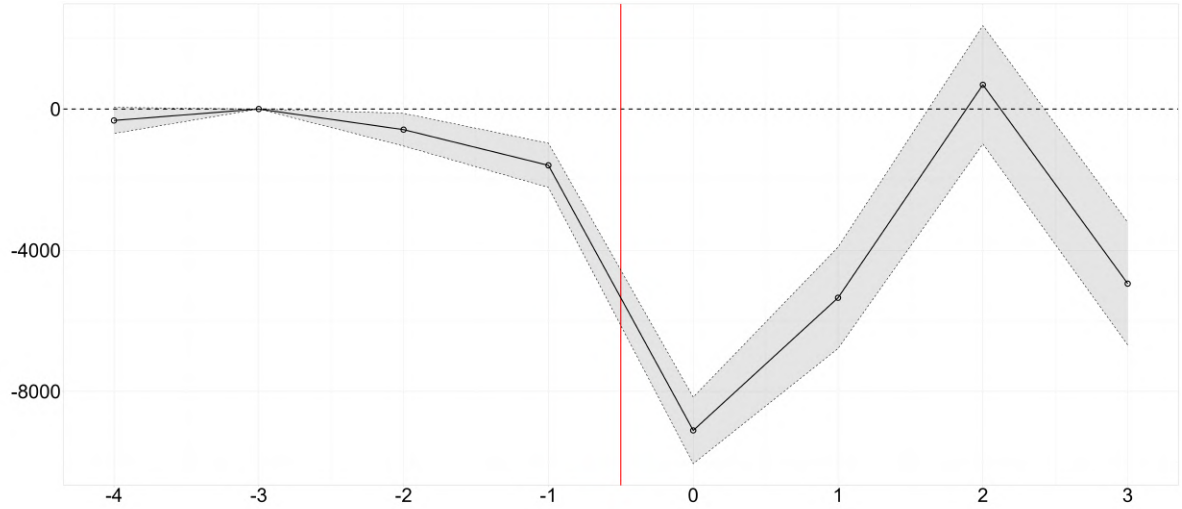
5 Impact of union dissolution on wealth

5.1 Main results

Figure 4 reports the estimated effect when considering all divorcees. A clear decrease in wealth happens at union dissolution with an average wealth loss of around EUR $9\,100$ in $t = 0$, and of EUR $5\,350$ in $t = 1$. As mean wealth 3 years before union dissolution is approximately equal to EUR $57\,000$, this corresponds to a relative drop of 16% ($t = 0$) and 9% ($t = 1$) directly following union dissolution. We show in Figure A4 in appendix how this effect on *per capita* wealth can be decomposed between effects on household wealth and on household structure. Household wealth begins to decrease in the year preceding union dissolution (around EUR $9\,700$ decrease) and drops sharply after (EUR $40\,900$ and EUR $63\,500$ decreases in $t = 0$ and $t = 1$ respectively). At the same time, the effect on the number of adults in the household follows the same pattern, with a decrease up to 0.8 adult on average following union dissolution. Thus, the effect of union dissolution on *per capita* wealth depends on effect on household wealth relatively to the change in household structure.

This drop in wealth appears nevertheless to be transitory as estimates 2 to 3 periods after union dissolution return to an effect size close to 0. Note also that the wealth drop begins in years preceding union dissolution. This might arise because previous partners are on the verge of separating and tend to accumulate less wealth: notably this might reflect the collapse of a couple wealth premium documented in the literature (*e.g.* Lersch (2017b); Bonnet et al. (2023)) preceding union dissolution. This might also reflect the fact that some people are already separated — though not in a legal sense.

Figure 4: Estimated effect of union dissolution on net *per capita* wealth.



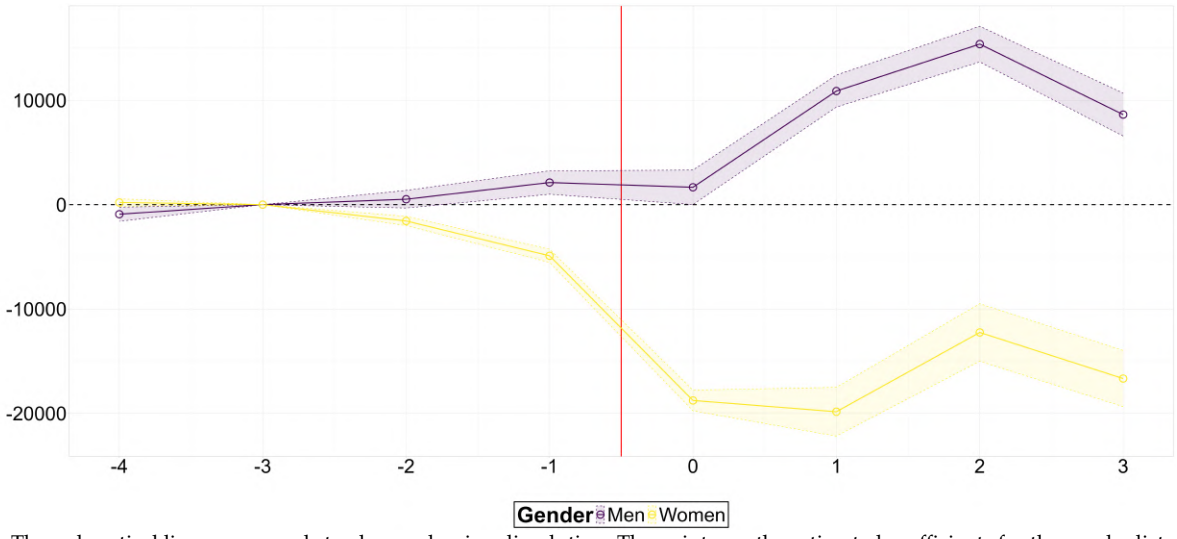
Note: The red vertical line corresponds to observed union dissolution. The points are the estimated coefficients for the yearly distance to the shock according to the main specification with 95% confidence bands shaded.

Works have been describing within-couple wealth inequalities *e.g.* Frémeaux and Leturcq (2020) in the case of France. Upon union dissolution, assets previously observed as shared assets of the couple might be reallocated unevenly between ex-partners based on their previously individually-owned assets and their shares in jointly owned assets. Differences regarding assets ownerships within couples have been documented to be strongly gendered, and even the reallocation process could be in some ways detrimental to women (Bessière et al. (2023)). Therefore, we provide the estimated effects considering gender heterogeneity[6].

[6]Gender heterogeneity does not correspond exactly to distinguishing between separated individuals due to the presence of same-sex couples and individuals whose spouse are outside of the sample. As same-sex couples are likely to be more equal than heterosexual couples, we are confident that gender differences

Gendered effects of union dissolution on wealth trajectories are shown in Figure 5. Effect differences according to gender are quite striking. Men know a huge increase in their net *per capita* wealth, up to EUR 15 400 two years after the union dissolution and around EUR 10 800 and EUR 8 600 respectively in the first and third years. With a mean wealth of EUR 60 300 tree years before union dissolution, the relative increase in $t + 2$ amounts to 26%. The effect persists at least until three years. On the other hand, women experience on average a huge decrease in wealth directly following union dissolution: this corresponds to a loss of around EUR 18 750 and EUR 19 850 in the union dissolution year and the one following, and this effect seems to persist at leat until 3 years after union dissolution. The mean wealth of women three years before the shock amounting to EUR 54 300, this corresponds to a relative loss of 37% of their net wealth. Previous results considering the whole sample indistinctly were masking very different opposite trajectories.

Figure 5: Estimated effects of union dissolution on net *per capita* wealth according to gender.



Note: The red vertical line corresponds to observed union dissolution. The points are the estimated coefficients for the yearly distance to the shock according to the main specification with 95% confidence bands shaded.

One could expect that there are systematic gendered differences in household structures following union dissolution, mechanically driving our results through the normalization procedure. Figures A5 and A6 report respectively the union dissolution effect on

further retrieved are a conservative estimate of the effect of union dissolution on previous heterosexual couples.

number of individuals and number of adults in the household. As shown by Figure A5, following union dissolution, individuals end up in households with fewer individuals. But this is different across men and women, as men know a decrease in household size of around 1.4, whereas it is of around 0.9 for women. This difference is driven solely by underage children, as Figure A6 shows it. Indeed, when considering the effect of union dissolution on the number of adult individuals, there is no gender difference with a decrease of around 0.8. After the union dissolution, children end up more systematically in the new household of their mother than their father. As our main outcome is net *per capita* wealth, the results are not driven mechanically by gendered changes in household composition, even though these differences may exert constraints on women, indirectly impacting their wealth accumulation.

5.2 Mechanisms

Strikingly, the effects of union dissolution on net wealth are driven by opposite movements for men and women as shown by Figure 6. Men know an increase in overall liabilities up to EUR $37\ 100$ in the year following union dissolution (negative wealth effect), but they also experience on average an even greater increase in total assets up to around EUR $48\ 000$ (positive wealth effects). Both effects on assets and liabilities are decreasing in magnitude across years, leaving a positive net wealth effect. On the other hand, women observe a decrease in their liabilities corresponding to an increase in wealth up to EUR $26\ 000$ two to three years after the union dissolution, but they also know an even more drastic decrease in assets (EUR $42\ 750$ loss 3 years after the shock). The short-term effect retrieved here leaves a limited place to wealth accumulation after the shock. Most probably, the opposite wealth movements for women and men mirror an household wealth reallocation process that is detrimental to women on average.

Figure 6: Decomposition of the effects of union dissolution on net *per capita* wealth between effects on assets and liabilities according to gender.

Note: The red vertical line corresponds to observed union dissolution. The points are the estimated coefficients for the yearly distance to the shock according to the main specification. Black solid lines correspond to effects for net wealth. Assets and liabilities effects are presented as wealth effects *e.g.* a decrease in liabilities is represented as a positive wealth effect.

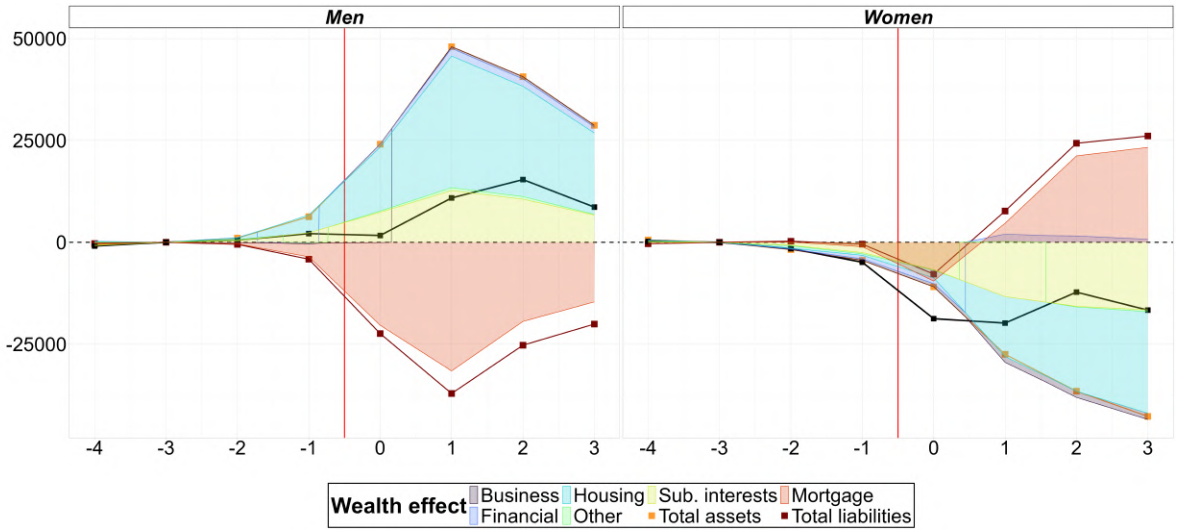
Divorce acts as a "moment of truth" (Bessière et al. (2023)) that may reveal pre-existing inequalities that were hidden under the household unit. Depending on how each spouse was previously able to enjoy the wealth of the other spouse, the inequalities arising with union dissolution may have actually been more or less experienced. For instance, when thinking of housing assets such as the main residence, even though this might be unequally distributed after the union dissolution based on asset shares, the enjoyment of this wealth as collective good during the union period might be a reasonable assumption.

This result is in line with previous studies showing that wealth is not a fully pooled resource within couple, and that intra-household wealth inequalities matter to understand these dynamics (*e.g.* Lersch (2017a); Frémeaux and Leturcq (2020)). We further document how the retrieved net wealth effects result from changes in levels as well as composition of wealth. Figure A7 in appendix documents the trajectories in housing wealth (housing assets and mortgage). Similar trends as for total assets and liabilities exist when considering housing assets and mortgage. Slight differences are that women return to the baseline in terms of housing wealth two years after union dissolution (*via* a decrease in assets and mortgage), and that men experiment a transitory decline in housing wealth at the moment

of the union dissolution (*via* a greater increase in mortgage than the increase in housing assets).

The full decomposition of the net wealth trajectory between its wealth components is rendered in Figure 7. As expected housing wealth plays the major role. But another component that matters on average and that has opposite effects for men and women is substantial ownership. Following union dissolution, we identify that men gain wealth through individual ownership of substantial ownership, while women mostly lose wealth of this type that was previously considered shared between the spouses. This component is what drives the most important gender differences in wealth trajectories.

Figure 7: Decomposition of the effects of union dissolution on net *per capita* wealth between effects on various wealth components (assets and liabilities).



Note: The red vertical line corresponds to observed union dissolution. Colored areas correspond to the estimated coefficients for the yearly distance to the shock according to the main specification for each wealth component. Orange, dark red and black solid lines correspond respectively to effects for total assets, total liabilities and net wealth.

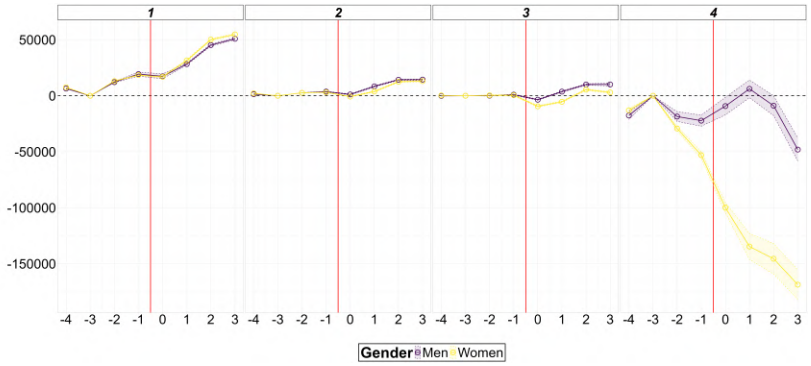
Becker-style models suggest that couples earn income and wealth gains to specialization. But this specialization may lead to strongly gendered investments in terms of goods and assets, that leaves place to gender inequalities in wealth upon union dissolution. Men, often with the greatest incomes within couples, tend to invest in lasting assets yielding returns and providing a safety net, while women invest more in daily spending and non-lasting goods.

5.3 Heterogeneity

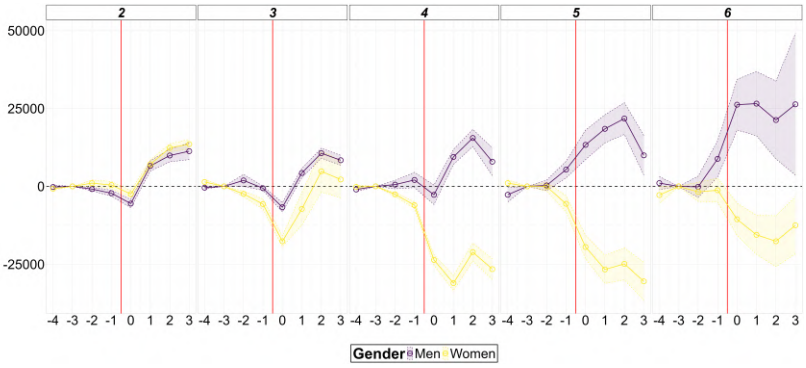
We complement our main results by investigating some heterogeneity dimensions, namely heterogeneity by *per capita* wealth quartile before the shock, by age at shock and by the presence of child(ren) or not. Results are presented in Figure 8.

Figure 8: Estimated effects of union dissolution on net *per capita* wealth by subgroup.

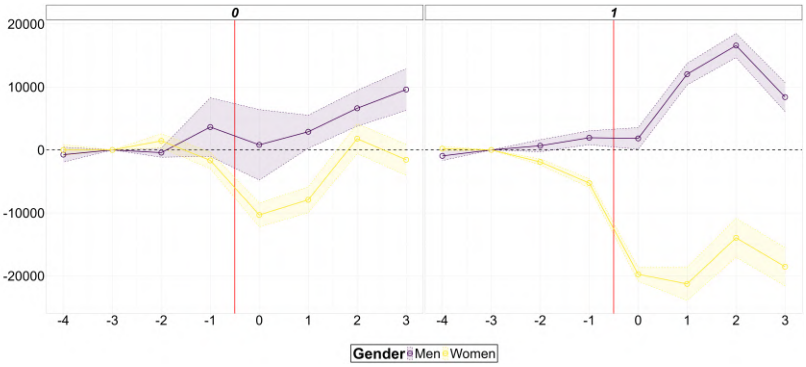
(a) By wealth group.



(b) By age at union dissolution.



(c) With and without child(ren).



Pre-wealth. We compute estimates according to previous levels of net *per capita* wealth (by quartiles) in $t-3$. To account for the fact that age and wealth accumulation are highly

correlated, the quantiles are cohort quantiles: we compute wealth quantiles for each year of birth (cohort). Effects of union dissolution vary greatly according to the previous wealth level. Notably, union dissolution corresponds to a positive effect for the first and second quartile. Nevertheless, effects for the first quartile follow a trend prior to the shock occurrence. Several things can happen there. First, we might capture in the first quartile individuals who get into debts because they are able to do so, then investing into large value assets (*e.g.* a mortgage to invest in the main residence). In this case, this would not actually capture only poor individuals but a share of people who has a strong dynamic of wealth accumulation. Second, this heterogeneity dimension is restricted on its bounds and is defined based on the household structure: at a precise point in time, for the lower (resp. upper) quartile, we might over-select people at the bottom (reps. top) of their wealth trajectories due to contextual factors such as shifts in the number of registered adults in the household. This might partly explain the very diverging trends for the lower and upper quartile. These trends are still informative: as we select on wealth before the shock, we mostly consider *per capita* wealth of the couple. As wealthy couples might be so more due to men's assets, the absolute drop in *per capita* wealth is the most important for women previously entering the upper quartile. Figure A8 in appendix documents which wealth components are the most affected following union dissolution. Within the upper quartile, a large share of the effect is borne by effects on housing assets and substantial ownership. This is consistent with the distribution of wealth components across wealth quantiles in the Netherlands (see for instance Figure 10 in Leenders et al. (2023)). Average effects disproportionately reflect effects borne by previously wealthier couples, who also exhibit the more unequal trajectories in terms of gender.

Age at union dissolution. Age at union dissolution is separated in decades, from individuals knowing a divorce in their 20s to those having it in their 60s. As individuals are younger (20s and 30s), union dissolution appears as a transitory shock with a return to baseline levels not long after the shocks. For individuals who separate for the first time at older ages (40 and above), effects on net *per capita* wealth are of greater magnitude and increasing with age, and more gender unequal: positive for men, negative for women.

Also, these effects are more long-lasting than at younger ages. Even though higher ages are not equivalent to more years spent in couple, it is probably highly correlated. As people grow older in couples, they accumulate more as a common household, which is reallocated unequally following union dissolution. As there appears to be within-couple wealth inequalities, a greater time in couple triggers more unequal wealth trajectories in terms of gender[7].

Child(ren). Effects on individual with (child=1) and without children (chid =0) unveil a new dimension to understand the magnitude of the effects. Indeed, fathers gain more wealth in absolute terms than non-fathers following union dissolution while mothers lose more than non-mothers. This is due to the fact that couples with children had probably more couple time on average to accumulate wealth — in an unequal manner. Another channel contribution to these differences in magnitude is driven by "penalties" faced by mother around childbirth and after. Motherhood wage penalties are well-documented, and it has been shown that there also exists a motherhood wealth penalty, largely stemming from disruptions known in the working career (Lersch et al. (2017)). For mothers, union dissolution effects cumulates with negative of childbirth on wealth.

6 Recovery channels

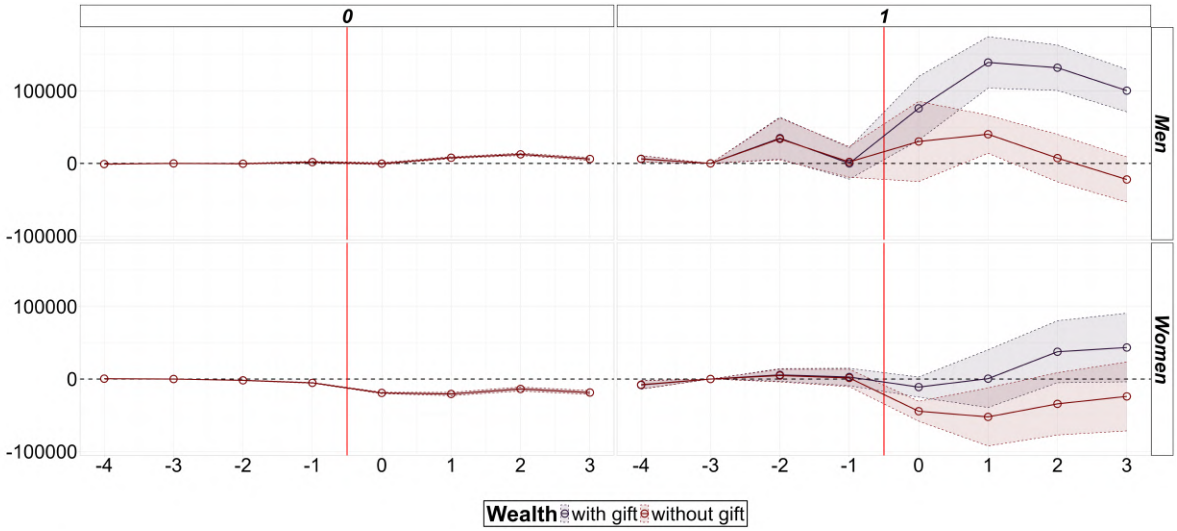
We document that union dissolution can drastically change wealth trajectories, especially for women. The magnitude of the shock seems to depend largely on individual and household characteristics, and some populations are more exposed to the risk of a long-lasting drop in their net *per capita* wealth (*e.g.* single mothers). We investigate whether recovery channels exist (either directly in response to union dissolution or indirectly) that mitigate the impact of union dissolution on wealth ownership. We propose two main channels for now: *inter vivos* gifts and repartnering.

[7]We did not try yet to disentangle age, time spent in couple and generation effects. As individuals within couples grow older, they might have more time for an unequal accumulation. But it is also plausible that older generations were more unequal in terms of wealth and incomes, so that time spent in couple for younger generation might not lead to the same lever of wealth gender inequalities.

6.1 *Inter vivos* gifts

Family-related events can trigger responses in terms of wealth transfers from the extended social network, and mostly from parents (Leopold and Schneider (2011); Boileau and Sturrock (2023)). As wealth can act as a safety net during periods of crisis by providing resources to smooth consumption for instance (*e.g.* McKernan et al. (2016); Rodems and Pfeffer (2021)), a direct transfer of wealth might change a long-lasting shock into a transitory one. We document in Figure A9 *inter vivos* gift responses directly following union dissolution — 0 to 2 years after union dissolution. The gift response following the shock corresponds to an average response of EUR 1 200 when estimated on the full population. When restricted to people receiving gifts, the effect amounts to around EUR 50 000. This means that the extensive margin — people receiving gifts directly in response to union dissolution — is quite small, but the response for this subpopulation is quite large. Indeed, the subpopulation of gift receivers is highly selected as shown in Table B3 in appendix. Gift receivers do not differ by sociodemographic variables, but they are way wealthier than the non-receivers.

Figure 9: Effect of union dissolution on net *per capita* wealth, with and without gift.

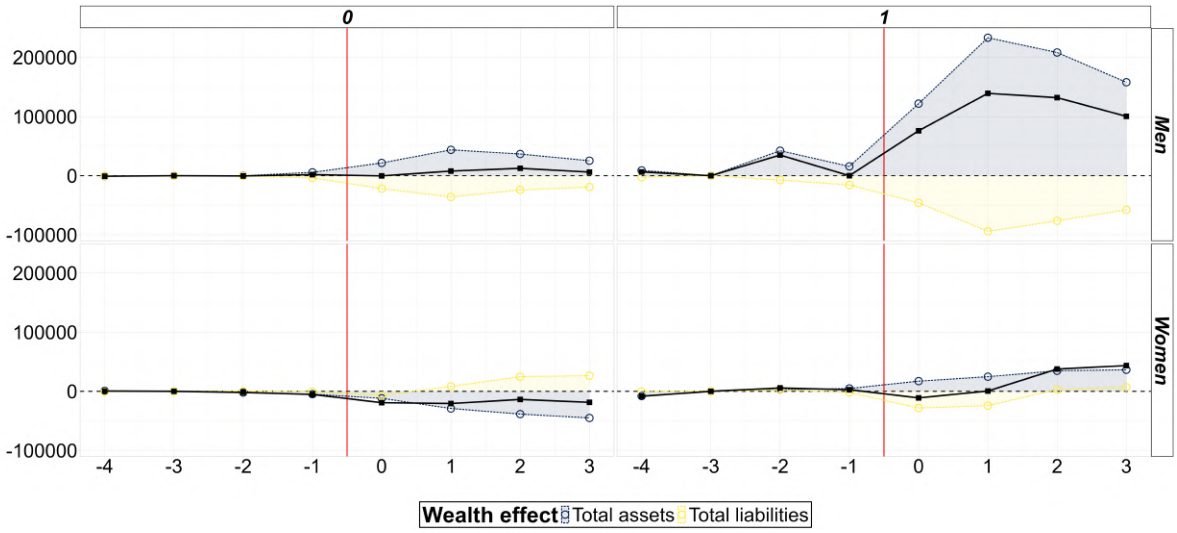


Note: The red vertical line corresponds to observed union dissolution. The points are the estimated coefficients for the yearly distance to the shock according to the main specification, with 95% confidence intervals shaded. Panels distinguish between those whose receive gifts in response to the shock (gift response = 1) and those who do not (gift response =0). The difference between the red and blue wealth trajectories corresponds to the magnitude of the wealth transfer recovery channel.

We present in Figure 9 wealth trajectories depending on if people receive *inter vivos*

gifts (gift response = 1) or not (gift response = 0). We further implement a gross decomposition approach, taking out the gift amount from net *per capita* wealth[8]. The difference in effects between wealth and wealth without gifts corresponds the size of the wealth transfer recovery channel under the assumption of no behavioural adjustments. For men, our decomposition yields an approximate difference of EUR 100 000. When we consider wealth without gifts, the effect of union dissolution returns to a null effect 2 to 3 years after, indicating that the wealth transfer acts as huge boost to the wealth accumulation. For women, the wealth transfer recovery channel amounts to around EUR 65 000, shifting the union dissolution effect on net *per capita* wealth trajectory without gift from a negative value (between EUR 20 000 and EUR 30 000 decrease) to a positive one (around EUR 40 000 increase). Women receiving *inter vivos* gifts in the aftermath of the union dissolution shock recover more than their counterparts who do not.

Figure 10: Effect of union dissolution on assets, liabilities, and net *per capita* wealth according to gift receipt.



Note: The red vertical line corresponds to observed union dissolution. The points are the estimated coefficients for the yearly distance to the shock according to the main specification. Panels distinguish between those whose receive gifts in response to the shock (gift response = 1) and those who do not (gift response =0). Black solid lines represent the effect on net *per capita* wealth.

We further decompose the wealth effects according to gender and gift receipt in Figure

[8]Note that this counterfactual wealth without gift does not necessarily reflect exactly the wealth that would have an individual had he not received the gift: returns on transferred wealth are not included, and we do not account for behaviours adjustments following the receipt of a gift — *e.g.* changes in consumption and savings patterns. This counterfactual wealth without gift corresponds to counterfactual wealth under the assumption that there is no change in wealth-related behaviours.

10. Gifts enable to keep or acquire more assets while bearing larger liabilities on average — conducting to a positive net wealth effect. Strikingly, women who receive gifts differ greatly from those who do not: they know an increase in assets and a null effect for liabilities, while women who do not receive gifts know a decrease in both assets and liabilities. In this regard, women receiving gifts resemble more men without gifts. These wealth transfers enable to continue bearing a large debt, and notably mortgage[9]. It is highly likely that gifts are done to keep the main residence[10] and avoid downsizing, while women who do not receive are unable to keep it. Around union dissolution, individuals face dramatic instability in terms of incomes, residential trajectory and economic opportunities with long-lasting consequences (Johnston et al. (2025)). We document this instability for wealth and show that gifts provide stability by increasing assets and enabling to keep bearing debts. Nevertheless, this recovery channel concerns a very selected subpopulation.

6.2 Repartnering

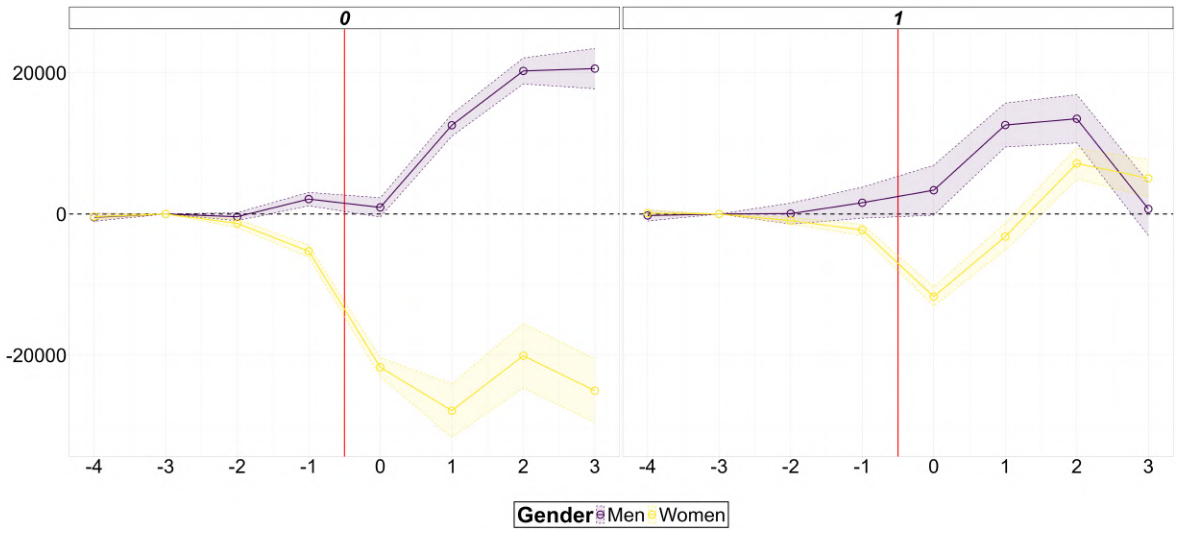
Another option to limit the economic consequences of union dissolution is repartnering. In terms of income or standard of living, repartnering is an important channel to limit the drop in disposable income following union dissolution for secondary earners (*i.e* women on average). Leopold and Kalmijn (2024) shows that the probability of income recovery (defined as a limited drop in equivalized post-tax income) increased by around 25% for repartnered women. We analyse how repartnering affects wealth trajectories by splitting our sample in two different groups: individuals who are in couple (not necessarily married or registered partner) at least one year in the three years following the union dissolution, and individuals who are never in couple over this period. For men (resp. women), repartnering as we defined occurs in 40% (resp. 33%) of disunions. Repartnering therefore occurs less than half of the time, and is relatively more frequent for men than for women.

[9] We document the effect of union dissolution on each wealth component according to gender and gift receipt in Figure A10 in appendix. The main channels through which differences arise are housing assets and liabilities, and substantial ownership as already documented above.

[10] A specific type of gift was designed for main residence purchase or related costs between 2013 and 2014.

Figure A11 in appendix presents how the estimated probability of being in a couple evolves around divorce for the two groups. As expected, we observe that for the first group (repartnering = 0), the share individuals in couple goes from 0 to 1 with the divorce. For the second group (repartnering = 1), we observe a smaller initial drop in the probability of being in a couple, which then progressively increases. In t+3, around 75% of divorces couple of this group are in couple. Those patterns directly translate into differential effect of divorce on wealth trajectories, as presented in Figure 11. We observe that, for individuals who find another partner, wealth *per capita* converges towards its initial level three years after the divorce. This suggests that, in case of repartnering, divorce only have transitory and short-term effects on wealth accumulation. On the contrary, in the absence of repartnering, we observe large and long-lasting changes in wealth trajectories (large increase for men and a large decrease for women), in line with the effects we observe for the full population in Figure 5. This is consistent with the fact that the no-repartnering case is the more frequent one, hence the overall results are more driven by this category of the population.

Figure 11: Effect of union dissolution on net *per capita* wealth, with and without repartnering.



7 Conclusion

In this paper, we provide new estimates of the short-term effect of union dissolution on net *per capita* wealth based on Dutch register data. Following union dissolution, men increase their wealth (26% increase of their pre-divorce wealth), while it decreases for women on average (37% decrease). Men keep more debts, but also a greater amount of assets following divorce. For women, the opposite movement occurs with a decrease in liabilities, but an even greater decrease in assets. Gendered differences are mostly imputable to gendered inequalities in housing assets and liabilities (mortgage), and substantial ownership in the aftermath of divorce. We interpret this as evidence that women downsize more than men, with men more regularly able to keep housing assets that were previously enjoyed by both partners. Heterogeneity analyses suggest that, the more time spent in couple and the wealthier, the more room there is for unequal gender wealth trajectories after union dissolution.

We also investigate recovery channels that could mitigate the effects of union dissolution on wealth. Wealth transfers in the form of *inter vivos* gifts change radically the wealth trajectories in the aftermath of a divorce. As union dissolution generates socioeconomic disruptions, *inter vivos* gifts provide stability by increasing assets and enabling to keep bearing debts. Especially, women who receive *inter vivos* gifts are more able keep their housing assets *i.e.* avoid downsizing, leading to a positive effect on their further wealth trajectories. This effect lasts for at least three years, suggesting that wealth transfer around a shock might positively affect economic trajectories in a long-lasting fashion. This concerns nevertheless a very selected sample of quite wealthy individuals. A more common recovery channel consists in repartnering. We show that repartnering leads to returns to baseline wealth levels three years after union dissolution, such that the effects are only transitory. For those who do not find another partner, effects appear to remain over time, which should be especially detrimental to women.

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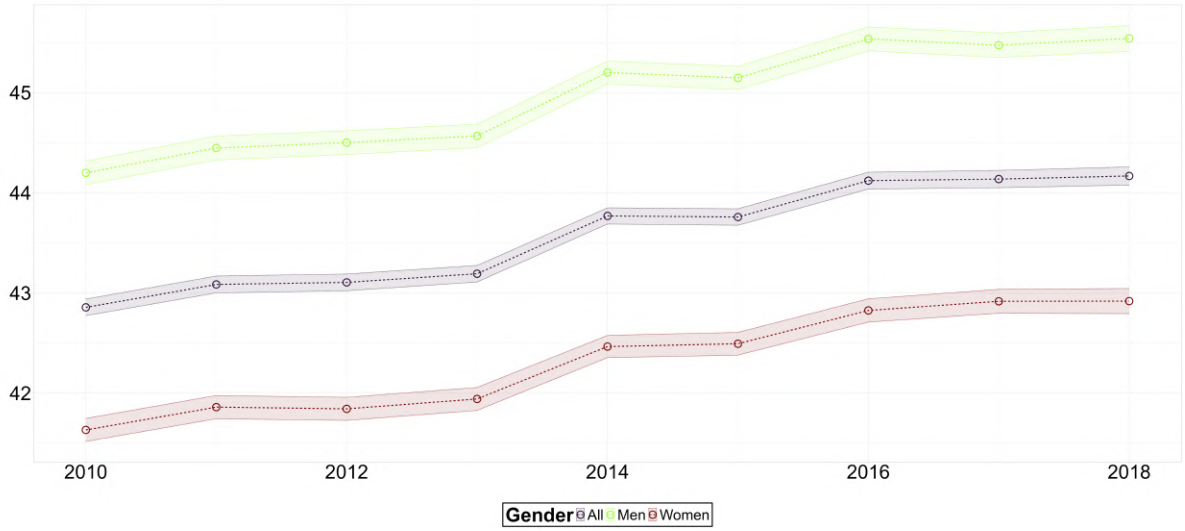
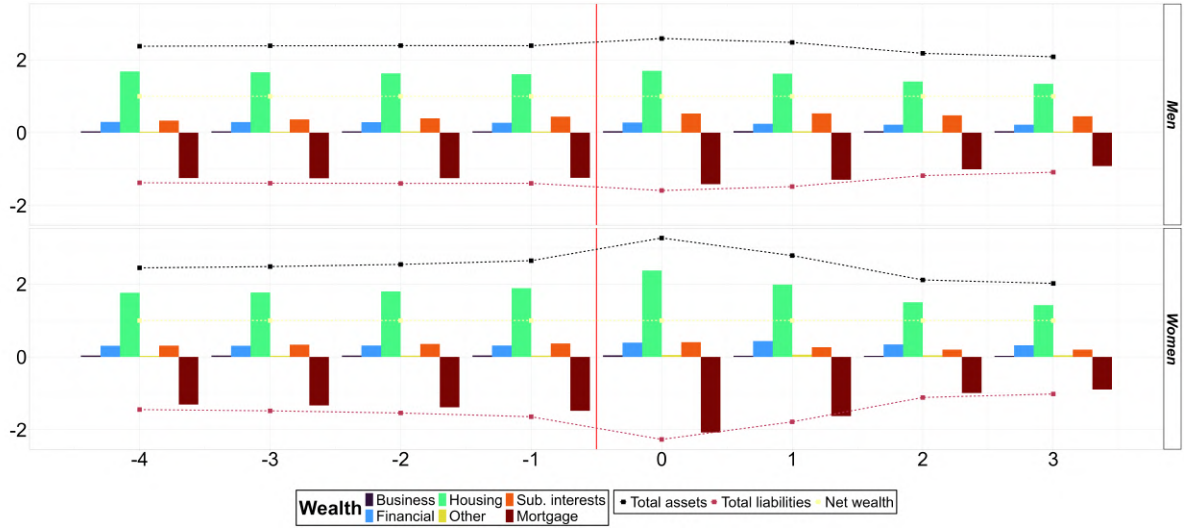
A Additional figures

Figure A1: Mean age at union dissolution by year of union dissolution according to gender.



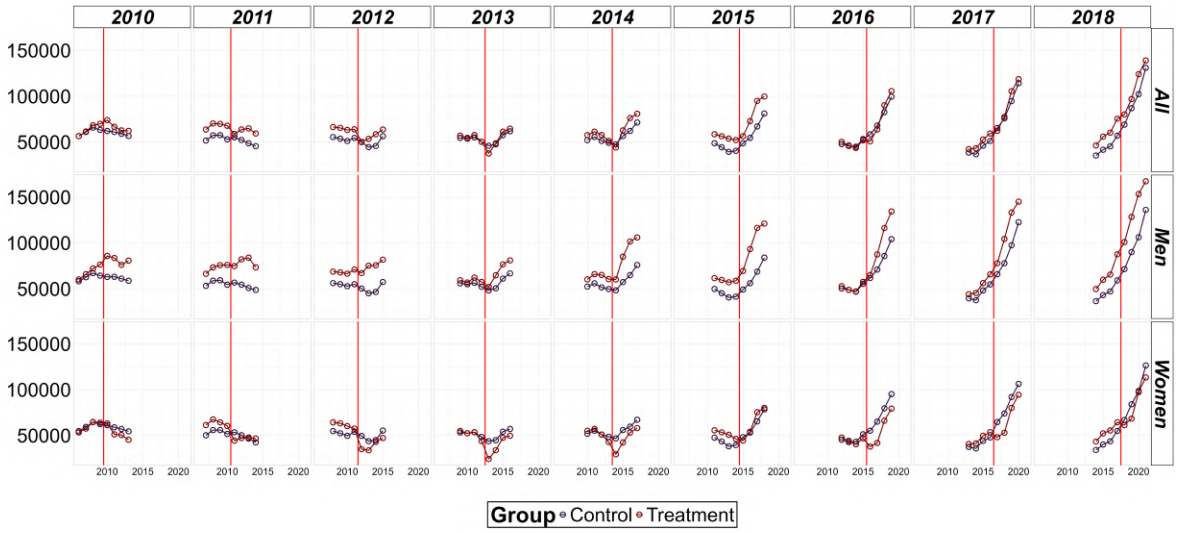
Note: Shaded areas correspond to 95% confidence intervals.

Figure A2: Net *per capita* wealth components' share decomposition around union dissolution by gender.



Note: Every wealth component is normalized to net wealth so that distance to the event tracks changes in shares of wealth components but not in absolute levels.

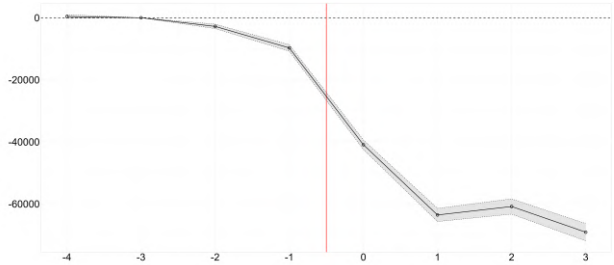
Figure A3: Differences in mean net *per capita* wealth for control and treatment groups according to union dissolution date.



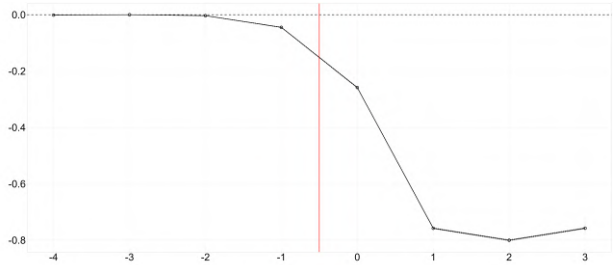
Note: The red vertical line corresponds to observed union dissolution for the treated group.

Figure A4: Decomposition of the union dissolution effect on *per capita* wealth between effects on household wealth and on household structure.

(a) Effect on household wealth

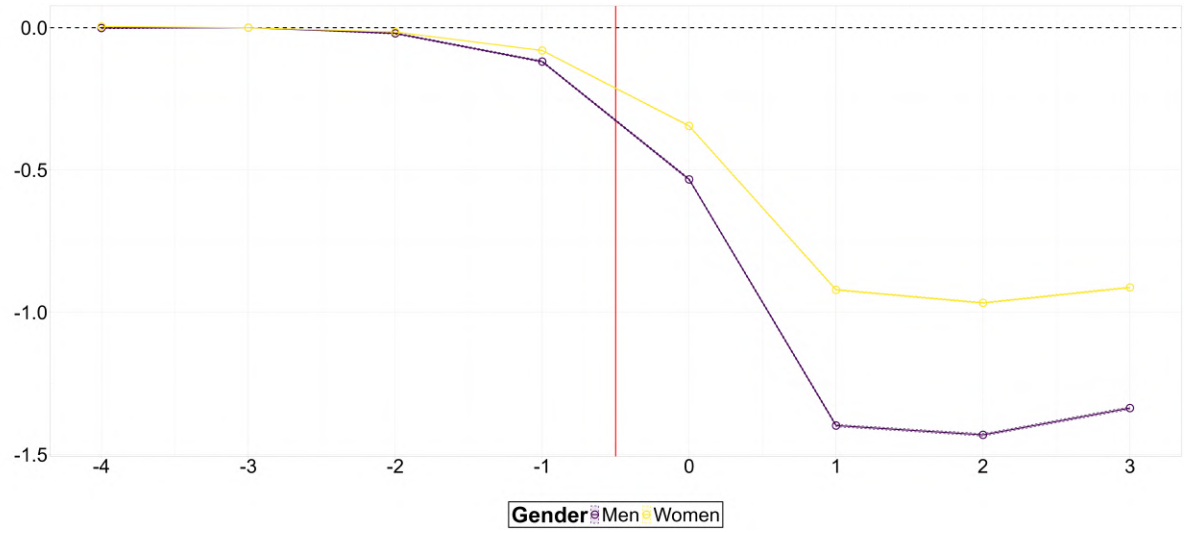


(b) Effect on number of adults in the household



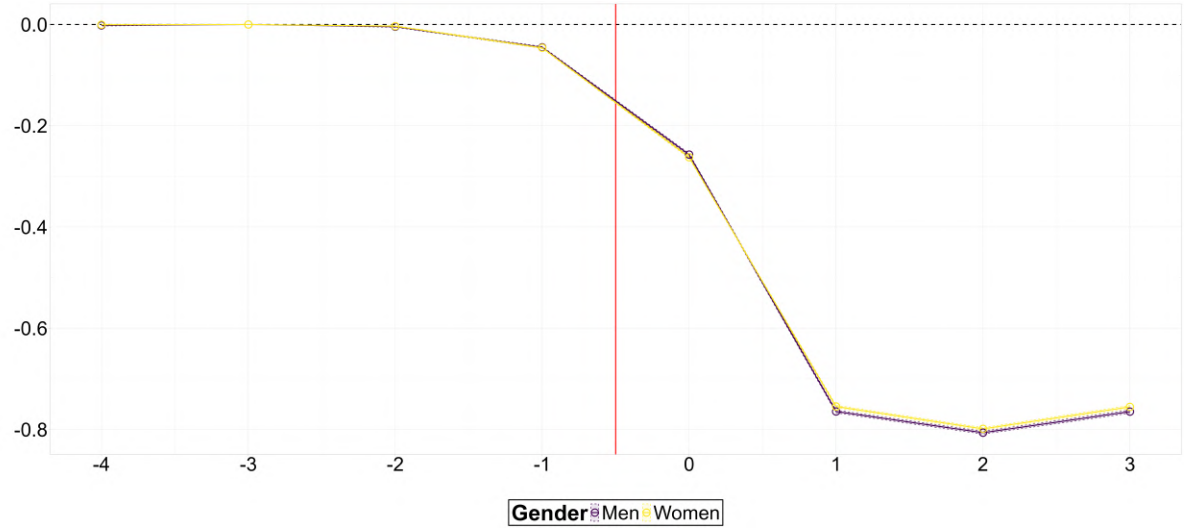
Note: The red vertical line corresponds to observed union dissolution. The points are the estimated coefficients for the yearly distance to the shock according to the main specification, with 95% confidence intervals shaded.

Figure A5: Estimated effects of union dissolution on number of household individuals according to gender.



Note: The red vertical line corresponds to observed union dissolution. The points are the estimated coefficients for the yearly distance to the shock according to the main specification, with 95% confidence intervals shaded.

Figure A6: Estimated effects of union dissolution on number of household adult individuals according to gender.

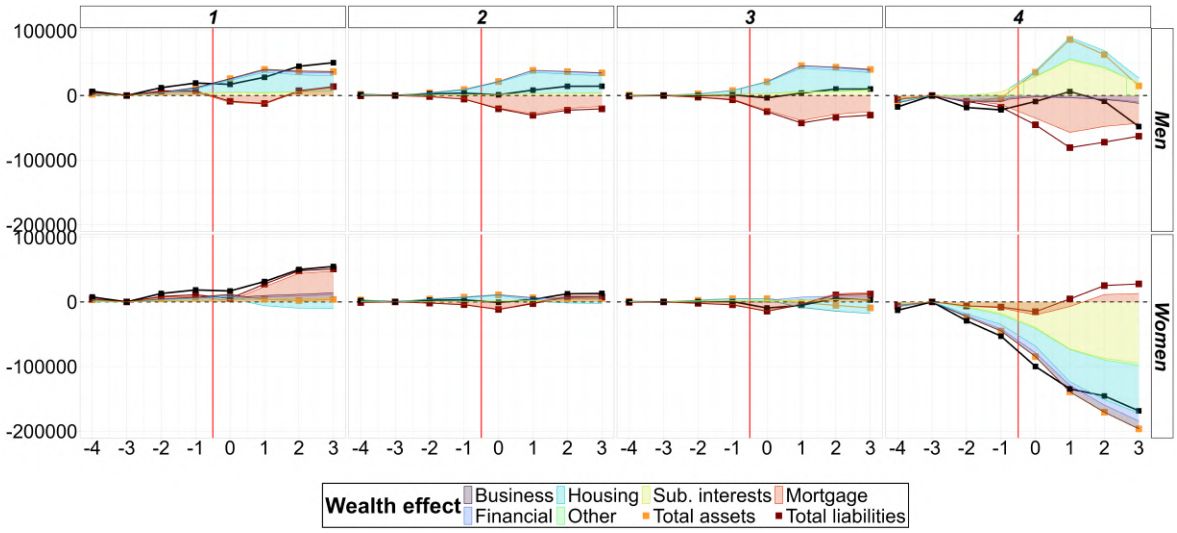


Note: The red vertical line corresponds to observed union dissolution. The points are the estimated coefficients for the yearly distance to the shock according to the main specification, with 95% confidence intervals shaded.

Figure A7: Decomposition of the effects of union dissolution on net *per capita* housing wealth between effects on housing assets and mortgage according to gender.

Note: The red vertical line corresponds to observed union dissolution. The points are the estimated coefficients for the yearly distance to the shock according to the main specification. Black solid lines correspond to effects for net housing wealth. Housing assets and mortgage effects are presented as wealth effects *e.g.* a decrease in mortgage is represented as a positive wealth effect.

Figure A8: Decomposition of the effects of union dissolution for each wealth component by previous wealth quartile.

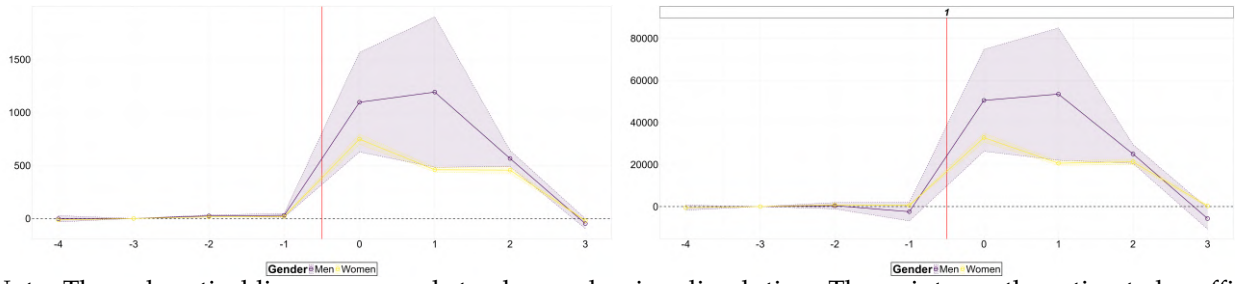


Note: The red vertical line corresponds to observed union dissolution. The colored areas correspond to the estimated coefficients for the yearly distance to the shock according to the main specification. Black solid lines correspond to effects for net *per capita* wealth.

Figure A9: *Inter vivos* gift responses to union dissolution.

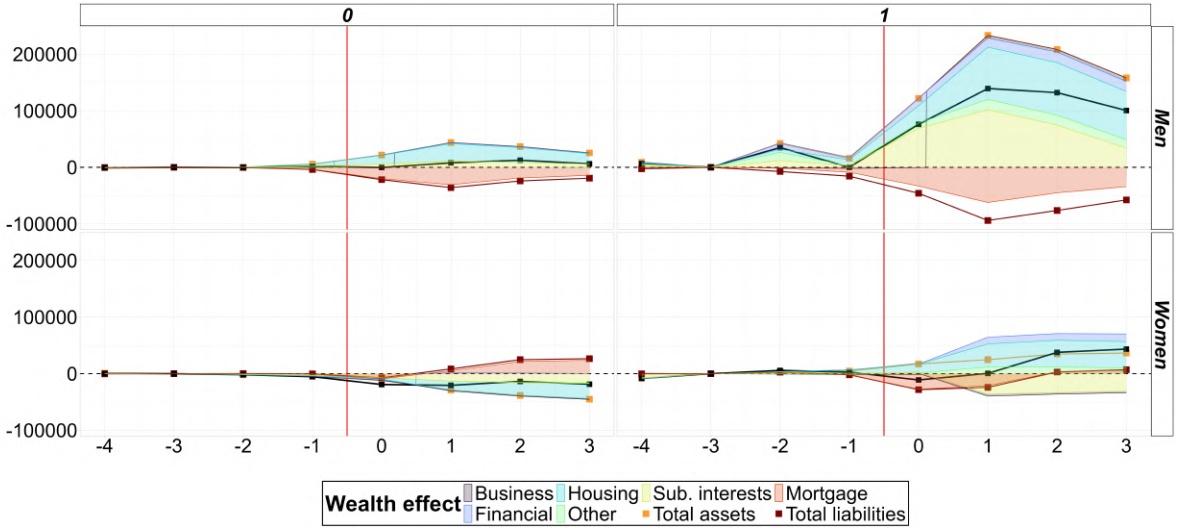
(a) Total gift response

(b) Conditional gift response



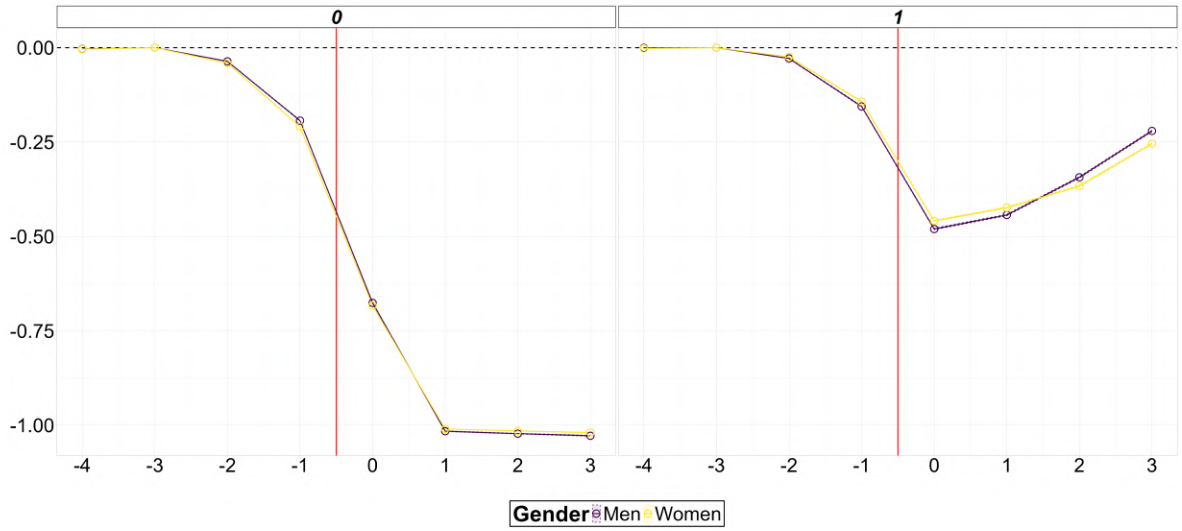
Note: The red vertical line corresponds to observed union dissolution. The points are the estimated coefficients for the yearly distance to the shock according to the main specification, with 95% confidence intervals shaded. The left panel corresponds to the estimates on the full sample of estimation, while the panel is restricted to the people receiving gifts following the shock.

Figure A10: Effect of union dissolution on assets, liabilities, and net *per capita* wealth according to gift receipt.



Note: The red vertical line corresponds to observed union dissolution. The points are the estimated coefficients for the yearly distance to the shock according to the main specification. Panels distinguish between those whose receive gifts in response to the shock (gift response = 1) and those who do not (gift response =0). Black solid lines represent the effect on net *per capita* wealth.

Figure A11: Effect of divorce on the probability of couple, with and without repartnering.



Note: The red vertical line corresponds to observed union dissolution. The points are the estimated coefficients for the yearly distance to the shock according to the main specification, with 95% confidence intervals shaded.

B Tables

Table B1: Data tables and variables used.

Table	Variables
gbapersoontab	encrypted citizen service number, date of birth, gender
gbamigratiebus	encrypted citizen service number, migration status, migration date
gbaoverlijdentab	encrypted citizen service number, date of death
schtab	encrypted citizen service number (receiver), net gift amount, gift type
vehtab	encrypted citizen service number, values across wealth components
gbaburgerlijkestaatbus	encrypted citizen service number, marital status
kindoudertab	encrypted citizen service numbers of child and parent(s)

Table B2: Gift tax scheme across years. Table updated from Groot et al. (2019).

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Exemption on gifts from parents														
4412	4479	4556	5000	5030	5030	5141	5229	5277	5304	5320	5363	5428	5515	6604
Exemption on gifts from others														
2648	2688	2734	2000	2012	2012	2057	2092	2111	2122	2129	2147	2173	2208	3244
One-time exemption on gift from parents														
22048	22379	22760	24000	24144	24144	24676	25069	25322	25449	25526	25731	26040	26457	26881
Age limits for child or child's partner														
(18,35)	(18,35)	(18,35)	(18,35)	(18,35)	(18,35)	(18,40)	(18,40)	(18,40)	(18,40)	(18,40)	(18,40)	(18,40)	(18,40)	(18,40)
One-time exemption for study or home when gifted by parents														
N/A	N/A	N/A	50000	50300	50300	51407	52281	52752	53016	53176	53602	54246	55114	55996
Age limits for child or child's partner														
N/A	N/A	N/A	(18,35)	(18,35)	(18,35)	-	-	(18,40)	(18,40)	(18,40)	(18,40)	(18,40)	(18,40)	(18,40)
Single increased exemption for gift for own home														
N/A	N/A	N/A	N/A	N/A	N/A	100000[a]	100000	N/A	N/A	100000	100800	102010	103643	105302
Age limits for receiver or receiver's partner														
N/A	N/A	N/A	N/A	N/A	N/A	-[a]	-	N/A	N/A	(18,40)	(18,40)	(18,40)	(18,40)	(18,40)
2007[b]	**2008[b]**	**2009[b]**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**
First tax bracket														
≤ 22051	≤ 22382	≤ 22763	≤ 118000	≤ 118708	≤ 115708	≤ 118254	≤ 117214	≤ 121296	≤ 121903	≤ 122268	≤ 123248	≤ 124126	≤ 126723	≤ 128750
Tax rate for partners and (step)children (%)														
5	5	5	10	10	10	10	10	10	10	10	10	10	10	10
Tax rate for grandchildren (%)														
8	8	8	18	18	18	18	18	18	18	18	18	18	18	18
Tax rate for others (%)														
26/41	26/41	26/41	30	30	30	30	30	30	30	30	30	30	30	30
Second tax bracket														
Tax rate for partners and (step)children (%)														
N/A	N/A	N/A	20	20	20	20	20	20	20	20	20	20	20	20
Tax rate for grandchildren (%)														
N/A	N/A	N/A	36	36	36	36	36	36	36	36	36	36	36	36
Tax rate for others (%)														
N/A	N/A	N/A	40	40	40	40	40	40	40	40	40	40	40	40

N/A stands for "Not applicable".
[a] Between October 1, 2013 and December 31, 2013.
[b] In the years 2007-2009, the two-brackets system did not yet exist and there were seven brackets. For those years, only the rates of the first tax bracket are shown (see appendix in Sturrock et al. (2022) for details). In the category "others", the rates in these years differed for brothers, sisters, parents and grandparents (26%) and other other acquirers (41%).

Table B3: Descriptive statistics for the treatment and control groups in $t-3$.

Control / Treatment group	*Control*	*Treated*
Number of adults in HH	2.21	2.24
Number of individuals in HH	3.25	3.36
Age at shock	44.5	43.6
Date of shock	2018.7	2014.0
Net *per capita* wealth	50 865	57 165
Per capita assets	129 362	139 181
Per capita liabilities	78 497	82 016

Table B4: Descriptive statistics for the treatment groups in $t-3$, depending on gift response.

Gift response	*No*	*Yes*
Number of adults in HH	2.24	2.18
Number of individuals in HH	3.36	3.42
Age at shock	43.6	43.3
Date of shock	2014.0	2014.1
Net *per capita* wealth	54 440	182 792
Per capita assets	135 575	305 467
Per capita liabilities	81 135	122 674