



Budget Model

Inheritances by Age and Income Group

Summary: Households in the top 5 percent of the income distribution receive inheritances between 4 to 12 times larger than households in the bottom 80 percent, depending on the exact definition of inheritance used.

Introduction

To inform the modeling of bequests and wealth inequality in PWBM's model, we examine data from the Survey of Consumer Finances (SCF) on the distribution of inheritances by age and income. In the SCF, Primary Economic Units (PEUs)¹—the unit of observation—report their three largest inheritances received and from whom they received their inheritances.² We use this information across seven survey years to calculate statistics about inherited money in the most recent five-year window for which inheritances were reported.³ We find that inheritance size is highly correlated with income, particularly at the top end of the income distribution; the bulk of inheritances are received between the ages of 46 and 75; and that most inheritances come from parents.

Average Inheritances by Age and Income

Table 1 presents the PEU's average inheritance received (including PEUs with zero inheritance) by income and age group in each survey's most recent full five-year inheritance reporting period. Each value in Table 1 is the median value of the average inheritance reported across all seven surveys since 2001. We report all inheritance values in 2019 dollars.

Table 1: Average Unconditional Inheritance by Age and Income Group

Median across survey years[DOWNLOAD DATA](#)

Income	Age Group								All Ages
	Under 26	26-35	36-45	46-55	56-65	66-75	76-85	86-95	
0-10%	\$1,124	\$2,986	\$6,258	\$7,551	\$14,518	\$16,944	\$118	\$-	\$9,097
10-20%	\$5,524	\$1,112	\$1,294	\$9,343	\$7,622	\$2,291	\$192	\$-	\$9,477
20-30%	\$497	\$614	\$1,737	\$2,106	\$6,544	\$7,204	\$-	\$-	\$9,413
30-40%	\$5,227	\$1,150	\$3,136	\$7,336	\$19,150	\$9,202	\$261	\$-	\$5,055
40-50%	\$2,674	\$4,511	\$5,463	\$9,108	\$6,381	\$6,758	\$253	\$-	\$4,483
50-60%	\$1,574	\$870	\$3,810	\$5,905	\$14,722	\$870	\$-	\$-	\$6,162
60-70%	\$2,087	\$3,494	\$7,260	\$9,335	\$15,185	\$8,673	\$36	\$-	\$11,433
70-80%	\$578	\$2,928	\$11,436	\$14,122	\$15,007	\$11,012	\$179	\$-	\$7,562
80-90%	\$1,627	\$5,018	\$8,331	\$18,763	\$27,585	\$10,185	\$4,591	\$-	\$13,156
90-95%	\$1,497	\$3,165	\$23,375	\$18,672	\$19,347	\$30,441	\$9,294	\$-	\$22,099
95-100%	\$6,644	\$28,644	\$51,387	\$38,358	\$81,427	\$38,867	\$11,039	\$-	\$51,499
All Incomes	\$3,314	\$6,319	\$9,702	\$14,237	\$19,792	\$12,328	\$4,490	\$1,598	\$12,353

Notes: Value is the median value across the Survey of Consumer Finances from 2001, 2004, 2007, 2010, 2013, 2016, and 2019. Inheritances are in 2019 dollars indexed by CPI.

Within each age group, inheritances are concentrated among higher income groups.⁴ Across all ages, the median across years of the average inheritances is over \$51,000 for PEUs in the top 5 percent of the income distribution, between 4 and 12 times larger than the medians for income groups in the bottom 80 percent. Within that bottom 80 percent, the average inheritance received in the five-year window shows no clear relationship with income group.

Inheritances are also concentrated among middle-aged heads of household.⁵ Regardless of income, the median inheritance across the survey years for PEUs headed by someone aged 56-65 is about \$19,800. This is 40 percent larger than the median inheritance across surveys for the 46-55 age group. These inheritances are further concentrated within the top 5 percent income: PEUs in the top 5 percent receive about \$38,000, \$81,000, and \$39,000 in the 46-55, 56-65, and 66-75 age groups, respectively. The median across surveys of the average inheritance in groups younger than 46 or older than 75 is consistently under \$10,000.

Average Inheritances by Source

Table 2 shows average five-year unconditional inheritances by source. Use the dropdown menu to select among total inheritances from all sources, from parents, from grandparents, or from alternate sources.

Table 2: Average Unconditional Inheritance by Source, Age, and Income Group

Median across survey years

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- 2a: Average Unconditional Inheritance from Parents
- 2b: Average Unconditional Inheritance from Grandparents
- 2c: Average Unconditional Inheritance from Sources other than Parents and Grandparents

2a: Average Unconditional Inheritance from Parents

Income	Age Group								All Ages
	Under 26	26-35	36-45	46-55	56-65	66-75	76-85	86-95	
0-10%	\$380	\$668	\$1,094	\$7,032	\$12,117	\$16,799	\$118	\$-	\$6,249
10-20%	\$299	\$191	\$922	\$6,896	\$6,229	\$1,942	\$-	\$-	\$8,652
20-30%	\$30	\$475	\$1,022	\$1,563	\$2,638	\$3,961	\$-	\$-	\$6,227
30-40%	\$716	\$1,065	\$2,047	\$5,222	\$19,107	\$8,153	\$-	\$-	\$2,577
40-50%	\$651	\$189	\$2,468	\$4,218	\$6,381	\$5,284	\$-	\$-	\$3,361
50-60%	\$243	\$424	\$3,810	\$4,973	\$11,349	\$863	\$-	\$-	\$3,432
60-70%	\$-	\$606	\$4,716	\$7,835	\$10,070	\$2,150	\$-	\$-	\$5,986
70-80%	\$-	\$1,461	\$5,461	\$12,435	\$13,764	\$8,283	\$179	\$-	\$5,601
80-90%	\$-	\$1,980	\$7,160	\$14,802	\$26,669	\$4,765	\$685	\$-	\$9,166
90-95%	\$-	\$979	\$22,805	\$8,646	\$16,548	\$1,366	\$1,071	\$-	\$14,140
95-100%	\$1,003	\$14,481	\$48,485	\$34,687	\$72,941	\$38,828	\$3,130	\$-	\$46,687
All Incomes	\$1,522	\$3,127	\$7,731	\$12,006	\$17,736	\$10,078	\$1,563	\$113	\$8,942

Notes: Value is the median value across the Survey of Consumer Finances from 2001, 2004, 2007, 2010, 2013, 2016, and 2019. Inheritances are in 2019 dollars indexed by CPI.

2b: Average Unconditional Inheritance from Grandparents

Income	Age Group								All Ages
	Under 26	26-35	36-45	46-55	56-65	66-75	76-85	86-95	
0-10%	\$363	\$156	\$894	\$-	\$148	\$-	\$-	\$-	\$143
10-20%	\$200	\$1,112	\$319	\$74	\$-	\$-	\$-	\$-	\$36
20-30%	\$2	\$24	\$22	\$104	\$-	\$-	\$-	\$-	\$904
30-40%	\$3,325	\$69	\$65	\$137	\$-	\$-	\$-	\$-	\$1,027
40-50%	\$975	\$1,961	\$679	\$-	\$-	\$-	\$-	\$-	\$636
50-60%	\$88	\$233	\$-	\$-	\$-	\$-	\$-	\$-	\$587
60-70%	\$537	\$582	\$156	\$-	\$-	\$-	\$-	\$-	\$773
70-80%	\$127	\$187	\$5,939	\$56	\$-	\$-	\$-	\$-	\$905
80-90%	\$855	\$1,657	\$1,340	\$-	\$64	\$-	\$-	\$-	\$2,891
90-95%	\$-	\$117	\$506	\$177	\$-	\$-	\$-	\$-	\$1,156
95-100%	\$4,038	\$3,032	\$2,441	\$941	\$24	\$-	\$-	\$-	\$2,541
All Incomes	\$1,306	\$1,712	\$2,113	\$578	\$51	\$65	\$-	\$-	\$1,458

Notes: Value is the median value across the Survey of Consumer Finances from 2001, 2004, 2007, 2010, 2013, 2016, and 2019. Inheritances are in 2019 dollars indexed by CPI.

2c: Average Unconditional Inheritance from Sources other than Parents and Grandparents

Income	Age Group								All Ages
	Under 26	26-35	36-45	46-55	56-65	66-75	76-85	86-95	
0-10%	\$-	\$-	\$494	\$294	\$334	\$2,876	\$-	\$-	\$1,806
10-20%	\$-	\$13	\$-	\$134	\$20	\$331	\$-	\$-	\$938
20-30%	\$-	\$-	\$39	\$189	\$1,604	\$454	\$-	\$-	\$938
30-40%	\$-	\$-	\$91	\$634	\$217	\$459	\$-	\$-	\$1,066
40-50%	\$24	\$-	\$289	\$1,915	\$341	\$73	\$8	\$-	\$954
50-60%	\$-	\$-	\$11	\$263	\$819	\$532	\$-	\$-	\$1,415
60-70%	\$-	\$41	\$266	\$667	\$1,262	\$491	\$-	\$-	\$1,294
70-80%	\$-	\$110	\$232	\$2,506	\$671	\$75	\$-	\$-	\$321
80-90%	\$-	\$92	\$440	\$1,573	\$668	\$1,908	\$12	\$-	\$1,262
90-95%	\$-	\$-	\$570	\$1,840	\$423	\$7,351	\$-	\$-	\$1,007
95-100%	\$-	\$-	\$282	\$1,218	\$3,811	\$2,498	\$719	\$-	\$2,271
All Incomes	\$135	\$395	\$679	\$1,268	\$2,055	\$2,761	\$2,530	\$162	\$1,448

Notes: Value is the median value across the Survey of Consumer Finances from 2001, 2004, 2007, 2010, 2013, 2016, and 2019. Inheritances are in 2019 dollars indexed by CPI.

Inheritances from parents tend to be larger than those from grandparents or other sources. For all ages and incomes, the median across the surveys of the average inheritance from parents is \$8,942. By contrast, the same value for all income and age groups is \$1,458 for inheritances from grandparents and \$1,448 for inheritances from other sources. For PEUs in which the head of household is under 45, the average inheritance across surveys is slightly larger when it comes from parents compared to grandparents.

We calculate the sum of inheritances received from each type of source in survey years after 2001.⁶ Across all survey years, about 82 percent of total inheritances come from the recipient's parents, while grandparents contribute 17 percent of all inheritances. Inheritance source varies by recipient age—for PEUs with a head of household at or below age 45, grandparents contribute 38 percent of all inheritances. For PEUs with a head older than 45, just 13 percent of inheritances come from grandparents, with almost all the rest of reported inheritances come from parents.

Chance of Inheriting

Table 3 presents the median across all survey years of the probability of receiving an inheritance in the five-year window by age and income group. Use the dropdown menu to select between inheritances from all sources, from parents, from grandparents, or from another source.

Table 3: Probability of Receiving an Inheritance by Age and Income Group

Median across survey years

[DOWNLOAD DATA](#)

- 3a: Probability of Inheritance
- 3b: Probability of Inheritance from Parents
- 3c: Probability of Inheritance from Grandparents
- 3d: Probability of Inheritance from Sources other than Parents and Grandparents

3a: Probability of Inheritance

Income	Age Group								All Ages
	Under 26	26-35	36-45	46-55	56-65	66-75	76-85	86-95	
0-10%	3.8%	3.3%	4.4%	5.1%	10.7%	5.6%	0.0%	0.0%	6.2%
10-20%	7.9%	2.6%	4.1%	10.4%	6.4%	5.6%	0.8%	0.0%	6.2%
20-30%	1.7%	3.0%	4.0%	5.8%	7.9%	9.6%	0.0%	0.0%	7.2%
30-40%	6.6%	3.0%	3.8%	6.5%	7.1%	6.9%	1.0%	0.0%	5.5%
40-50%	5.1%	3.8%	5.9%	5.4%	8.8%	6.3%	5.8%	0.0%	5.5%
50-60%	2.9%	4.5%	5.5%	6.8%	8.0%	6.4%	0.0%	0.0%	6.2%
60-70%	5.9%	4.6%	7.1%	10.3%	11.4%	8.7%	0.9%	0.0%	7.0%
70-80%	2.3%	6.7%	9.1%	10.5%	12.5%	6.7%	1.0%	0.0%	7.3%
80-90%	3.6%	5.5%	7.5%	10.8%	10.3%	8.2%	6.7%	0.0%	7.6%
90-95%	3.2%	4.0%	9.1%	8.9%	13.2%	8.9%	3.6%	0.0%	8.8%
95-100%	9.7%	7.6%	10.1%	10.7%	19.8%	6.1%	7.6%	0.0%	11.1%
All Incomes	5.0%	4.5%	6.3%	8.4%	11.2%	6.8%	5.0%	3.3%	7.4%

Notes: Value is the median value across the Survey of Consumer Finances from 2001, 2004, 2007, 2010, 2013, 2016, and 2019. Inheritances are in 2019 dollars indexed by CPI.

3b: Probability of Inheritance from Parents

Income	Age Group								All Ages
	Under 26	26-35	36-45	46-55	56-65	66-75	76-85	86-95	
0-10%	0.7%	1.2%	2.9%	3.5%	6.9%	4.4%	0.0%	0.0%	3.4%
10-20%	2.4%	1.3%	2.9%	8.0%	4.6%	3.7%	0.0%	0.0%	4.2%
20-30%	0.2%	0.8%	2.5%	3.7%	5.1%	7.2%	0.0%	0.0%	4.7%
30-40%	3.6%	2.6%	2.7%	4.7%	7.1%	2.3%	0.0%	0.0%	3.3%
40-50%	3.0%	1.0%	2.1%	3.8%	8.2%	5.4%	0.0%	0.0%	3.7%
50-60%	0.8%	2.7%	4.9%	6.8%	6.3%	4.0%	0.0%	0.0%	3.7%
60-70%	0.0%	2.2%	4.3%	8.0%	10.4%	6.5%	0.0%	0.0%	4.8%
70-80%	0.0%	2.3%	3.8%	6.7%	9.3%	4.4%	1.0%	0.0%	4.7%
80-90%	0.0%	1.8%	4.7%	7.8%	10.3%	6.3%	0.2%	0.0%	5.1%
90-95%	0.0%	0.5%	5.9%	8.9%	13.1%	3.0%	2.9%	0.0%	6.0%
95-100%	2.3%	4.1%	6.8%	8.9%	17.3%	5.6%	4.7%	0.0%	9.8%
All Incomes	2.0%	2.1%	3.7%	6.4%	9.2%	5.6%	1.7%	0.1%	4.6%

Notes: Value is the median value across the Survey of Consumer Finances from 2001, 2004, 2007, 2010, 2013, 2016, and 2019. Inheritances are in 2019 dollars indexed by CPI.

3c: Probability of Inheritance from Grandparents

Income	Age Group								All Ages
	Under 26	26-35	36-45	46-55	56-65	66-75	76-85	86-95	
0-10%	2.3%	1.5%	0.7%	0.0%	0.5%	0.0%	0.0%	0.0%	0.2%
10-20%	4.8%	1.8%	1.3%	0.8%	0.0%	0.0%	0.0%	0.0%	0.3%
20-30%	0.1%	1.1%	0.6%	1.0%	0.0%	0.0%	0.0%	0.0%	0.9%
30-40%	3.3%	0.6%	1.1%	0.6%	0.0%	0.0%	0.0%	0.0%	1.3%
40-50%	3.2%	2.8%	1.7%	0.0%	0.0%	0.0%	0.0%	0.0%	1.2%
50-60%	1.4%	1.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.3%
60-70%	3.1%	1.9%	2.6%	0.0%	0.0%	0.0%	0.0%	0.0%	1.3%
70-80%	0.9%	0.5%	3.5%	0.5%	0.0%	0.0%	0.0%	0.0%	1.0%
80-90%	2.9%	2.3%	2.4%	0.0%	0.2%	0.0%	0.0%	0.0%	2.2%
90-95%	0.0%	1.4%	0.6%	1.5%	0.0%	0.0%	0.0%	0.0%	1.3%
95-100%	5.9%	1.9%	1.8%	0.6%	0.0%	0.0%	0.0%	0.0%	1.1%
All Incomes	2.5%	1.8%	1.8%	0.6%	0.2%	0.0%	0.0%	0.0%	1.2%

Notes: Value is the median value across the Survey of Consumer Finances from 2001, 2004, 2007, 2010, 2013, 2016, and 2019. Inheritances are in 2019 dollars indexed by CPI.

3d: Probability of Inheritance from Sources other than Parents and Grandparents

Income	Age Group								All Ages
	Under 26	26-35	36-45	46-55	56-65	66-75	76-85	86-95	
0-10%	0.0%	0.0%	0.2%	1.5%	1.2%	1.5%	0.0%	0.0%	2.2%
10-20%	0.0%	0.3%	0.0%	0.9%	0.0%	0.8%	0.0%	0.0%	1.9%
20-30%	0.0%	0.0%	0.8%	0.4%	1.7%	4.2%	0.0%	0.0%	1.4%
30-40%	0.0%	0.0%	0.4%	0.7%	0.7%	1.1%	0.0%	0.0%	0.8%
40-50%	0.5%	0.0%	0.5%	1.5%	0.4%	0.9%	1.6%	0.0%	0.7%
50-60%	0.0%	0.0%	0.1%	0.5%	1.8%	2.4%	0.0%	0.0%	1.3%
60-70%	0.0%	0.1%	1.3%	0.7%	3.1%	3.1%	0.0%	0.0%	1.0%
70-80%	0.0%	1.3%	1.1%	2.0%	2.5%	1.0%	0.0%	0.0%	0.8%
80-90%	0.0%	0.4%	0.7%	2.0%	0.6%	1.5%	1.4%	0.0%	1.1%
90-95%	0.0%	0.0%	1.4%	2.1%	1.3%	4.2%	0.0%	0.0%	1.5%
95-100%	0.0%	0.0%	1.1%	1.7%	2.1%	0.3%	0.3%	0.0%	1.9%
All Incomes	0.4%	0.6%	0.9%	1.3%	1.9%	1.8%	3.0%	1.8%	1.3%

Notes: Value is the median value across the Survey of Consumer Finances from 2001, 2004, 2007, 2010, 2013, 2016, and 2019. Inheritances are in 2019 dollars indexed by CPI.

PEUs in higher income groups and middle age groups are more likely to receive an inheritance, consistent with the trends shown in Table 1. In the median of the seven survey years, 5 percent of PEUs with heads-of-household younger than 26 receive an inheritance. This percentage increases with age, peaking at 11.2 percent for the 56-65 age group. Beyond age 65, this percentage decreases with age, to just over 3 percent for the 86-95 age group. PEUs in the top 5 percent by income are most likely to receive an inheritance; for those high earners, the median across survey years is greater than an 11 percent chance of inheriting.

PEUs with a head of household under age 45 have similar probabilities of inheritance from parent or grandparent. After age 45, parents are the primary source of inheritances. Overall, people are significantly less likely to receive inheritances or gifts from relations who are not their parents.

Average Inheritances Among People Receiving Inheritances

Table 4 shows the median across all the survey years of the average inheritance received by age and income group in the five-year period, but only for PEUs that received an inheritance.

Table 4: Average Inheritance Conditional on Receiving an Inheritance (for total population)

Median across survey years[DOWNLOAD DATA](#)

Income	Age Group								All Ages
	Under 26	26-35	36-45	46-55	56-65	66-75	76-85	86-95	
0-10%	\$29,971	\$90,997	\$114,996	\$148,116	\$137,298	\$206,130	\$35,938	\$-	\$137,003
10-20%	\$39,054	\$55,217	\$75,165	\$89,119	\$114,834	\$66,433	\$10,734	\$-	\$143,463
20-30%	\$26,519	\$29,100	\$34,593	\$36,524	\$81,466	\$96,034	\$-	\$-	\$155,830
30-40%	\$74,704	\$70,262	\$71,826	\$128,655	\$238,154	\$132,706	\$24,856	\$-	\$106,603
40-50%	\$59,285	\$56,489	\$76,846	\$118,110	\$87,175	\$92,383	\$2,411	\$-	\$90,092
50-60%	\$75,915	\$19,462	\$63,296	\$86,803	\$106,496	\$25,297	\$-	\$-	\$103,492
60-70%	\$33,036	\$76,572	\$88,538	\$93,663	\$106,615	\$99,309	\$2,000	\$-	\$158,426
70-80%	\$20,138	\$50,878	\$121,780	\$129,194	\$120,527	\$135,404	\$17,258	\$-	\$115,324
80-90%	\$46,685	\$136,951	\$123,540	\$209,031	\$205,788	\$91,918	\$160,920	\$-	\$154,036
90-95%	\$46,514	\$64,549	\$235,769	\$154,518	\$132,753	\$254,824	\$109,658	\$-	\$215,857
95-100%	\$70,899	\$283,811	\$371,209	\$329,092	\$409,110	\$708,632	\$379,068	\$-	\$424,343
All Incomes	\$78,609	\$133,750	\$165,694	\$174,589	\$189,661	\$189,157	\$96,811	\$32,142	\$183,914

Notes: Value is the median value across the Survey of Consumer Finances from 2001, 2004, 2007, 2010, 2013, 2016, and 2019. Inheritances are in 2019 dollars indexed by CPI.

The median across surveys of the average inheritance (conditional on receipt) exhibits no clear trend across income groups except for the highest-income PEUs. For PEUs in the bottom 90 percent of the income distribution that did receive inheritances, the value of inheritance was between \$90,000 and \$158,000, with no clear trend based on the PEU's position in the income distribution. The average inheritance of PEUs in the top 5 percent of the income distribution was about \$424,000, or roughly three times the size of the inheritance received by PEUs in the bottom 90 percent.

With respect to age, those receiving inheritances in middle age inherit the largest sums. Those receiving any inheritances under age 26 inherit about \$79,000, less than half of the \$190,000 average inheritance for heirs aged 56-75. Past age 75 however, inheritances drop significantly. Those between 76-85 who received any inheritance received about \$96,000, and the median across surveys for those older than 86 falls to about \$32,000.

This analysis was conducted by [Victoria Osorio](#) and [Jon Huntley](#).

1. The PEU “consists of an economically dominant single individual or couple (married or living as partners) in a household and all other individuals in the household who are financially interdependent with that individual or couple.” ↩
2. The SCF contains an additional variable meant to capture the value of remaining inheritances beyond the three largest, but no additional information (such as year(s) received or from whom) are provided. Given the lack of identifying features as well as the infrequency of these additional inheritances, we exclude this variable from our analysis. The sum of inheritances reported by this variable is small. ↩
3. Survey respondents report the year(s) in which the three largest inheritances were received. In the public data, these years are rounded to the nearest 5 (and top-coded to the year in which the survey was conducted. For each survey year since 2001, we examine the inheritances received in the most recent full 5-year period—this corresponds to inheritances reported as being received in 1995, 2000, 2000, 2005, 2010, 2010, and 2015, for the 2001, 2004, 2007, 2010, 2013, 2016, and 2019 survey years, respectively. We also used the age of the head of the household in the year in which the inheritance was reported when sorting the PEUs into age groups. For example, since the most recent 5-year inheritance period covered by the 2001 survey is 1995, we adjust the age of everyone in the survey to reflect their age in 1995. ↩
4. Within each age group, we rank households by labor income, which we define as the sum of all wage, business, and farm income from the SCF Bulletin. ↩
5. We create 10-year age groups based on the age of the PEU’s head of household. We also report the statistics over all ages. ↩
6. This sums up only the total value of inheritances for which the inheritance’s source is reported. For each respondent in the survey, detailed questions about the inheritance’s source and year of receipt are only asked for the three largest inheritances. Any remaining inheritance values beyond the first three are captured in a single variable that reports the total value of any other inheritances. For these “other inheritances,” source is not recorded. We exclude the total value of these “other inheritances” from the following calculations. ↩