2026 DINA UPDATE FOR EAST ASIA

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Technical Note for the 2026 Update of East Asia

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1 Overview

This note documents the 2026 update of the distributional series for East Asia on WID.world: pretax national income for China, Japan, South Korea, Taiwan, Mongolia, North Korea and Macao, and fiscal income for Japan and South Korea. The series now run to 2025.

No new benchmark data entered the series this year, so 2025 is an extrapolation for every country: the bracket shares of 2024 are held constant, and averages and thresholds are scaled to 2025 national income. All values are in nominal local currency. The macro totals used throughout are those of the WID macro update of July 2026.

For every year with a full distribution, the delivered files contain the 127 generalized percentiles together with all top groups (pX–p100), all bottom groups (p0–pX) and the middle 40% (p50–p90), each with its share, average and threshold. All groups are computed from the 127 brackets.

The code and input files that produce the delivered series, together with a README describing each step from the source tabulations to the final files, are provided to the WIL central team in the East Asia replication package (`W2ID/Replication_Packages/Pre_Tax_Income_Series/East_`

2 Revisions to previously published series

The 2026 guidelines introduce a new consistency check between bracket averages and bracket shares,

$$\text{share}_b = \frac{\text{average}_b \times n_b/10^5}{\text{national income per adult}},$$

where n_b is the width of bracket b. Applying this check to the full history led to three revisions.

Pretax income levels. For China, the averages and thresholds in the previous release were expressed in constant prices except for the most recent year. For North Korea and Macao, the levels had drifted 30–36% away from the national income totals, and for Japan, South Korea, Taiwan and Mongolia they differed by 2–7% after revisions of the national accounts.

In every year, the pretax averages and thresholds are therefore rescaled so that the brackets sum exactly to the current WID net national income per adult. This revises the levels of the whole series; the rescaling itself leaves all shares unchanged.

Bracket shares for Mongolia and Macao. For Mongolia (brackets p89–p90 and p90–p91, 1995–2025) and Macao (2016–2025), some bracket shares were not consistent with their averages, and in Mongolia this made the shares non-monotonic around the 90th percentile. These shares are replaced by the shares implied by the bracket averages (292 bracket shares in total; the largest change is 0.04 percentage points). All other shares are unchanged from the previous release.

Japan, fiscal income, 2012. The bottom groups for 2012 were mislabelled in the previous release. They are now recomputed from the brackets.

3 China

The pretax series follows Piketty et al. (2019) for 1978–2015, and later years are extrapolated; the distribution last changes in 2022. The 2025 values are an extrapolation of 2024. Updated series for rural and urban China will be provided in a separate submission.

4 Japan

Both Japanese series are carried forward this year. The fiscal income series combines Moriguchi and Saez (2008) for 1886–2008, which covers top income groups only, with the annual estimates of Iguchi et al. (2025) for 2009–2023, based on detailed income tax tabulations. As in the previous release, 2024 is an extrapolation of 2023. Fiscal income totals for 2025 are not yet available on WID.world, so the 2025 fiscal averages and thresholds are extrapolated with the growth of nominal national income per adult.

The pretax distribution is the same as in previous updates, with levels rescaled as described in Section 2; the distribution is held constant after 2017, and later years are extrapolated.

5 South Korea

The pretax DINA series follows Hong et al. (2024), with 2022 as the latest benchmark year; 2023–2025 are extrapolated. A new benchmark for 2023 is in preparation and will be incorporated in a later submission. The fiscal income series builds on Kim (2018), updated with National Tax Service income tax statistics; 2021 is the latest observed year, and 2022–2025 are extrapolated.

6 Taiwan

The pretax DINA series follows Chu et al. (2022) for 1981–2017; later years are extrapolated, and the distribution last changes in 2022.

7 Mongolia, North Korea and Macao

The Mongolian series combines household survey benchmarks with national accounts, interpolating between benchmark years. North Korea and Macao are imputed from regional income distributions (Chancel & Piketty, 2021). For all three, the distribution last changes in 2019 and later years are extrapolated.

8 Summary of the 2025 estimates

Table 1: Pretax national income shares in 2025 (%)

	Bottom 50%	Middle 40%	Top 10%	Top 1%	Last change
China	13.7	42.9	43.3	15.7	2022
Japan	18.6	38.1	43.3	12.6	2017
South Korea	18.4	44.2	37.4	14.0	2022
Taiwan	11.8	40.1	48.1	19.3	2022
Mongolia	16.4	41.4	42.1	15.8	2019
North Korea	16.3	41.6	42.1	14.6	2019
Macao	14.8	43.7	41.4	13.9	2019

Source: WID.world, 2026 update. Shares of pretax national income among adults. Because 2025 is an extrapolation, the 2025 shares equal those of 2024. "Last change" is the last year in which the distribution changes; later years are extrapolated.

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