2026 DINA UPDATE FOR NEW ZEALAND

TAYLA FORWARD
MATTHEW FISHER-POST

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Tayla Forward, Matthew Fisher-Post
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Summary

This note documents the 2026 update of the distributional national accounts (DINA) for New Zealand published on WID.world. It replaces the 2024 update (Forward and Fisher-Post, 2024) and covers 2001–2024. The update provides three income concepts: pre-tax national income, post-tax national income and post-tax disposable income. It also adds the first annual series of net personal wealth, covering 2001–2024. Each series is given on both the individual and the equal-split adult basis.

Income is distributed from administrative tax microdata in Stats NZ's Integrated Data Infrastructure (IDI) scaled to National Accounts totals in every year. Wealth is estimated by capitalising the same flows onto the national balance sheet. Below the top quintile it is anchored to the Household Economic Survey (HES). Within the top percentile it is calibrated on Inland Revenue's High-Wealth Individuals Project and the NBR Rich Lists.

In 2024 (on the equal-split basis) the top 1 percent of adults received 12.8 percent of pre-tax national income and 9.1 percent of post-tax national income. They held 22.0 percent of net personal wealth, and the top 0.1 percent held 9.3 percent.

1. Introduction

The 2024 note previewed a DINA series for 2000–2022 built directly from IDI microdata rather than from tabulations (Forward and Fisher-Post, 2024). Since then, the series has been rebuilt. The new construction is documented in a suite of forthcoming papers on income, wealth and tax at the top in New Zealand (Forward, 2026, forthcoming), which present the full methods, validation and robustness checks. This note documents the resulting WID.world series in brief.

The approach follows the DINA guidelines (Chancel et al., 2025). Each series sums to its National Accounts total in every year, and the unit is the resident adult aged 20 and over. New Zealand taxes individuals, so the tax data observe individual incomes directly. The individual basis is therefore estimated first, and the equal-split basis is derived from it.

Table 1 lists the main changes from the 2024 note. Most notably:

- **Coverage.** The series now runs to 2024 and adds net personal wealth.
- **Trusts.** Trusts are separated, so trustee income and trustee tax (recognising imputation credits) are distributed in their own right.
- **Top tail.** For wealth, the top of the distribution is calibrated on direct observations of very wealthy families rather than extrapolated.

Table 1. Changes from the 2024 note

Element	2024 note	2026 update
Period	2000–2022	2001–2024; 2022–2024 provisional
Concepts	Pre-tax factor, pre-tax national, post-tax disposable and post-tax national income	Pre-tax national, post-tax national and post-tax disposable income; net personal wealth added
Trusts	Not separated	Trustee income and tax (TIT) from IR6 trust returns; PIT net of trustee tax. Imputation credits recognised: trustee dividends bear only the trustee–company rate gap (nil to 2008, 3 points in 2009–2011, 5 from 2012), with company tax (CIT) allocated to the corporate sector on a look-through basis
Corporate retained earnings	Dividends	Dividends and shareholder-employee income; asset disposals excluded
Survey imputations	Interest payable and owner-occupied housing, imputed from HES 2010–2021, back-cast to 2001	Liabilities (housing, education, and consumer loans), interest payable, and owner-occupied housing, imputed from HES 2010–2021, back-cast to 2001

Element	2024 note	2026 update
Equal-split basis	Australian individual-to-equal-split relation	Partnering microsimulation fitted to New Zealand data
Top tail	Generalised Pareto interpolation	Income: Generalised Pareto interpolation. Wealth: calibration on the HWI Project and Rich Lists
Disrupted years	Not treated	2009 and 2011 percentile shapes interpolated

Section 2 describes the data. Section 3 sets out the income concepts and Section 4 the wealth series. Section 5 describes the top-tail calibration, and Section 6 summarises the results.

2. Data sources

The National Accounts provide the aggregates. The tax microdata give the shape of each flow across adults. The Household Economic Survey (HES) supplements where it is deemed reliable. The IRD Project files and Rich Lists calibrate the top of the wealth distribution.

Table 2. Data sources

Source	Content	Years	Role
Stats NZ institutional sector accounts	Sector primary and secondary income, income tax, transfers	2000–2024	Income and tax aggregates
IRD trust statistics (IR6)	Trustee income by type; trustee tax	2000–2024	Split of household income tax between PIT and trustee tax schedules
Household balance sheet; sector balance sheets (table 1.5B)	Assets and liabilities by class	31 March 2001–2024	Wealth aggregates
IDI tax microdata	IR3, EMS, IR7/IR20, IR4S, annual certificates and payer statements, tabulated as 100 percentiles × 33 sources	2001–2022	Distributional shapes
IRD taxable-income distribution	Individuals by taxable income	2001–2024	Extension to 2022–2024
Household Economic Survey	Owner-occupied housing, liabilities, interest payable, net worth by quintile	2010–2024	Imputation; anchor for the bottom four wealth quintiles

Source	Content	Years	Role
HWI Project supplemental tables (IRD, 2023b)	Net worth by decile and asset; top 50, top 100 and over-$50m groups	2015, 2018, 2021	Top-tail wealth calibration
NBR Rich Lists	Named valuations	2010, 2012, 2015; top 10 in 2021; top 20 in 2024	Panel churn; independent tail route

Aggregates. The National Accounts are compiled by Statistics NZ under the 2008 SNA (Statistics New Zealand, 2024). Net national income (NNI) is reached as the sum of the net primary incomes of households, corporations and government. Income that can be distributed over the tax data is separated from government primary income, which has no individual recipient. The Reserve Bank is placed in the government sector. Forward, (2026, forthcoming) gives the full series.

Microdata. Five administrative tax sources are extracted by tax year, adapting Stats NZ's Administrative Population Census (Welsh, 2023) to obtain finer income disaggregation: capital income types are kept separate. Where an income type appears in more than one source, the individual return takes priority, then annual certificates, then payer statements. Under security and privacy conditions for the use of unit-record microdata in the IDI, each flow is released as a percentile tabulation ranked within the microdata environment on the concept being estimated. Access to the data used in this study was provided by Stats NZ under conditions designed to give effect to the security and confidentiality provisions of the Data and Statistics Act 2022. The results presented are the work of the author, not Stats NZ or individual data suppliers.

3. Income concepts and methods

3.1 Three concepts

Pre-tax national income. This concept distributes net private income: household primary income, including trustee income, plus the net primary income of corporations. It is distributed over the tax data by the concordance in Table 3. New Zealand's public pension is non-contributory, so a contributions basis has no meaning. Public pensions are therefore allocated to its recipients with no concomitant payable, and the rest of government primary income (after pensions) is distributed lump-sum per adult.

Post-tax national income. Starting from pre-tax national income, this concept subtracts direct taxes and adds main benefits and student allowances. The remainder of government spending, net of indirect taxes, is allocated lump-sum per adult, so the series sums to NNI.

Post-tax disposable income. This is post-tax national income without the per-adult allocation of public spending. It equals private primary income plus pensions, main benefits and student allowances, less direct taxes. Equivalently, it equals NNI less public spending in-kind, less direct taxes (PIT, CIT and TIT) net of cash transfers (public pensions, main benefits and student allowances). It sums to 62–69 percent of NNI. Indirect taxes are not deducted.

In the government sector account, net other revenue balances the government's secondary income account after direct taxes and transfers. It contains GST and other taxes on production, and absorbs the government's current surplus or deficit. Expenditure on public goods and services provided in-kind then balances to net government primary income. With that closure, the two national income concepts sum exactly to NNI in every year (while disposable income sums to NNI less public goods and services provided in-kind, less direct taxes net of transfers).

Table 3. National Accounts aggregates and distributive bases

Aggregate	Distributive basis
Compensation of employees	Wages and salaries, including employer pension contributions (EMS)
Mixed income and operating surplus of unincorporated business	Sole-trader and partnership income (S00–S02, P00–P02) and rents (IR3)
Interest; pension and insurance earnings	Interest (IR3, then annual certificates, then payer statements)
Dividends	Dividends (same priority)
Overseas investment income	Overseas capital income (IR3)
Net primary income of corporations	Dividends plus shareholder-employee income (C01, C02)
Trustee income (IR6)	The matching directly received income type: dividends, interest, or rents and self-employment (supposing income by type is distributed over income and wealth concepts identically inside and outside of trusts)
Interest payable	Imputed from the HES
Owner-occupied housing and imputed rent	Imputed from the HES
NZ Superannuation	Pensions (EMS)
Main benefits	Benefits and student allowances (EMS)
Other government primary and secondary income (balancing item)	Per adult

3.2 Taxes

Each direct tax is reconciled to National Accounts or IRD totals.

- **TIT.** Assessed trustee tax totals have not been available. Instead, we estimate from publicly available IR6 trust income returns. It is 33 percent of trustee interest and other income. On dividends, it is only the gap between the trustee and company rates, reflecting that imputation credit is already counted in CIT (differentials are nil to 2008, 3 points in 2009–2011 and 5 points from 2012).
- **PIT.** PIT is the National Accounts household income tax less trustee tax, so the household total (PIT + TIT) is as published (a majority of trusts are recorded in the household sector of the National Accounts). It is allocated by applying each year's statutory schedule to personal taxable income in the microdata, and scaling to recover the National Accounts aggregate.
- **CIT.** CIT is allocated with the net primary income of corporations, on dividends plus shareholder-employee income (the same basis as corporate earnings).

3.3 Survey imputations and extensions

The tax data do not record interest payable or owner-occupied housing. These are imputed from the HES for 2010–2021, considered reliable on these categories, given they are less concentrated at the top. Adults are grouped into 245 cells: seven labour-income groups, seven capital-income groups and five age bands. Within each cell, the ownership rate and the value distribution among owners are fitted on linked survey records. A value is then drawn for every adult in the tax data. Before 2010, each percentile's share is back-cast as its stable shape plus a deviation estimated on the year's capital-income composition.

The microdata ends in the 2022 tax year. For 2023–2024, each source's percentile shares are predicted from Inland Revenue's published taxable-income distribution, as deviations from the source's stable shape. Totals are the National Accounts for each year. These years are provisional.

The financial crisis reshuffled ranks in 2009 and 2011. In those years the totals are kept, but each percentile shape is the average of the adjacent years. 2021 is kept as observed, though it is also idiosyncratic. Income was brought forward ahead of the 39 percent top personal rate from April 2021, and the top 1 percent's share of dividends rose from about 70 to 85 percent for that one year.

3.4 Equal-split and the top percentile

The tax data carry no spouse or household identifier, so the equal-split income series is simulated. Each percentile is expanded into synthetic adults, and 58 percent of them are partnered, the census partnership rate. Partners are matched on income rank with correlation 0.4, within the range found for spousal earnings in comparable countries. Partners receive the couple's mean income, and all adults are re-ranked. This replaces the Australian individual-to-equal-split relation used in 2024.

For income, the top percentile is split into p99–99.9 and p99.9–100 by a local Pareto fit through percentiles 99 and 100. This is an extrapolation, not a calibration, and the income top 0.1 percent should be read as indicative.

4. Net personal wealth

New Zealand has no wealth, estate or general capital gains tax, so no linked administrative record observes household net worth. The series is built by capitalising income flows (Saez and Zucman, 2016) onto the national balance sheet (Forward, 2026, forthcoming), and imputations from surveys where deemed reliable.

Balance sheet. Net personal wealth is the household-sector balance sheet plus corporate net worth on a look-through basis. Net personal wealth was $513 billion at 31 March 2001 and $2,820 billion in 2024.

Ranking. The tax tabulations are each ranked on their own income concepts (nine different rankings, variants with and without accrued capital gains, and with and without incomes floored at zero), so the joint distribution of income sources is not observed. The microdata basis reconstructing a wealth ranking from the income rankings is documented in Forward (2026, forthcoming). It couples the income-ranked tabulations then orders adults on wealth by an index of capitalised flows that allows returns differ across the distribution.

Allocation. Each balance-sheet class is allocated in proportion to its distributive flow and scaled to its National Accounts total (Table 4). Student loans are distributed on a fitted profile (having been imputed from survey data) and subtracted last, so they do not affect the ordering.

Equal-split. The equal-split wealth series uses the same kind of partnering microsimulation as income, with 60 percent of adults partnered. The copula correlation is fitted to the ratio of individual to household top 1 percent shares published from the HES (1.19–1.26 over 2015–2024), giving 0.731. On average the conversion lowers the top 1 percent share by 5.3 points.

Table 4. Balance-sheet classes and their distributive flows

Class	Distributive flow	2024 ($bn)
Owner-occupied housing	Imputed owner-occupied housing value (HES)	1,221
Other residential property	Rental income	410
Unincorporated business	Sole-trader and partnership income	468
Interest-bearing assets, insurance and pension reserves	Interest	257 + 159
Corporate net worth (look-through)	Dividends plus shareholder-employee income	604
Mortgage and consumer debt	Imputed interest payable (HES), capitalised	−283
Student loans	Imputed education loans (HES)	−16

5. Top-tail wealth calibration

The capitalisation resolves 100 percentiles, so its finest object is the top 1 percent. It is also least reliable there, because the very top holds most of its wealth in forms that generate little taxable income. Extrapolating a constant Pareto coefficient from the capitalised top percentile puts the top 0.1 percent at 5–6 percent of net wealth. New Zealand has high-quality observations of this region on the period 2016-2021: the IRD's High-Wealth Individuals Project measured the net worth and economic income of 311 families at 1 April 2015, 2018 and 2021 (IRD, 2023a, 2023b).

Estimator. Let S(p) be the share of net wealth held above rank p, x = −log(1 − p) and φ(x) = −log S(p). The inverted Pareto coefficient is b(p) = 1/φ′(x) (Blanchet, Fournier and Piketty, 2022), and a Pareto tail is linear in these coordinates. The estimator fits log S as a quadratic in x, the simplest form that lets b(p) vary within the top percentile:

$$\hat{c} = \underset{c}{argmin} \sum_{j \in \{0\} \cup J} \left[log\tilde{S}_j - \left(c_0 + c_1 x_j + c_2 x_j^2 \right) \right]^2$$

Point j = 0 is the anchor: the capitalised top 1 percent share. Points j in J are calibration cuts from the Project tables: the population and wealth shares of the panel's deciles, its top 50 and top 100, and its group above $50 million.

Corrections. The accessible IRD Project data is used through four corrections.

1. **Threshold group.** The panel is a threshold group, not a rank-ordered top 311. 92 families held under $50 million. Only the 219 families above $50 million are used.
2. **Market value.** The Project valued unlisted entities with a 25 percent illiquidity discount, so the entity component of each cut is grossed up by 1/0.75.

3. **Panel churn.** A frozen panel ages: it loses members and misses newcomers. Name-matched Rich Lists give a churn rate of 2.2 percent a year at the $50 million threshold over 2010–2015. This is applied from 2018 and is conservative against the 4–8 percent measured at the very tip after 2015.
4. **Attribution.** The 311 Project families include 311 “Individual As”, 238 partners and 27 dependent children, 576 people in all, 1.85 per family, or 1.77 adults. Top wealth is split equally between 1.77 adults.

In each observed year, the fitted top 0.1 percent share is expressed as a ratio to the anchor. The ratio is interpolated between observed years. Nothing is extrapolated in levels. The top 1 percent share itself comes from the capitalisation; the Pareto calibration resolves its interior.

6. Results

In individual terms, the top 1 percent’s share of pre-tax national income rose from 14.2 percent in 2001 to 17.3 percent in 2024. Its share of net personal wealth fell from 32.2 percent to 23.6 percent in 2017, then recovered to 26.9 percent. Equal-split figures are given in Table 6.

Income. The bottom half’s pre-tax share rose from 15.3 percent in 2001 to 18.3 percent in 2015, and was 17.6 percent in 2024. Taxes and transfers lower the top 1 percent’s share by 4–5 points. Its post-tax share is 0.71 of its pre-tax share in both 2001 and 2024. The rise in post-tax concentration therefore comes from pre-tax income, not from weaker redistribution (except for to the extent that redistribution has not kept pace with disequalisation in pre-tax incomes). Post-tax disposable income has the highest top shares of the three concepts, as it leaves out in-kind public spending.

Wealth. The top 10 percent hold between two-thirds and three-quarters of net personal wealth in every year, and the bottom half never more than 4 percent. The fall to the late 2010s is mainly a valuation effect of the housing boom.

2021. All four series spike in 2021. Income was brought forward ahead of the 39 percent top personal rate. A capitalisation reads brought-forward dividends as a larger stock of corporate wealth, so trends should be read from period averages (Table 6).

Table 6. Shares by concept and period, equal-split basis (%)

Concept	Group	2001–11	2012–15	2016–20	2021–24	2001–24
Pre-tax national income	Bottom 50%	18.1	19.9	19.4	18.8	18.8
	Top 10%	39.7	37.5	38.5	40.7	39.3
	Top 1%	11.5	10.8	11.2	13.5	11.6
	Bottom 50%	29.1	29.9	29.3	29.1	29.3

Concept	Group	2001–11	2012–15	2016–20	2021–24	2001–24
Post-tax national income	Top 10%	29.2	28.4	29.4	30.7	29.4
	Top 1%	8.1	8.0	8.2	9.7	8.3
Post-tax disposable income	Bottom 50%	18.1	19.9	18.9	18.8	18.7
	Top 10%	39.3	37.5	39.2	40.9	39.3
	Top 1%	11.8	11.4	11.8	14.0	12.1
Net personal wealth	Bottom 50%	2.9	2.2	3.3	3.8	3.0
	Top 10%	68.9	67.4	65.9	66.9	67.7
	Top 1%	24.3	22.3	20.8	23.1	23.0
	Top 0.1%	11.2	10.3	9.3	9.4	10.3

Notes: Period averages of annual shares. On the individual basis, the income-weighted average 2001–2024 top 1 percent share is 15.6 percent of pre-tax national income and 28.3 percent of net personal wealth, about 4 and 5 points above the equal-split basis. *Source:* author's computations.

Previewing comprehensive work

This technical note has presented in brief the high-level construction of a distributional national accounts series for New Zealand, previewing a full presentation of our approach and results in forthcoming working papers.

The full suite of papers will cover the concepts and methods touched upon here in greater detail, presenting a broad range of auxiliary analyses supporting the approach taken and discussing institutional features and particularities of the data sources in the New Zealand context. Implications for policy evaluation and design receive significant attention.

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