TAXING WEALTH AND ENRICHMENT: LESSONS FROM THE 1945–FRENCH "NATIONAL SOLIDARITY LEVY"

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Taxing Wealth & Enrichment: Lessons from the 1945–French 'National Solidarity Levy'*

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Abstract

In 1945, France introduced the *Impôt de Solidarité nationale* ('National Solidarity Levy'), a capital levy on wealth as of June 1945 (with a top marginal rate of 20%) and enrichment through the Second World War (with a top marginal rate of 100%). It had two explicit goals: providing the State with tax revenues and taxing all enrichments made throughout the Second World War.

We argue that, contrary to the prevailing view on capital levies, the 'National Solidarity Levy' was fairly successful. It led to about 2.4 million tax returns (15% of all fiscal households), representing approximately 2,700 billion francs in taxable wealth, i.e. around 260% of French national income and 85% of total private wealth in 1945. Total tax liabilities amounted to roughly 130 billion francs, equivalent to about 12% of 1945 national income. However, because payments were spread over several years – mainly between 1946 and 1948, a period of high inflation in France (around 50% per year) – cumulative tax payments amounted to only about 3.2% of national income. The analysis of taxpayer–level data further suggests that the capital levy acted as an income surtax, given the moderate rates and the numerous deductions. And while it is certain that far from all wartime enrichment was taxed, judgements made about the 'National Solidarity Levy' at the time were perhaps too severe for what it could realistically achieve.

Compared with similar experiences abroad, the French levy was rather modest in scope. In particular, the West–German *Lastenausgleich* ('Burden Equalisation') adopted in 1952 generated liabilities amounting to roughly 60% of 1952 national income, while inflation eroded payments much less than in France. Finally, we suggest that the 'National Solidarity Levy' was illustrative of two key challenges faced by Western European countries in the post–Second World War era: rebuilding the country was marked by a tension between inflation *versus* tax collection to solve distributional conflicts and taxing war profiteers turned out to be a much harder task than what public demand for justice hoped for.

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'Capital levies have been imposed in practice;

but their history is not on the whole a very encouraging one.'

— Hicks et al. (1941, p. 210)

'These findings are not encouraging for those who might advocate

a capital levy to redress debt problems in present-day Europe.'

— Eichengreen (1989, p. 37) about capital levies implementation

1 Introduction

Exceptional wealth taxes and capital levies have not yet received all the attention they deserve. For instance, Saez and Zucman (2022) provide an insightful and practical guide to wealth taxation in the 21st century, but they omit some important historical episodes in Europe and abroad: post–war capital levies.

Few reviews of those exist. In the latest to date, O'Donovan (2021, p. 566) writes: '*Of more recent analyses, the paper by Eichengreen (1989) on the capital levy in theory and practice has been particularly influential in policy circles: when capital levies were broached as a potential response to the global financial crisis, it was to this survey that the International Monetary Fund (IMF) turned, in its October 2013 Fiscal Monitor, concluding that the historical record "suggests that more notable than any loss of credibility was a simple failure to achieve debt reduction, largely because the delay in introduction gave space for extensive avoidance and capital flight – in turn spurring inflation".*' But as he rightly points out, Eichengreen (1989)'s analysis mostly – and surprisingly – ignores post–Second World War (WW2) capital levies, with the exception of Japan. In particular, he overlooks the West–German *Lastenausgleich* ('Burden Equalisation') adopted in 1952, in spite of the fact that it is widely considered a successful instrument of post–war redistribution and reconstruction policy (cf. e.g. Hughes, 1999, Chapter 9).

The present paper contributes to closing the literature gap on the still understudied topic of capital levies – a subject that has experienced renewed interest in the wake of the COVID–19 pandemic. It provides an in–depth case study of the 1945–French *Impôt de Solidarité nationale* ('National Solidarity Levy'), a capital levy on wealth in France as of June 1945 and enrichment throughout WW2.

It aims to address a simple question: was the 1945–French 'National Solidarity Levy' a success or a failure?

It is worth stressing from the onset that the existing literature related to capital levies is rather ill–proportioned: capital levies have been widely discussed in theory[1] since at least the late 19th century, but little scholarly attention has been paid to the practical experiences – trend which slightly changed at the beginning of the 2020s in the wake of the COVID-19 pandemic as a tool to address high public debt ratios (cf. e.g. O'Donovan, 2021). And while capital levies have been understudied, the literature on enrichment levies (whether theoretical or empirical) is even scarcer.

Why is that so? Two arguments may be brought forward, at least for the French case. The first one is of ideological order. As argued by O'Donovan (2021), Eichengreen (1989)'s very partial review of capital levies in history apparently had a lasting influence in policy circles. In his study of the 1916–French *Contribution extraordinaire sur les bénéfices de guerre* ('Extraordinary contribution on war profits'), Zannis (2017) also notes the lack of interest for that post–First World War (WW1) capital levy experience. In a similar manner, Le Douarec (1957, p. 169) had already pointed out the 'surprising' lack of (quantitative) studies on the 'National Solidarity Levy'[2]. The second reason is practical: setting aside tax revenues statistics, these capital levies have left little statistical evidence, which renders their analysis from a quantitative perspective quite complicated. As a result of these two reasons, the 'National Solidarity Levy' is little–known, mentions of it are

[1] As O'Donovan (2021, p. 566) points out: '*The idea of a one–off levy on capital* [...] *has been championed by a broad range of commentators. From Schumpeter (1918), Pigou (1920), Keynes (1940) and Hayek (1940),* [...] *the policy has garnered support from individuals of diverse political leanings and intellectual backgrounds*.' Cf. also Eichengreen (1989, pp. 11–17) on the capital levy debate in interwar United Kingdom and pp. 17–18 for a few other examples in which the idea was discussed pertaining to the modern period (including the one of David Ricardo after the Napoleonic Wars).

[2] As he had noted, the contrast is particularly striking between that lack and the plethora of specialised publications detailing the tax characteristics.

often limited to a short paragraph or a footnote[3] and few people actually know that most tax returns still exist and are stored in the *archives départementales* (departmental archives).

Bearing these preliminary remarks in mind, our work mainly relates to two strands of the literature. The first one deals with post–World Wars (capital) levies, cf. Rostás (1940); Hicks et al. (1941); Robson (1959); Eichengreen (1989); Hughes (1999); Hautcoeur and Grotard (2005); Zannis (2017); O'Donovan (2021). In particular, our work builds upon Rabault-Mazières (2020, 2023) who also provides a presentation of the 'National Solidarity Levy', discussing more specifically the questions of fiscal justice, controls and tax evasion, and who also takes a joint micro/macro perspective. The second strand relates to the economic & social history of (post) WW2–France. To cite only a few, cf. Mouré and Grenard (2008) on 'illicit profits' confiscation, the work edited by Bergère (2008) on economic purges, Mouré (2023) on black markets and Teixeira (2025) on the political use of inflation.

The methodology deployed here consists of an in–depth case study of the 'National Solidarity Levy' with a comparative approach taken in section 6.2. The arguments developed to assess the success or failure of the 'National Solidarity Levy' are built upon the following sources: official statistics on government tax revenues published by the French Ministry of Finance; contemporaneous economists' works (e.g. Rosier, 1948; Guérin, 1949; Le Douarec, 1957), parliamentary debates & archives from the French Ministry of Finance; and a microdataset made of a sample of Parisian household tax returns which allows for comparisons between the theory & practice of the 'National Solidarity Levy'.

Our research documents the 'National Solidarity Levy' along two axes. The latter have already been partially addressed in the literature, but not in sufficient depth nor in a systematic fashion. The first axis consists of presenting the tax, expanding on the work of Rabault-Mazières (2020, 2023). Doing so in a satisfactory manner implies dealing with how the fiscal administration

[3] Cf. for instance Piketty (2001, p. 138), Piketty (2014, p. 370) or Delalande (2011).

concretely defined and taxed enrichment and replacing the tax in the bigger post–WW2 (European) picture. The second one involves contrasting the theory *versus* practice of wealth & enrichment taxation, by relying on taxpayer–level data to empirically understand its functioning.

We maintain that, contrary to the prevailing view on capital levies, the 'National Solidarity Levy' was rather successful. Despite its explicit goal of restoring public finances, it actually generated small tax revenues, in line with government expectations. It led to about 2.4 million tax returns (15% of all fiscal households), representing approximately 2,700 billion francs in taxable wealth (around 260% of French national income and 85% of total private wealth in 1945). Total tax liabilities amounted to roughly 130 billion francs (about 12% of national income in 1945). Inflation however quickly eroded tax payments. The latter amounted to around 2.1% of national income in 1946, 1.2% in 1947 and 0.3% in 1948. Furthermore, the analysis of taxpayer–level data shows that the capital levy acted as an income surtax, given the moderate tax rates and the numerous deductions. And while it is certain that far from all wartime enrichment was taxed, judgements made about the 'National Solidarity Levy' at the time were perhaps too severe for what it could possibly achieve. In comparison with other experiences abroad, the 'National Solidarity Levy' remained modest in scope. Finally, we argue that it was illustrative of two key challenges faced by Western European countries in the post–Second World War era: rebuilding the country was marked by a tension between inflation *versus* tax collection to solve distributional conflicts and taxing war–profiteers turned out to be a much harder task than what public demand for justice hoped for.

The paper is organised as follows: section 2 presents an overview of capital levies in theory & history. Section 3 describes the tax in a greater details, with a particular focus on the definition & taxation of enrichment. Section 4 displays some taxpayer–level evidence on effective tax liability and discusses its implications. Section 5 aims at answering the research question by looking at the levy explicit goals. Said answer is in turn put into perspective: subsection 6.1 replaces the levy in the bigger post–WW2 French social & economic history picture while subsection 6.2 constitutes a summary of Brassac (2026a), which puts the 'National Solidarity Levy' in a (West–) European comparative perspective. Section 7 concludes by answering the research question. Section 8 discusses potential lessons to be drawn for the future.

2 Capital Levies: Definitions, Theory and History

2.1 Definitions

A capital levy is a one–off or extraordinary wealth tax[4]: tax liability is calculated according to the amount of net wealth owned by a given fiscal unit (individual or household) at a given date. Wealth includes a broad range of asset and debt categories, typically: real estate, movable assets (furniture), business assets or net financial assets. An enrichment or increment levy '*is based not upon total wealth but on the increment in its value which has occurred between two dates*' as defined by Robson (1959, p. 24).

After WW2, the two often went hand–in–hand (e.g. in Austria, Denmark, France, the Netherlands). But as noted by Kedrzyński (2023, p. 121) theoretical discussions mostly revolve around capital not increment levies.

2.2 Theory

In theory, a capital levy offers several advantages over recurring forms of wealth taxation. If it is credibly implemented as a one–off and unexpected measure, it may generate fewer distortions than a recurrent wealth tax and may even be welfare improving (cf. Eichengreen, 1989, p. 36). Higher tax rates may be implemented in the absence of any possible behavioural responses. To mitigate liquidity issues and avoid disruptive effects on asset markets, tax liability may be payable

[4] Although the tax base is usually wealth, these are commonly referred to as 'capital levies'. As Robson (1959, p. 23) noted, another possibility could be to follow the definition laid out by Hicks et al. (1941, p. 180): '*A capital levy, as the term seems generally to be understood, is a direct tax of such magnitude as to fall upon the capital of the taxpayer. It need not be assessed upon capital, though it usually will be; the important thing is that the levy is too large to be paid out of income*.' However, it will not be retained here as it is rather impractical.

in instalments over several years (cf. O'Donovan, 2021, Table 1, p. 570). Another advantage lies in the possibility of assigning levy revenues to a specific purpose, which may strengthen the legitimacy and acceptability of the tax (cf. Eichengreen, 1989, p. 4).

However, these advantages are contingent on a number of conditions. First, the levy must be introduced rapidly following the extraordinary event that justifies it. Such timing is crucial not only for practical reasons – most notably to limit opportunities for capital flight (Hicks et al., 1941; Eichengreen, 1989) – but also for psychological reasons, as it reinforces the perception of the levy as an exceptional and non–recurring measure. More generally, compliance is more likely if taxpayers perceive the levy as genuinely one–off, a belief that is easier to sustain when it is explicitly tied to extraordinary events (such as wars or pandemics). Second, institutional and political factors matter. Drawing on the example of Japan, Eichengreen (1989, p. 35) argues that implementation through an undemocratic process or under foreign authority may increase the likelihood of success[5]. A levy is also more likely to achieve its goals if backed by complementary measures such as a currency reform and capital controls (cf. Robson, 1959, p. 33). Finally, if imposed on a reduced number of taxpayers, the tax might prove less politically costly (as Saez and Zucman, 2022 argue in the case of a wealth tax)[6].

The main disadvantages are the one–off costs: in terms of personnel, asset valuation, tax collection. As discussed below in subsection 3.1, these costs may be partially offset if the levy builds upon the expertise of a pre-existing tax and / or administration, but also if the controls put in place improve the collection of other taxes. But there is also a credibility issue (or '*time consistency problem*' as Eichengreen, 1989, p. 15 puts it): if a government were to introduce a capital levy, what safeguards would be in place to prevent it from happening again (Eichengreen, 1989, pp. 9–11 and 15–17)?

[5]Otherwise, the time the democratic process takes to draft the tax proposal gives room for taxpayers to evade it. Implementation by a foreign power minimises resentment against a democratically–elected government he argues.

[6]Rosier (1948, p. 36) actually argues the opposite: if fewer taxpayers are concerned, they might consider themselves unfairly treated and therefore be more prone to tax evasion. In general, the question of the political costs is a thorny one. For instance, inflation and / or servicing public debt and its interests have distributional consequences too (as Eichengreen, 1989, p. 1 notes), but, conversely to a capital levy, no government has to explicitly endorse them.

Finally, to connect theory to practice, it must be stressed that capital levies typically occurred at times of 'crises' (such as wars, high inflation or the creation of new States), which justified their one–off nature.

2.3 History

The history of capital levies is not a recent one[7]. As Eichengreen (1989, p. 17) notes: '*The ancient Greeks used periodic capital taxes at rates varying from one to four per cent. It is said that these levies were phenomenally successful because property owners, out of vanity, overstated the value of their assets*.'[8] Some of the most important capital levies in history include the seizure of Church properties by the State, in particular in England at the time of the dissolution of the monasteries under Henry VIII in 1536 and in France during the Revolution of 1789 (cf. Piketty, 2022, p. 98). In both cases, these levies played a crucial role in processes of state formation and modernisation. In the modern era, most of the experiences with capital levies took place in Europe and Japan after the two World Wars[9].

In his incomplete review, Eichengreen (1989) identifies only two successful capital levies in history[10]. The first one took place in post–WW1 Czechoslovakia (and is deemed as '*marginally successful*', p. 20). It targeted a '*small ethnic German minority*'[11], experienced limited capi-

[7] As it simply is a chapter in the long history of wars & taxation.

[8] DGI (1982), p. 22, notes that, on top of the capital levy introduced in ancient Greece (*eisphora*), the Romans also implemented a similar levy (*tributum ex censu*) to finance war campaigns. The Republic of Florence also instituted a capital levy in the V$^{\text{th}}$ century. Italy and the Republics which preceded it have a long history of (more or less) exceptional wealth taxes, cf. e.g. Alfani and Di Tullio (2019, Chapter 1). Without attempting to draw up an exhaustive list, it is worth noting that the pre–modern period in (at least) Western / Northern Europe features many instances of (again more or less) exceptional wealth taxes (cf. e.g. Andersson, 2026 for the Nordic countries) because wealth was deemed as easier to tax than incomes. In the modern period, the idea of introducing capital levies was often discussed, but concrete implementations occurred in the 20$^{\text{th}}$ century (cf. Eichengreen, 1989, pp. 17–18).

[9] As Eichengreen (1989, p. 18) argues, not only did many countries face high public debt–to–national income ratios, but returning to the Gold Standard at pre–war parity levels would have implied deflation and [...] '*the distribution of the tax burden, and of income and wealth in general, was up in the air, particularly so long as the prospect of socialist revolution loomed.*'

[10] Eichengreen (1989, pp. 18–20) actually writes that the post–WW1 capital levy in Italy '*is the closest approximation to a successful capital levy in the 1920s*' (p. 18) but '*to call these policies a capital levy rather than capital income taxation would be misleading*' (p.20). Further investigation is therefore still required to amend or not what is written below.

[11] It must be noted here, without claiming to be exhaustive, that it is not the only instance in which a capital levy targeted a particular 'ethnic group', cf. e.g. Ağır and Artunç (2019) in 1942–Turkey against non–Muslim minorities

tal flight thanks to swift introduction & capital controls and appeared credibly one–off (notably because '*[l]evy revenues were explicitly allocated to the special costs of establishing an newly–independent nation*'; cf. Eichengreen, 1989, pp. 20–22, Rostás, 1940 and Hicks et al., 1941 p. 199 on the importance of a quick introduction in the Czechoslovak case). The second successful capital levy was imposed in post–WW2 Japan by the occupying American power. It also experienced limited tax evasion and targeted only the richest 2/3% Japanese families (Eichengreen, 1989, pp. 33–36). But besides for Japan, his review completely ignores other post–WW2 levies.

Robson (1959)'s more careful review of post–WW2 experiences classifies capital levies in three groups according to their main objective: anti-inflation (Belgium, the Netherlands, Denmark); compensation (Finland, West–Germany); or to finance ordinary public expenditures (France, Italy). He noted in his conclusion on p. 41: '*Their success [...] was greater than anyone would reasonably have expected on the basis of earlier experience with this form of taxation.*'

Finally, the latest review to date was written by O'Donovan (2021) who focuses more specifically on the French & German post–WW2 capital levies through a comparative case study approach[12].

3 Capital Levies in Practice: The 1945–French 'National Solidarity Levy'

3.1 The Tax and its Taxpayers

3.1.1 L'Impôt de Solidarité Nationale

The *Impôt de Solidarité nationale* ('National Solidarity Levy') was a one–off wealth tax levied on the value of wealth as of the 4th of June 1945[13] and enrichment made through WW2. It was

or Ritschl (2020) in 1938–Nazi Germany against the Jewish population.

[12]There also exists country–specific analyses of capital levies, but the latter will only be briefly touched upon in subsection 6.2 as they are discussed in greater length in Brassac (2026a).

[13]Marking the start of the banknotes exchange operation and the stamping of short–term State bonds (cf. subsection 3.2.1).

a promise of the *Conseil National de la Résistance* ('National Council of the Resistance') in its March 1944 programme[14] which was implemented in August 1945 (*Ordonnance n°45–1820 du 15 août 1945 instituant un impôt de solidarité nationale*[15]). It had two explicit goals: providing the State with tax revenues and taxing all enrichments made throughout WW2.

The 'National Solidarity Levy' was collected by the *Administration de l'Enregistrement, des Domaines et du Timbre*[16]. As such, the same wealth definition and valuation rules applied, which led many observers of the time to refer to a 'fiscal death'[17] to describe how taxpayers were to fill in their tax returns (cf. Rabault-Mazières, 2020, p. 260). Wealth was hence defined as the sum of real estate, movable assets (furniture), business assets, gold, foreign currencies, securities (French and foreign) minus mortgages, commercial debts and excluding life annuity rents and foreign real estate. Tax returns had to be originally completed and sent back to the *Enregistrement* by the 18th of February 1946 but the deadline was postponed to the 15th of April to account for difficulties some households had[18].

As a levy, it could also count on the (failed) experiences of the 1916 *Contribution extraordinaire sur les bénéfices de guerre* ('Extraordinary contribution on war profits', cf. Zannis, 2017)

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[14]But the idea of introducing a capital levy in France was not new, cf. Hautcoeur and Sicsic (1999, pp. 41–43). A similar one also featured in the February 1944 *plan économique d'Alger* ('Algiers economic plan') drawn up by Pierre Mendès France, cf. Bougeard (2015, p. 104).

[15]Cf. JORF (1945a). It was supplemented in certain respects by the *Loi n° 46–189 du 14 février 1946 portant création de nouvelles ressources et aménagement de la législation fiscale*, cf. JORF (1946). Cf. Le Douarec (1957, pp. 108–151) on the administrative drafting of the legislation (which was initiated even before the Liberation of Paris; pp. 108–123), and its examinations first by the *Commission des finances* ('Finance Committee'; pp. 125–132) and second by the *Assemblée consultative provisoire* ('Provisional Consultative Assembly'; pp. 133–151). Interestingly enough, parliamentary debates showed a broad consensus when it came to the heavy taxation of enrichment, which was not the case for the wealth levy (cf. JORF DACP CR 1945–07–26). Through the drafting of the legislation, it is also the government which imposed its view of maintaining a tax on enrichment, while services from within the Ministry of Finance had early pointed out the difficulties that an enrichment levy could create (cf. Le Douarec, 1957, pp. 108–113).

[16]Following Rabault-Mazières (2023, p. 1, footnote 3), it will subsequently be shortened and referred to as the *Enregistrement*. We refer readers interested in the functioning of the *Administration de l'Enregistrement, des Domaines et du Timbre* at the time to Tristram (2005, Chapitre premier, section I). The introduction of the 'National Solidarity Levy' in the late summer 1945 was carried out under considerable technical and material difficulties (the various forms and documents required 700 tonnes of paper or cardboard, which in turn had to be printed and distributed throughout the whole country, cf. DGI 1947, p. 5.).

[17]Which conceptually makes sense, as one may think of the estate tax as a capital levy on the dead.

[18]Cf. JORF (1946), article 8, p. 1363 and Rabault-Mazières, 2020, p. 262. DGI (1982) noted on p. 25 that filling in their tax returns was actually the 'main preoccupation' of the French people during the first quarter of 1946.

and the recent ones of confiscating 'illicit profits', first in Corsica[19] and second at the national–level in 1944 (cf. Mouré and Grenard, 2008; Touchelay, 2008 and Mouré, 2023, Chapter 9). It is however worth stressing that the post–WW1 Czechslovak served as an example for the drafting and discussing of the tax proposal as recollected in parliamentary debates – so did the Belgian capital levy, introduced shortly before the French one[20], and the Swiss one, implemented first in 1940 and repeated in 1945[21]. In June 1947, a 25% *majoration* ('increase') was implemented in the form of a 5th instalment (cf. JORF 1947)[22], but the levy was otherwise truly one–off[23].

3.1.2 Households

The capital levy applied to natural[24] and legal persons. For households, the capital levy was made of two parts (to be filled in a single tax return[25]). First, a *prélèvement sur le patrimoine* (wealth levy), taxing single individuals with wealth $>$ 200,000 F and married couples with wealth $>$ 400,000 F. Second, a *contribution sur l'enrichissement* (enrichment levy) on wealth accumulated during WW2, taxing single individuals with enrichment $>$ 50,000 F and married couples with enrichment $>$ 100,000 F (with a top marginal tax rate set at 100%). Tax rates are shown in Table 1[26].

[19] Cf. Le Douarec (1957, pp. 106–107) on the specific case of Corsica.

[20] Cf. JORF DACP CR 1945–07–26, first session, Wednesday the 25th of July 1945.

[21] Cf. Le Douarec (1957, p. 99) on the 1940–Swiss capital levy inspiring the drafting of the tax and Bauer (2023) for further details on the levy itself.

[22] As an attempt to tackle the impact of inflation on deferred payments (Robson, 1959, p. 34, footnote 2). It was ironically referred to as the 'fifth quarter' by taxpayers (DGI 1982, p. 26). Taxpayers not liable for the enrichment levy and for whom the *majoration* ('increase') would not exceed 1,000 francs (2,000 francs married couples) were exempted. So were taxpayers aged over 60 or disabled, provided their wealth was worth less than 500,000 francs.

[23] But the idea to replicate it had been envisioned (cf. Tristram, 2005 on the 1948 fiscal context). Moreover, the *Confédération générale du travail* (C.G.T.) ('General Confederation of Labour') had suggested a recurring wealth & enrichment tax in its fiscal reform project dated from the 25th of April 1947, drawing on the experience of the 'National Solidarity Levy', cf. Grosclaude (2002) and Tristram (2005, Annexe 6).

[24] Fiscal households were taxed regardless of their citizenships. What mattered was whether the assets that they owned were in France (colonies excluded). French diplomatic & consular personnel and civil servants abroad were also liable (Rosier, 1947, pp. 21 and 28–29).

[25] Tax declaration was based on the *principe déclaratif* ('self–declaration principle'), a principle introduced at the occasion of the 1916 *Contribution extraordinaire sur les bénéfices de guerre* ('Extraordinary contribution on war profits') (cf. Touchelay, 2008, § 2). Taxpayers had been reminded of and informed about their tax duties through a vast information campaign (cf. DGI 1947, p. 5, Guérin, 1949, pp. 113–114 and Le Douarec, 1957, pp. 161–165).

[26] Rabault-Mazières (2020, p. 264) writes that: '*According to a study by the Ministry of Finance, the marginal top 20% rate on net wealth above 300 million francs was expected to apply to 71 taxpayers (but raise 12 billion francs)* [...]' (own translation).

Prélèvement sur le patrimoine (wealth levy)		*Contribution sur l'enrichissement* (enrichment levy)	
Threshold (F)	Rate	Threshold (F)	Rate
200,000	3%	50,000	5%
500,000	4%	150,000	10%
2,000,000	5%	300,000	20%
5,000,000	7.5%	500,000	25%
10,000,000	10%	1,000,000	40%
25,000,000	12.5%	2,000,000	60%
75,000,000	15%	3,000,000	80%
150,000,000	17.5%	5,000,000	100%
300,000,000	20%		

Note: Average net wealth per adult stood at around 120,000 francs as of mid–1945 (cf. Piketty and Zucman, 2014).

Table 1: 'National Solidarity Levy' Tax Rates

The 'National Solidarity Levy' led to about 2.4 million tax returns (15% of all fiscal households in 1945–France), representing approximately 2,700 billion francs in taxable wealth, i.e. around 260% of national income (around 1,050 billion francs in 1945) and 85% of total net private wealth (about 3,180 billion francs in 1945)[27]. Total tax liabilities amounted to roughly 130 billion francs, equivalent to about 12% of 1945 national income. However, as explained in Sections 3.4 and 5, payments were spread over several years – mainly between 1946 and 1948, a period of high inflation in France (around 50% per year) – so that cumulative tax payments represented about 3.2% of average national income over these years. Annual payments amounted to 2.1% of national income in 1946, 1.2% in 1947 and 0.3% in 1948 (cf. Table 3). In comparison, the West–German *Lastenausgleich* ('Burden Equalisation') adopted in 1952 generated liabilities amounting to roughly 60% of 1952 national income. Although payments were also spread over several years, they were much less eroded by inflation than in France[28]. The fact that initial liabilities were

[27]Totals are drawn from Piketty and Zucman (2014).

[28]Payments for the *Lastenausgleich* were made over the 1952-–1979 period (much longer than for the French levy)

smaller in France (12% of national income *versus* 60% in West–Germany) may be accounted for by a number of reasons, including the fact that the top marginal rate was smaller in France (20% *versus* 50% in West–Germany), and, most importantly, because French tax rates reached substantial levels only at very high multiples of average wealth (cf. Table 1). It would be particularly interesting in future research to compare the structure of tax schedules and liabilities by income and wealth percentiles in the French and West–German capital levies (as well as in Japan and other countries, provided that tax returns were kept). We return to international comparisons of aggregate tax revenues in subsection 6.2.

3.1.3 Legal Persons

While our focus here is limited to natural persons (households), it is worth briefly touching upon the case of legal persons. Three categories were taxed. The first (and main) one consisted of *sociétés par actions ayant leur siège en France* (French joint–stock companies), for which (part of the) shares were listed and share capitals were superior to 5 million francs on the 4th of June 1945. Those French joint–stock companies were liable at a 5% flat rate and tax liability could be paid in shares and / or State bonds[29]. The second one corresponded to foreign corporations that were only liable for their assets in France (if said assets exceeded 400,000 F) at a 5% flat rate. The last category dealt with some other (non–corporate) legal entities (but many exemptions prevailed, cf. Guérin, 1949, p. 126). There, the tax rate was set at 10%, again with an abatement of 400,000 F. Non–listed corporations were not liable to the 'National Solidarity Levy'[30].

As of the 25th of June 1949, 1,303 joint–stock companies and 1,287 of said other legal entities corporations filled tax returns in (cf. S&EF n°10 *Octobre* 1949). The 25% *majoration* 'increase' accounted for, overall tax revenues were equal to roughly 16 billion francs, almost entirely stem-

and were much less affected by inflation than in France. As a result, they remained substantial over several decades, averaging about 2.2% of national income in the 1950s, 0.9% in the 1960s, and 0.3% in the 1970s. Cf. Hughes (1999) for a detailed analysis of the legislative process and Bach (2020) for a quantitative analysis of the payments (cf. also Albers et al., 2022, pp. 132–138).

[29] Corporations only listed at the Havre and Nancy stock exchanges before their closures and which were not relisted afterwards were not liable (Rosier, 1947, p. 22, footnote 1).

[30] Cf. Guérin (1949, pp. 125–134) for further information on the taxation of corporations under the 'National Solidarity Levy', the underlying legislative process and a cross–country discussion.

ming from the taxation of French joint–stock companies (15.4 billion, from which half had been paid in shares). These 16 billion francs represent about 12% of the total 'National Solidarity Levy' liabilities (130 billions) as shown in Table 3.

To prevent double–taxation, taxpayers were required to state separately the value of their shares in liable corporations. One–twentieth of it (5%) was deducted from the gross wealth levy liability to calculate the net liability.

3.2 Measuring Wealth and Enrichment

3.2.1 Asset Valuation

As mentioned above, the valuation of assets and debts for the 'National Solidarity Levy' was done as of their prices on the 4th of June 1945, in accordance with the rules in force for the inheritance tax (cf. Rosier, 1948, pp. 17–36 for further details and Guérin, 1949, Chapitre II, pp. 23–50 for a cross–country description). That meant, following DGI (1945):

- Claims: nominal value;
- Listed securities: listed value as of the 4th of June 1945;
- Non–listed securities: cf. below;
- Business assets: market price[31];
- Life insurance: own estimation (*déclaration estimative*) with minimum threshold given by the tax authorities;
- Real estate: market price[32];
- Agricultural land: 1937–1938 market price (to be adjusted to account for increases in agricultural products prices);

[31]Tangible and intangible assets had to be stated separately. For tangible assets, a statement of equipment and goods had to be provided. Commercial real estate asset was valued at market price (usually determined by capitalising net rental income in the absence of any recent or similar sales). Tools and inventories were in theory valued at market price too, in ranges established by the *Enregistrement* (and potentially corrected by various coefficients to account for price changes). For intangible assets, the value was generally determined by applying capitalisation rates, which varied according to the profession, to average sales and profits over the last few years.

[32]But prices from sales held within the last two years were disregarded. It was possible to compute it as: $net\ income\ *\ 100\ /\ capitalisation\ factor$; where the latter had to be above 3.5%, i.e. superior to the interest rate on *rentes d'Etat*; which corresponds to the capitalisation of the net rental income received by the landlord.

- Movable assets: 120% of the value stated in the insurance contract (60% if contract signed after 1941; 5% of all assets if no insurance contract)[33];
- Liabilities: included compulsory pension arrears, pro rata rents accrued on the 4th of June 1945 and due under a written deed, outstanding inheritance tax, taxes relating to the period prior to the 4th of June 1945, with the exception of those relating to income earned or profits made between the 1st of January and the 4th of June 1945;
- Destroyed / damaged assets: residual value (for land: only if the asset was completely destroyed);
- *Pensions & rentes viagères* (pensions and life annuity rents): tax–exempted;
- *Créances d'indemnités de dommages de guerre* ('war–damage claims'): tax–exempted;
- Foreign real estate, movable & business assets: tax–exempted[34];
- *Nue–propriété* (bare ownership) & *usufruit* (usufruct): same valuation rules as for the inheritance tax.

The valuation of unlisted shares was originally based upon taxpayers' own estimations (*déclaration estimative*) with the help of the companies concerned. When the *Enregistrement* realised that these valuations were too low and usually equal to nominal values, it decided in April 1947 to adopt another method (*valeur mathématique*). To that end, the *Enregistrement* organised a comprehensive monitoring of (French and foreign) unlisted shares through a centralised information service which quickly yielded 'impressive' results (cf. DGI 1947 p. 6, Rosier, 1948, pp. 33–36 and Guérin, 1949, p. 156).

In theory, net wealth was therefore assessed at its market value as of the 4th of June 1945[35], except for certain asset categories (agricultural properties, due to speculative movements on farmlands shortly before and during the war; or furniture, priced at insured–value).

[33] Including art works and jewellery.

[34] Cf. DGI (1982), p. 25: '*In the absence of a specific provision relating to them, similar to that which has featured in the current legislation on inheritance tax since 1977*' (own translation).

[35] As Guérin (1949, p. 24) noted, following the *Loi n° 46–189 du 14 février 1946* (cf. JORF 1946), there were only two exceptions: gold & foreign currencies for which the valuation date was the 26th of December 1945.

3.2.2 Controls

As explained on pp. 5–6 in DGI (1947) and by Rabault-Mazières (2023, p. 7): '*[T]he returns were first liquidated on the basis of the taxpayer's statements, so that the sums could be collected quickly. The in–depth control took place mainly in 1947 and 1948.*' But prior to these controls, a set of measures was enforced even before the war ended that helped prevent tax evasion (cf. also Le Douarec, 1957, pp. 78–86 on *ex–ante* controls). These measures were not necessarily all introduced for the sake of the 'National Solidarity Levy'. Some of them were implemented as part of the overall war–related context but turned out to facilitate the wealth census. These measures were in chronological order[36]:

- September 1939: '*[...] [T]he French government passed a series of laws related to war finance. A convention [...] was adopted [...] guaranteeing a strict control of foreign exchange and the suspension of gold exports. The main idea behind these measures was to ensure that France would keep all financial means (capital, foreign currencies, gold) at home to wage the war*' (cf. Oosterlinck, 2012, p. 94);
- February 1941 / April 1942: Creation of the *Caisse Centrale de Dépôts et de Virements de Titres* ('Central Securities Depository', ancestor of the *SICOVAM*), which rendered mandatory the registration of listed stocks and provided strong tax incentives for registration form (cf. Oosterlinck, 2004, p. 9);
- January 1945: Census of assets held abroad, gold, foreign currencies and foreign securities held in France[37];
- June 1945 (4^{th} to 15^{th}): banknotes exchange and stamping of short–term State bonds public bills[38].

[36] To be clear: the point here is not to maintain that all these controls were perfectly carried out – as Rabault-Mazières (2023) shows & argues – but that they were introduced in the first place. It is beyond the scope of the present work to assess the effectiveness of each of them, but future research will be dedicated to investigating those in greater details.

[37] Le Douarec (1957, p. 80) further noted: '*These census measures had themselves been preceded by a tax treaty between France and the United States. They were followed by negotiations -– which were arduous to say the least – with other foreign states*' (own translation).

[38] There is much to write about said operation, so only a few points are mentioned here. Rosier (1948, pp. 9–10) wrote: '[...] *The banknotes exchange required two months of logistical preparation: 35,000 counters were opened,*

After the introduction of the tax in August 1945, information from financial institutions to detect abnormal transactions and high amounts were centralised. Given the fact that the levy applied to households and corporations, there was a strong incentive to report shares in already taxable corporations to avoid double–taxation. Additionally, copies of tax returns were sent to the *Administration des Contributions directes* for controls[39].

Thanks to in–depth controls, income & wealth were checked several times (especially for wealthy taxpayers) until 1951–1952 in some cases[40]. Table 2 shows the results of these *ex—post* controls. But as Rabault-Mazières (2023, pp. 5–6) noted, these statistics (and reports built upon them) conflate actual controls with late (but spontaneous) declarations. We refer the interested readers to her work for further details on these controls and tax evasion.

with 100,000 staff assigned to them; 500 lorries criss–crossed the country to set up the "operations"; 28,000 kilograms of paper were used to print the posters; 130 tonnes of documents were distributed across France by rail, etc.' (own translation). A very short documentary explaining it may be found here. Cf. also Bougeard (2015, p. 110): '*To prevent fraud, the head of the Rue de Rivoli* [Finance Minister René Pleven] *did not announce it on the radio until the 2nd of June. The new banknotes, ordered from our Anglo–Saxon allies, were to replace more than 2.5 billion notes in circulation within a few days. The well–prepared operation went smoothly; people queued at the counters as they would at bakeries, without disrupting economic life*.'

[39]For further information on controls, cf. Rosier (1948, pp. 14–36), Guérin (1949, pp. 153–159) and DGI (1982) p. 24.

[40]But as DGI (1982) noted on page 27, taxpayers became increasingly unwilling to accept modifications to their tax liability over time. As a result, the Law of 5 July 1949 ended further Treasury actions, such as additional adjustments and the collection of small outstanding liabilities (the monitoring of which constituting a heavy burden for the service). Exceptions remained for taxpayers who had not filled in a tax return or had been granted a deferral of payment.

	Undervaluations (real estate & business assets)		Other Undervaluations (unlisted shares)		Omissions		Enrichment Increases		Late Taxpayers		
	Number	Amounts	Number	Amounts	Number	Amounts	Number	Amounts	Number	Wealth	Enrichment
France (30th of June 1949)	535 753	105 000	111 434	50 000	413 283	34 000	132 688	21 000	216 000	131 000	20 000
France (1st of January 1949)	459 122	67 339	66 409	27 487	348 436	26 343	105 166	15 728	195 702	115 693	18 148
Paris	18 465	8 607	5 008	3 008	1 272	3 684	11 112	3 397	5 618	11 507	695
Paris (%)	4%	13%	8%	11%	0.4%	14%	11%	22%	3%	10%	4%

Notes: Amounts in millions of current old francs. We first report the results of controls for France as of the 30th of June 1949, the most recent data available. We then present the same statistics as of the 1st of January, as reported by Guérin (1949, p. 211, Annexe II), as these also allow us to provide comparable figures for Paris.

Sources: S&EF n°10 *Octobre* 1949, p. 735 and Guérin (1949, p. 211, Annexe II).

Table 2: 'Controls' of 'National Solidarity Levy' Tax Returns

Guérin (1949, pp. 162–164) further noted that tax returns filled in after the 15th of April 1946 (whether spontaneously or after controls) reported significantly lower average wealth but higher enrichment. He explained the difference by arguing that taxpayers with substantial wealth generally believed that they would not escape taxation, whereas those with more smaller wealth assumed that they would be harder to detect (a point also noted by Rabault-Mazières, 2023, p. 6). Conversely, taxpayers liable for the enrichment levy appear to have been more inclined to evade their fiscal obligations, likely because of the higher rates applied under that levy.

3.2.3 Defining and Taxing Enrichment

A distinctive feature of the 'National Solidarity Levy' was its attempt to tax all wartime *enrichissement* (enrichment), whether 'licit' or not. While French tax authorities had experience taxing wealth through the inheritance tax, taxing enrichment was not a straightforward task and implied first to define it.

The logic went as follows: first, and as previously explained, all assets and debts were valued at their respective 'market prices' as of the 4th of June 1945. Second, taxpayers had to distinguish their assets and debts between 'old' wealth (held prior to January 1940) and 'new' wealth (accumulated between the 1st of January 1940 and the 4th of June 1945). Two important implications stem from that point: capital gains were not taxed and taxpayers had an incentive to classify as many assets as they possibly could as 'old'. Third, was subtracted from a taxpayer's net 'new' wealth some deductions (cf. *forfaits* in subsection 3.3.2), half of its net income declared to the 'General income tax' between 1940 to 1944 (reflecting what was considering as 'legitimate' saving) and its assets sold throughout the war.

More precisely:

$$Wealth\ in\ June\ 1945 = old\ wealth + new\ wealth$$

$$Old\,assets = assets\,held\,in\,1940 + inheritances\,\&\,donations\,received\,after\,1940 + \textbf{\textit{emplois}}\,\&\,\textbf{\textit{remplois}} - assets\ which\ cannot\ be\ listed\ as\ old\ due\ to\ the\ use\ of\ deductions$$

With the same rules applying for liabilities except for *emplois* & *remploi*. All remaining assets were 'new' assets. In these accounting definitions, *emplois* referred to assets bought with cash holdings held before January 1940 while *remplois* to assets bought via the sales of assets held before January 1940. *Forfaits* implied to transfer some cash–equivalents from 'new' to 'old' assets. These *forfaits* were meant to both: favour 'honest' taxpayers and anticipate situations in which it was hard to prove the existence of 'old' cash assets. Again, all assets were valued as of the 4th of June 1945. From there, enrichment was defined as:

$$Enrichment = new\,assets + payments\,increasing\,asset\,volumes + donations - new\,liabilities - deductions - 1/2\ net\ income\ declared\ for\ income\ tax - assets\ sold$$

Where 'payments increasing asset volumes' could be, for instance, debt repayments, maintenance costs for a real estate property or rights issues. Donations referred to *inter-vivos* gifts. Deducting half of the net income declared to the general income tax was a rough way to proxy for (licit /

legitimate) saving. Assets sold includes all assets sold between 1940 and 1945 excluding: *emplois* & *remplois* and assets listed in the corresponding deductions (cash–equivalents or financial securities, again cf. subsection 3.3.2). Most importantly, these assets were valued at the prevailing prices at the time of transactions.

3.3 Deductions

Several deductions prevailed to ensure as much fiscal justice as possible, in particular for (war) widows, (war) orphans, disabled veterans, old taxpayers and disabled persons (cf. DGI 1945 pp. 11–18 and Rabault-Mazières, 2020; which however does not mean that the 'National Solidarity Levy' fully achieved its objective in terms of fiscal fairness, as Rabault-Mazières, 2020, pp. 270–273 shows). But some deductions were also meant to favour certain categories of taxpayers like families and farmers (cf. Guérin, 1949, pp. 184–187). We focus below on two sets of deductions which turned out to be critical to understand effective liability rates shown in Section 4: family deductions and the so–called *forfaits*[41]. Before doing so, it must be stressed that Jewish taxpayers did not benefit from any specific tax treatment as Rabault-Mazières (2020, p. 270) pointed out[42].

3.3.1 Family Deductions

The 'National Solidarity Levy' did greatly favour families (cf. e.g. Guérin, 1949, pp. 87–90 and Rabault-Mazières, 2020, pp. 267–268). Taxpayers had to report their 'family situation' by listing all their children in order to benefit from family deductions (even the fact of having deceased children entitled one to those)[43].

The latter could either take the form of additional deductions or of a minimum reduction calculated as a percentage of the gross wealth levy liability (cf. DGI 1945, pp. 9–11). These addi-

[41] Given the specific features of these deductions in the context of the 'National Solidarity Levy', we retain their French denomination of *forfaits*.

[42] '[...] *[A]t the time the tax was drafted and collected* [...], *the specific nature of the deportation of Jews was overlooked. In August and September 1948, the two laws passed defining the status of deportees and internees distinguished between "Resistance fighters" and "political prisoners", a vague category encompassing all civilian victims indiscriminately*' (own translation).

[43] 'Viable' children born after the 4th of June 1945 also granted family deductions.

tional deductions for children were: 25,000 francs for the first child, 50,000 francs for the second, 100,000 francs for the third and each subsequent child. They applied to each spouse individually, were granted regardless of the taxpayer's net wealth or the age of the children and were doubled for *enfants à charge* ('dependent children')[44]: 50,000 francs for the first child, 100,000 francs for the second, and 200,000 francs for each subsequent child[45]. It is indeed worth clarifying here that, unlike the enrichment levy, the wealth levy was assessed individually on each spouse.

3.3.2 Forfaits

Forfaits enabled taxpayers to reduce the amount of net new wealth by altering the amount of their wealth as of January 1940. Taxpayers could make use of any of the three following *forfaits*, even on a cumulative basis:

***Forfait* 1**: to simulate cash and short–term debt bond holdings in 1940. Two sub–options existed:

- **A**: a flat deduction of 50,000 F for the taxpayer, 100,000 F if married;
- **B**: a deduction equals to the net income declared for the 'General income tax' in 1939 or 1940 – taxpayers with high incomes in 1939/1940 would opt for option B, but most taxpayers would opt for option A.

***Forfait* 2**: a deduction equals to the financial income declared for the 'General income tax' in 1938 or 1939 multiplied by 30 (assuming a net yield of 3.33%). It was rarely used in practice.

***Forfait* 3**: a capped exemption of cash–equivalents for farmers. Two sub–options existed:

- **A**: one granting the right to deduct up to 60% of cash–equivalent assets up to 500,000 F, and 30% above 500,000 F;
- **B**: another one enabling taxpayers to deduct 5 times the net income declared for farm profits

[44] Typically the taxpayer's children aged under 21 and / or its disabled children. To be considered dependent, assets of said children had to be declared jointly on the tax return.

[45] These additional deductions were further doubled for widows.

(*bénéfices agricoles*).

In practice, that first sub–option was often capped to 300,000 F – i.e. 60% of 500,000 F. Quite surprisingly, it turns out that wealthy Parisian taxpayers benefitted from it thanks to their rural real estate properties (13% of p99 and 23% for p999, cf. Appendix Figure B1).

The use of these *forfaits* was however conditional on the following rules:

- ***Forfait* 1**: taxpayers could not list cash holdings or public debt with a maturity of up to 3 years as old assets. Also, public debt could not be counted under assets sold (*réalisations*);
- ***Forfait* 2**: taxpayers could not list any financial assets as old assets (except for one exceptional public debt security issued in 1925 which was exempted from the 'General income tax'). Same rule applied with regards to assets sold (*réalisations*);
- ***Forfait* 3**: was unconditional (tax deduction for farmers).

Appendix Figure B1 displays the use of these *forfaits* by percentile. Overall, about 20% of sampled Parisian households did not make use of any *forfaits* (a proportion relatively stable across the distribution).

3.4 Payment

3.4.1 Payment Terms

The enrichment levy was payable in two equal instalments during 1946: the first one was due within a month after the *Enregistrement* had notified the taxpayer how much it owed and the second one was due within 3 months after the 18th of November 1946.

The wealth levy had to be paid in four equal instalments. The first one was due within a month after the *Enregistrement* had notified the taxpayer how much it owed. For the other three, payment was due within 3 months after the following three dates: 18th of November 1946, 18th of May 1947 and 18th of September 1947[46].

[46] Originally (cf. JORF 1945a), the 'National Solidarity Levy' ought to have been paid in annual payment in four

That last payment due after September was initially due in November 1947, but because of budgetary constraints, the Law of 25 June 1947 (cf. JORF 1947) brought that date forward by two months (18th of September with a two–month payment window) and introduced a 25% *majoration* 'increase' (due within a month after the *Enregistrement* had notified the taxpayer how much it owed from the 18th of November 1947 onwards, cf. DGI 1982, p. 26).

3.4.2 Payment Methods

The fiscal administration had also taken care to provide for a wide range of payment rules and methods. Are listed below only some of the main ones[47].

Early payment was encouraged: taxpayers who settled their liability before due date were granted a 1.5% discount per full quarter. That however did not apply for those whose cash assets exceeded 10% of their net wealth. The latter had to pay their full 'National Solidarity Levy' liability within one month of notification by registered letter (with some exceptions).

Although the tax was normally payable in cash, three exceptions to that rule had been provided for (the third one is not covered here and relates to the so–called *compte de pécule*, a form of savings account). First, households could pay part of the 'National Solidarity Levy' liability in State bonds (*valeurs d'État*) often receiving an advantageous bonus (*valeur de reprise*)[48]. Sec-

instalments for the wealth levy and in two instalments for the enrichment levy, but these periods were halved by the Law of 14 February 1946 (cf. JORF 1946) due to inflation. As pointed out on p. 26 by DGI (1982), payment in instalments was further proof that Members of Parliament wanted to avoid asset sales & asset price crashes.

[47] Cf. DGI (1945), pp. 37–42. For instance, costs and fees associated with preparing the tax return were deductible at a determined rate from the gross wealth levy liability. Taxpayers aged over 60 and disabled taxpayers with little wealth (and who were not liable to the enrichment levy) could benefit either from a deferral of payment or from a 10% discount on the levy liability.

[48] With certain State bonds valued at 110% of their nominal value (or the first quoted price on the fifth trading day preceding the payment date, whichever was greater). As noted by Guérin (1949, pp. 108–109), similar provisions existed in Switzerland, Belgium, Italy & Czechoslovakia. Interestingly enough, it appears that all *valeurs d'Etat* were accepted, including those issued by the Vichy regime (and it is worth noting that France, regardless of the regime, never defaulted on its WW2 debt). That fact raises an apparent paradox which is beyond the scope of our current research: while that measure was meant to favour State bond–holders, subsequent inflation hit them hard again and, if deliberate, could be seen as a form of punishment (Occhino et al., 2008, p. 42). In their working paper, p. 50, the authors are even more explicit: '*Yet, if inflation was largely unexpected, then inflation was relatively low cost with the burden of adjustment falling heavily on those – financial institutions and individuals – who had been induced to buy Vichy's bonds. This inflation-default was not selective, culling out Vichy's supporters, but hit all who had willingly or otherwise propped up the collaborationist government*.' On the political use of inflation, we refer again the interested readers to Teixeira (2025).

ond, the fiscal administration allowed an exception to the principle that tax liabilities cannot be offset against claims on the State ('*principe de non–compensation*'), for taxpayers entitled to war–damage claims (and whose wealth was below 3 million francs for single individuals or 6 million for married couples). These taxpayers could therefore settle their tax liability by offsetting it against their war–damage claims.

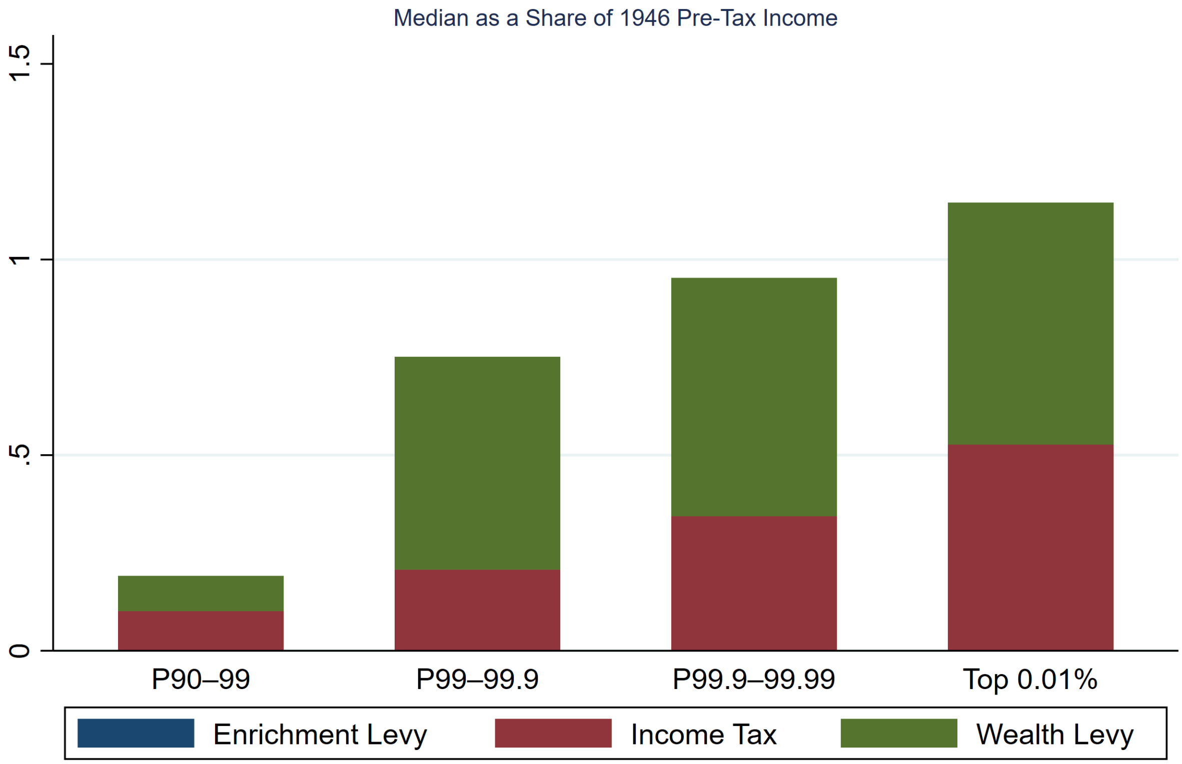
4 Taxpayer–Level Evidence

Before offering some insights into whether the 'National Solidarity Levy' was a success or a failure, it is worth presenting a few findings regarding who paid for what. To do, we rely on a newly–constructed stratified random sample of Parisian household tax returns. The sample currently consists of about 2,300 observations – out of about 210,000 'National Solidarity Levy' tax returns for Paris[49] – with an over–sampling at the top of the wealth distribution in the 7*ème*, 8*ème* and 16*ème arrondissements* (districts). Further information about its construction is provided in Brassac (2026b)[50].

These findings present below are interesting in their own right, but they will also help to shed further light on our assessment when answering the research question.

[49]Collection 1600W available at the *Archives de Paris*.

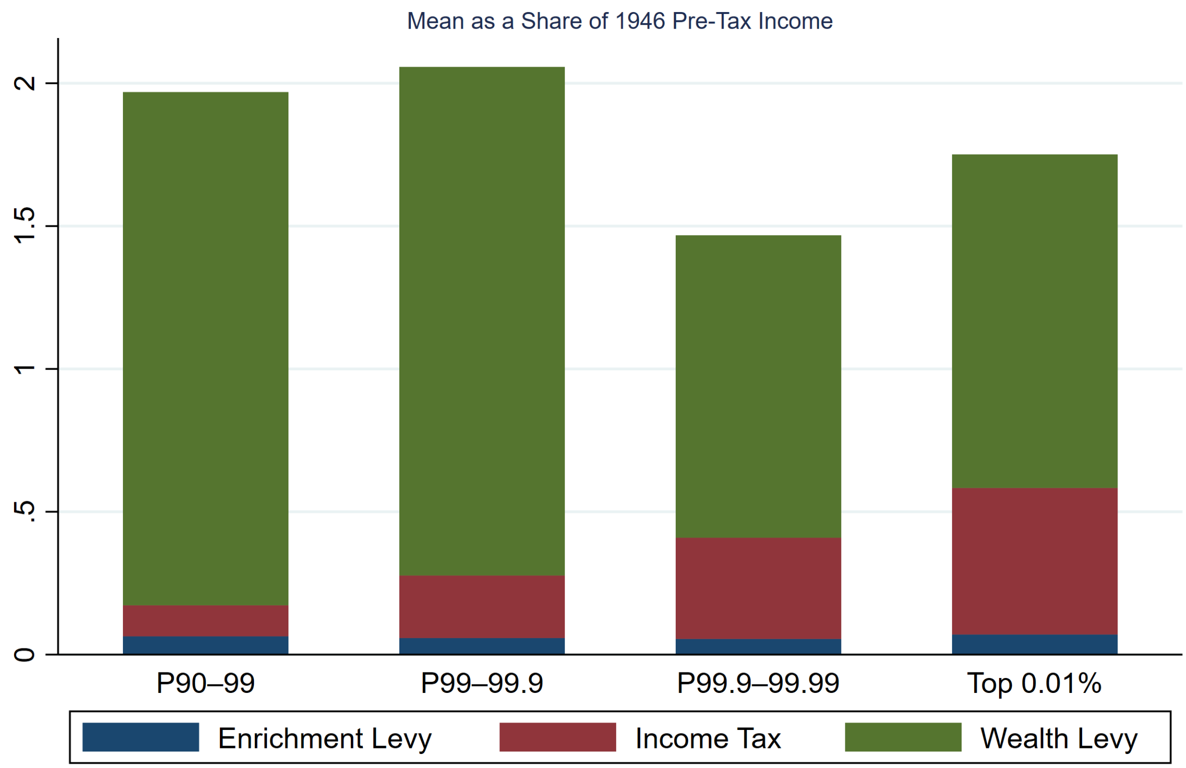
[50]Simply note here that while Paris is absolutely not representative of France, it is an excellent laboratory to observe the wealthy, given the historical concentration of wealth in the capital (cf. Postel-Vinay and Rosenthal, 2026). The focus on Paris was moreover motivated by practical reasons.



Notes: The chart shows the median 'National Solidarity Levy' liability decomposed between the wealth and the enrichment levies as a share of 1946 pre–tax incomes across intermediate fractiles of the French income distribution (computed with data from Piketty, 2001 and making use of gpinter, cf. Blanchet et al., 2022). Median enrichment levy liability is zero because less than half of sampled Parisian taxpayers paid the enrichment levy. Liability to the income tax ('General Income Tax') is also shown for illustrative purpose. 1946 pre–tax incomes are imputed as follows: for a given observation, we multiply its (observed) 1944 pre–tax income by the growth rate of its percentile in the French income distribution between 1944 and 1946. We do so simply to illustrate how the 'National Solidarity Levy' liability compared to the 'General Income Tax' liability when taxpayers started to pay the tax in 1946. Appendix Figures B3 display the same results as shares of 1944 and 1945 incomes.

Interpretation: The top 0.01% of the French income distribution had a median overall tax liability of $\approx$ 1.15 times its income in 1946 (the wealth levy alone amounted to $\approx$ 60% of its 1946 incomes but was notably payable in instalments).

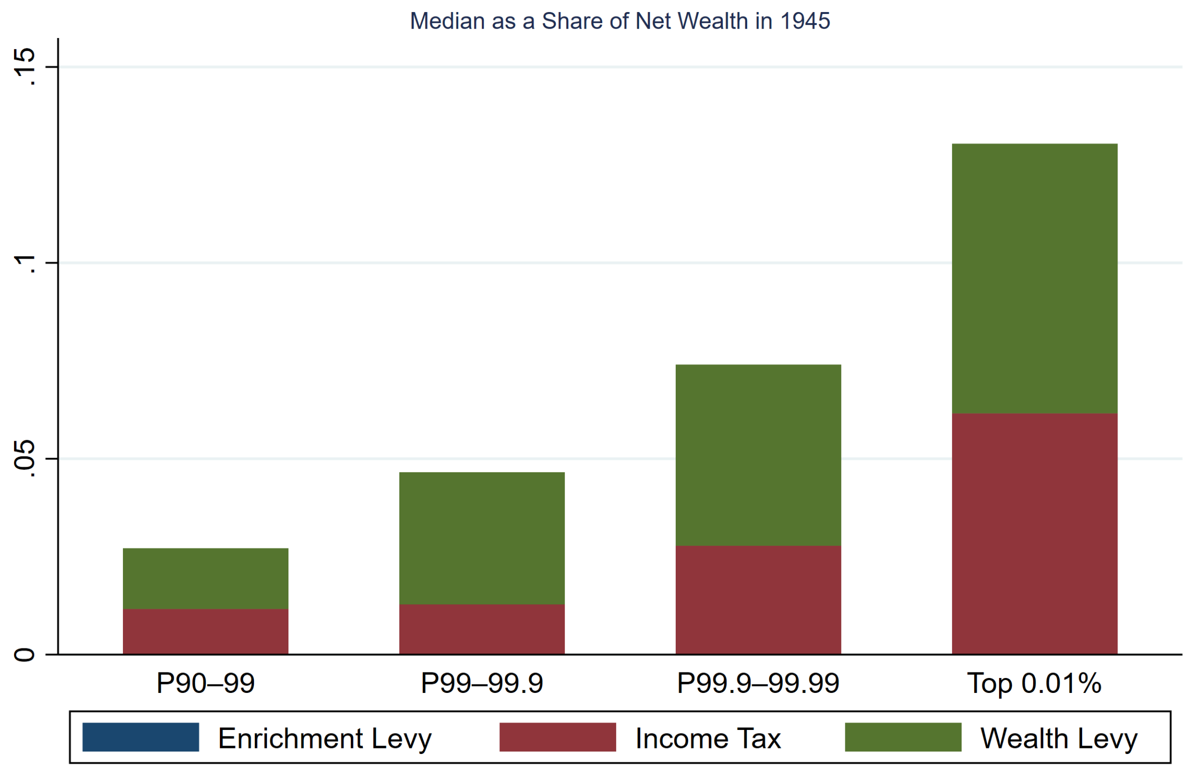
Figure 1: Median Levies Liability (Share of Pre–Tax Income)



Notes: The chart shows the mean 'National Solidarity Levy' liability decomposed between the wealth and the enrichment levies as a share of 1946 pre–tax incomes across intermediate fractiles of the French income distribution (computed with data from Piketty, 2001 and making use of gpinter, cf. Blanchet et al., 2022). Liability to the income tax ('General Income Tax') is also shown for illustrative purpose. 1946 pre–tax incomes are imputed as follows: for a given observation, we multiply its (observed) 1944 pre–tax income by the growth rate of its percentile in the French income distribution between 1944 and 1946. We do so simply to illustrate how the 'National Solidarity Levy' liability compared to the 'General Income Tax' liability when taxpayers started to pay the tax in 1946. Appendix Figures B4 display the same results as shares of 1944 and 1945 incomes.

Interpretation: The top 0.01% of the French income distribution had a mean overall tax liability of ≈ 1.75 times its income in 1946 (the wealth levy alone amounted to ≈ 1.15 times its 1946 incomes but was notably payable in instalments).

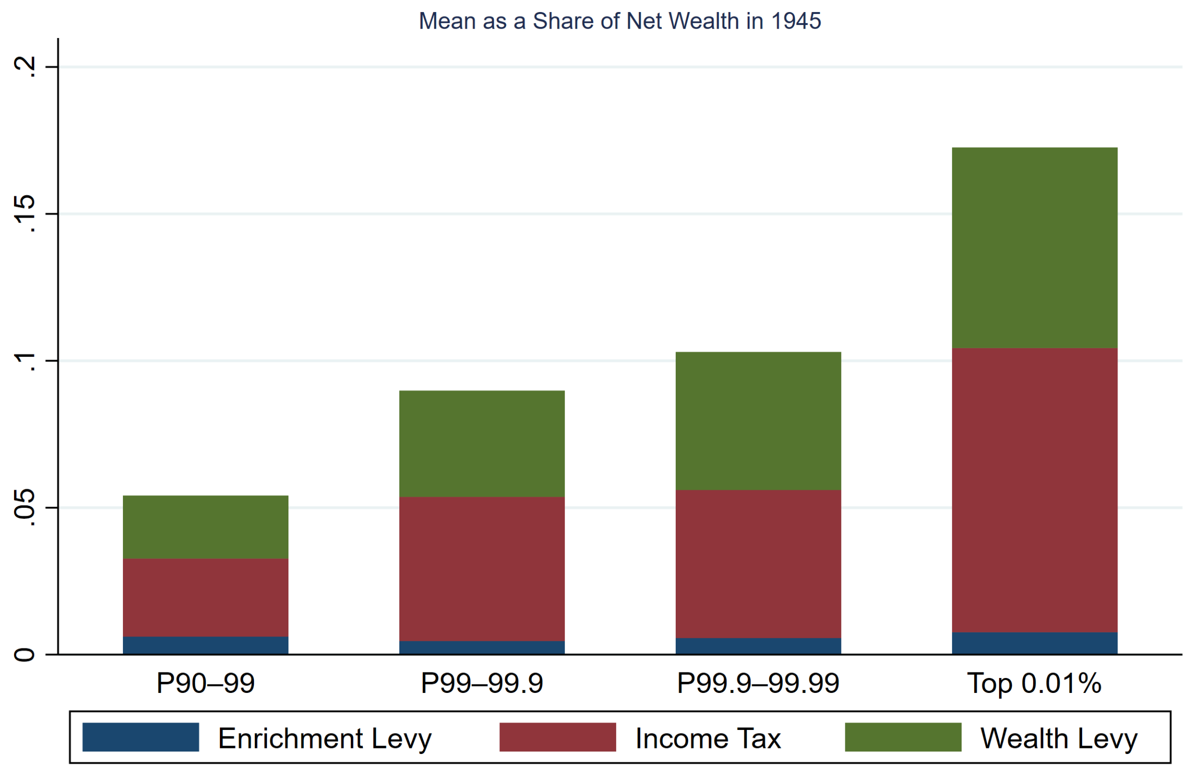
Figure 2: Mean Levies Liability (Share of Pre–Tax Income)



Notes: The chart shows the median 'National Solidarity Levy' liability decomposed between the wealth and the enrichment levies as a share of net wealth in 1945 across intermediate fractiles of the French income distribution (computed with data from Piketty, 2001 and making use of gpinter, cf. Blanchet et al., 2022). Median enrichment levy liability is zero because less than half of sampled Parisian taxpayers paid the enrichment levy. Liability to the income tax ('General Income Tax') is also shown for illustrative purpose. 1946 pre–tax incomes are imputed as follows: for a given observation, we multiply its (observed) 1944 pre–tax income by the growth rate of its percentile in the French income distribution between 1944 and 1946. We do so simply to illustrate how the 'National Solidarity Levy' liability compared to the 'General Income Tax' liability when taxpayers started to pay the tax in 1946. Appendix Figures B5 display the same results as a share of net wealth in 1945 but with 'General Income Tax' liability associated to 1944 and 1945 incomes.

Interpretation: The top 0.01% of the French income distribution had a median overall tax liability of $\approx$ 13% of its wealth in 1945 (the wealth levy alone amounted to $\approx$ 7% of its wealth as of June 1945).

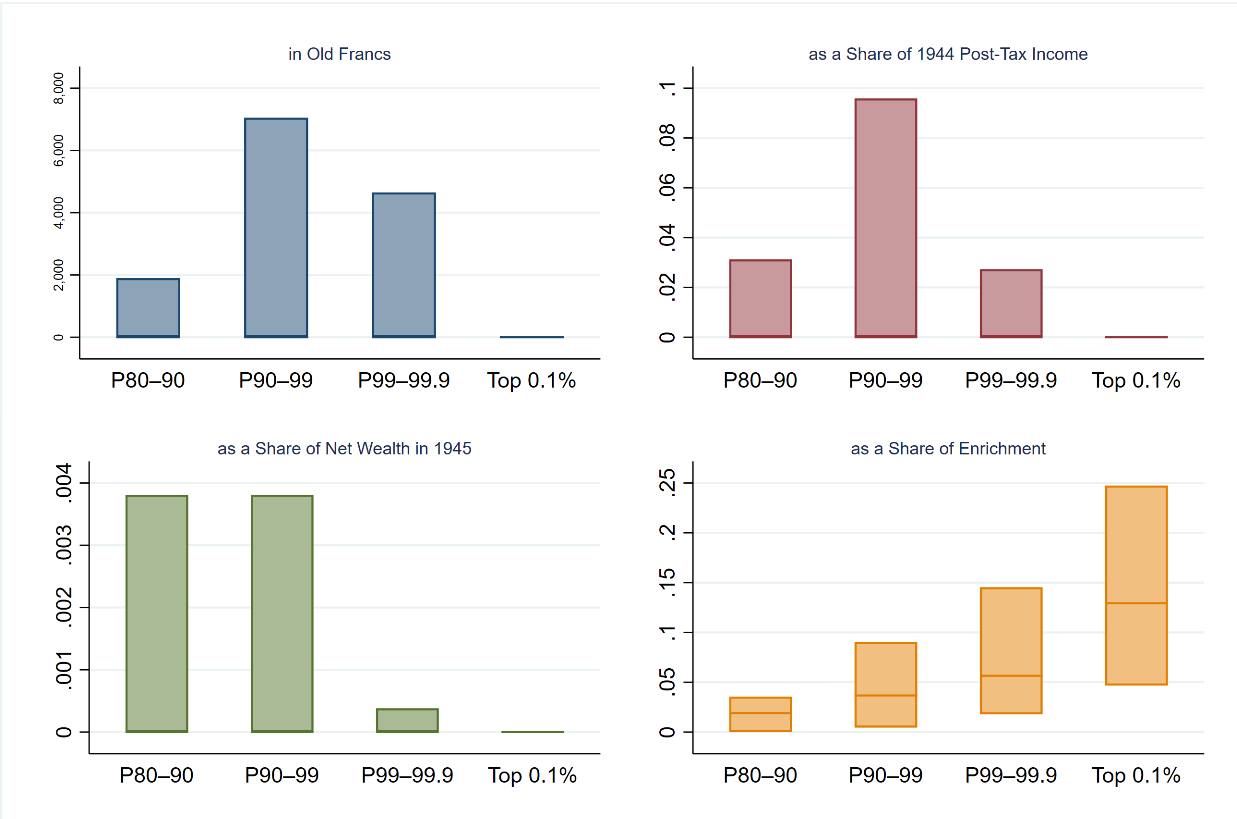
Figure 3: Median Levies Liability (Share of Net Wealth)



Notes: The chart shows the mean 'National Solidarity Levy' liability decomposed between the wealth and the enrichment levies as a share of net wealth in 1945 across intermediate fractiles of the French income distribution (computed with data from Piketty, 2001 and making use of gpinter, cf. Blanchet et al., 2022). Liability to the income tax ('General Income Tax') is also shown for illustrative purpose. 1946 pre–tax incomes are imputed as follows: for a given observation, we multiply its (observed) 1944 pre–tax income by the growth rate of its percentile in the French income distribution between 1944 and 1946. We do so simply to illustrate how the 'National Solidarity Levy' liability compared to the 'General Income Tax' liability when taxpayers started to pay the tax in 1946. Appendix Figures B6 display the same results as a share of net wealth in 1945 but with 'General Income Tax' liability associated to 1944 and 1945 incomes.

Interpretation: The top 0.01% of the French income distribution had a mean overall tax liability of $\approx$ 17% of its wealth in 1945 (the wealth levy alone amounted to $\approx$ 7% of its wealth as of June 1945).

Figure 4: Mean Levies Liability (Share of Net Wealth)



Note: Bars are interquartile ranges referring to intermediate fractile of the simulated Parisian wealth distribution. Median is zero because less than half of sampled taxpayers paid the enrichment levy. Bottom right panel shows enrichment levy divided by enrichment for taxpayers with positive enrichment.

Figure 5: Enrichment Levy Liability

At least two interesting findings emerge from the above Figures. First, and as shown in Figure 5, those who paid the highest absolute amounts to the enrichment levy in Paris were not the wealthiest individuals. It might appear surprising at first, but evidence from the identity of (very) wealthy taxpayers suggest that their wealth originated from the pre–WW2 period[51]. Second, and more importantly, the wealth levy of the 'National Solidarity Levy' appeared to have acted as an income surtax rather than a wealth tax (as evidenced by the fact that the wealth levy was progressive with incomes, cf. Figures 1 and 3)[52]. That second finding is hardly surprising and had already

[51]Which however does not settle the question of what happened to these fortunes during WW2.

[52]We focus our interpretation on Figures 1 and 3, which report median rather than mean tax liabilities (shown in Figures 2 and 4), because mean tax liabilities are strongly affected by a small number of extreme observations, particularly within lower income fractiles, reflecting substantial within–fractile heterogeneity in the sample.

been pointed out by Jean Guérin, Henry Laufenburger & Peter Robson (cf. Guérin, 1949, p. 195 quoting Henry Laufenburger and Robson, 1959, p. 38). Contrary to what a superficial reading of the tax rates could suggest, the rates of the wealth levy were low and there were multiple deductions (and payment was due in instalments, which is not even shown in the Figures above). It is also worth noting that, according to our calculations, 20% of the observations in the top 10% of the Parisian wealth distribution were liable to the wealth levy while reporting zero taxable income (13% for the top 1%).

That second finding further calls for two remarks: a general one and another one echoing current debates about wealth taxation. Generally speaking, whenever discussing taxation, it is insufficient to only look at the tax schedule as factors such as deductions are crucial to determine effective liability. And closer to present concerns, the microdata analysis shows that, when rates are low, a wealth tax acts as an income surtax, consistent with Gabriel Zucman's argument & tax proposal (cf. Zucman, 2024; the rationale of the argument is also explained in Piketty et al., 2023, pp. 579–581).

5 Evaluation

Before proceeding, a key clarification is in order: economists would normally ask whether the 'National Solidarity Levy' was the best possible policy to implement at the time. In our view, it is not possible to provide a satisfactory answer to that question because we would run into two problems. First, it is a highly complex question to ask in the tumultuous post–WW2 era (as Robson, 1959, p. 41 highlighted when concluding his analysis). Second, in the context of post–WW2 France, asking that question necessitates to reopen the René Pleven – Pierre Mendès France controversy, which is beyond the scope of our research[53].

[53]To summarise it all too briefly, in France, the so–called René Pleven – Pierre Mendès France controversy refers to a broader debate that took place in 1944–1945 over the appropriate strategy for post–war monetary and fiscal stabilisation. On the one hand, Finance Minister René Pleven favoured a more inflation–tolerant approach; on the other hand, Pierre Mendès France advocated monetary stability, including the use of blocked accounts to curb inflationary

Instead, the success or failure of the 1945–French 'National Solidarity Levy' is assessed here in the light of its own two explicit goals: providing the State with tax revenues to rebuild the country & restore public finances and taxing all enrichments made throughout WW2. Doing so requires distinguishing two essential steps: measuring the tax base and applying the tax schedule accounting for deductions. A notable advantage of proceeding as such is that we may refrain ourselves (for now) to discuss whether the tax could have been more progressive, raised more revenues and fairer. Further considerations are also discussed.

5.1 Wealth Census

Almost 2.4 million tax returns were filled in, amounting to 2,720 billion francs of taxable wealth[54]. That is, roughly 15% of French fiscal households[55] owning 85% of net private wealth as of June 1945[56]. That share might look high at first glance[57], but it is consistent with top wealth shares computed by Piketty et al. (2006); Garbinti et al. (2021) who find that the top 10% of the wealth distribution owned around 70–75% of total net private wealth in 1944–1946[58].

Despite the scepticism of Rosier (1948, p. 36) towards any form of exceptional wealth

pressures. The question of whether to block accounts became a central point of disagreement between the two positions. Pierre Mendès France's 'plan' (cf. Bougeard, 2015, p. 104 for a description) was ultimately rejected by the Général de Gaulle, and only the banknotes exchange (at par) took place between the 4th and the 15th of June 1945 (cf. also René Courtin's comments in favour of the exchange rather than blocked accounts, reported by Le Douarec, 1957, p. 85). A short report on the banknotes exchange operation is available here and we refer interested readers to Bougeard (2015, Chapitre 7) and Teixeira (2025) for further information. Other countries such as Belgium or the Netherlands did opt for blocking accounts.

[54] Cf. S&EF n°10 *Octobre* 1949, p. 735. Figure as of the 30th of June 1949, and slightly higher than the one reported by Guérin (1949, p. 178) as of the 1st of January 1949 (2,656). 'Taxable' wealth / enrichment is defined here as what was liable and declared to the tax before deductions were accounted for.

[55] Cf. Number of fiscal households taken from Piketty (2001, p. 566, Tableau A–2).

[56] Cf. Total net private wealth as of June 1945 drawn from Piketty and Zucman (2014). It is worth noting that Guérin (1949, p. 178), citing (Laufenburger, 1950, pp. 89–90) (Guérin, 1949 refers to an edition of Laufenburger (1950)'s book older than the one that we could consult), estimates total private net wealth as of June 1945 at 6,500 billion francs. We ignore that estimate both because of its shaky methodology and its implausible result. On the contrary, Laufenburger (1950, p. 89)'s total private net wealth for 1938 (1,600 billion francs) is very close to Piketty and Zucman (2014)'s one (1,682).

[57] One the one hand, taxable wealth recorded for the 'National Solidarity Levy' did include more assets than what Piketty and Zucman (2014) count, like gold or movables for instance. On the other hand, it also did include claims of French taxpayers on other French taxpayers, which are typically excluded from aggregate wealth estimates, cf. Colson (1927) (from which Piketty, 2011 and later Piketty and Zucman, 2014 built their 1925 wealth estimate for France) and Rosier (1948, pp. 20–21).

[58] Surely tax evasion took place, as argued by Rabault-Mazières (2023), but its scale must not be overstated.

taxation, contemporaries overall viewed favourably the wealth levy design and the efforts carried out by the Ministry of Finance and the services of the *Enregistrement* in establishing the census of taxable wealth (cf. Guérin, 1949, pp. 200–201 and Le Douarec, 1957, pp. 167–178)[59].

It also worth highlighting that not only information collected & controls undertaken by fiscal authorities led to better 'illicit profits', income & inheritance tax collections (cf. Guérin, 1949, pp. 167-171 and more specifically pp. 75–76 on the relationship between the 'National Solidarity Levy' and the 'confiscation of illicit profits' controls) but 'National Solidarity Levy' tax returns are still used nowadays by the *Commission pour l'indemnisation des victimes de spoliations (CIVS) intervenues du fait des législations antisémites en vigueur pendant l'Occupation* ('Commission for the Compensation of Victims of Spoliation'; successor to the *Mission Mattéoli*) as pieces of ownership evidence examined by a *magistrat–rapporteur* for spoliation compensations.

Furthermore, and as one would expect, Parisian taxpayer–level data show that wealth & income reported in the tax returns correlate well – cf. Appendix Figure B2.

5.2 Enrichment Census and Taxation

Taxable enrichment amounted to 293 billion francs[60]. If the valuation of total wealth raises its set of issues in normal times, estimating the increase in wealth over such a period as WW2 is particularly difficult[61], which probably explains why contemporary economists did not attempt at providing total enrichment estimates[62].

The general assessment by contemporaries was that war–profiteers were subject to the 'National Solidarity Levy', but rather to the wealth than the enrichment one (cf. Rosier, 1948, p. 8), and that the enrichment levy did not succeed in reducing wartime wealth accumulation in a (more)

[59] Cf. also Le Douarec (1957, pp. 187–188) ironically commenting on the too harsh judgement made by Henry Laufenburger about the 'National Solidarity Levy'.

[60] Cf. S&EF n°10 *Octobre* 1949, p. 735. Figure as of the 30th of June 1949, and slightly higher than the one reported by Guérin (1949, p. 181) as of the 1st of January 1949 (270).

[61] And all the more so, because the fiscal administration was by construction excluding capital gains from its definition of enrichment.

[62] As previously noted, while Guérin (1949, p. 178), citing (Laufenburger, 1950, pp. 89–90), provided an estimate of total net private wealth for France as of June 1945, neither of these two authors ventured to assess the aggregate enrichment over the period.

satisfactory manner (cf. Guérin, 1949, p. 201 and Le Douarec, 1957, p. 175). It is in line with the overall impression prevailing at the time among the public opinion and officials with regards to 'illicit profits' confiscation (cf. Mouré and Grenard, 2008). We are inclined to support that view.

It is a hard question to tackle, and it is beyond dispute that some (many?) taxpayers escaped the enrichment levy. But to which extent and for what amounts, the question remains open. In line with Mouré and Grenard (2008)'s conclusions dealing with 'illicit profits' confiscation, public opinion and officials at the time probably expected swift and thorough fiscal justice, which was simply not possible. What is however more certain is that 'National Solidarity Levy' tax returns provide a solid source – to be paired with others – to further investigate that crucial question.

5.3 Finance Ordinary Public Expenditures

Despite the explicitly stated goal of providing the State with tax revenues to rebuild the country & restore public finances or the reliance on a moral argument to justify the introduction of the levy[63], parliamentary debates show that no one expected the 'National Solidarity Levy' to reach that target on its own (cf. Guérin, 1949, pp. 201–202 and Le Douarec, 1957, pp. 174–175).

Most importantly, the tax revenues it raised were in line with expectations. Said expectations were set at an initial 120–130 billion francs. But they were computed with a wealth levy threshold for households set at 100,000 instead of 200,000 francs as finally implemented[64]. Accounting for the 200,000 francs threshold for households, Guérin (1949, pp. 160–162) estimated that the wealth levy ought to have raised 90–100 billion francs. That is consistent with the lower–bound estimate of 96 billion francs reported in Table 3, which corresponds to the sum of the proceeds from the wealth and enrichment levies up to 1951, excluding the *majoration* ('increase'). Overall,

[63]Cf. the quote written on the header of each tax return, drawn from a statement by Finance Minister René Pleven, made at the Second Session of the Provisional Consultative Assembly, on the 29th of March 1945: '*I said that the tax would be difficult to establish. I know that it will take from the financial Administrations in charge of introducing it, but especially from taxpayers, concerns, worries, new sacrifices. But to those who would indulge in a bad tempter, let me simply recall this: any Frenchman who survived the war with his arms, health and freedom is a privileged Frenchman; any Frenchman who could keep, throughout the upheaval, at least a share of his former assets, savings, wealth is privileged by fate.*' (own translation).

[64]Government expectations were that a 100,000 francs threshold for households would have led to 3.5 million tax returns against 2 with a threshold set at 200,000 francs – which was overcome, since almost 2.4 of them were filled in.

the 'National Solidarity Levy' yielded approximately 130 billion francs, equivalent to about 12% of 1945 national income. The wealth levy liability stood at about 3.7% of taxable wealth and the enrichment levy liability at around 9.2% of taxable enrichment[65]. These low effective tax rates in the face of a high progressive tax schedule – cf. Table 1 – are understandable given the key role played by deductions and exemptions. Finally, inflation was critical in eroding tax payments over the years (around 50% per year in 1945—1948). Payments represented 2.1% of national income in 1946, 1.2% in 1947 and 0.3% in 1948, as shown in Table 3 (cf. also Table 4 for a comparison with revenues from the confiscation of 'illicit profits' and from income taxes). So while the 'National Solidarity Levy' in itself did not restore public finances, it achieved what experts actually expected from it: modestly contributing to financing public expenditures[66].

It is however worth noting that a recurring criticism levelled at the 'National Solidarity Levy' – from both a theoretical and a psychological perspective – was the failure to allocate tax revenues generated to a specific expenditure item – e.g. a reconstruction fund – following the standard rule against earmarking annual and ordinary budgetary resources for specific expenditure (cf. e.g. Guérin, 1949, pp. 182–184; only the proceeds from the *majoration* were specifically allocated '*to cover expenditure under the reconstruction and infrastructure budget*', cf. JORF 1947 article 13 and Guérin, 1949, p. 184). That criticism appears all the more valid given that the tax was set up to help rebuild the country.

5.4 Further Considerations

In addition to its two explicit objectives, the 'National Solidarity Levy' also had two implicit ones: favouring families and farmers[67] (cf. Guérin, 1949, pp. 176 and pp. 184–187). Although the quantitative results are not shown here, family deductions played a key role in understanding why

[65]Estimates very close to the ones by Guérin (1949, pp. 178 and 181), who respectively found 3.5% and 9%.

[66]To that extent, (post–) WW2 inflation in France was a much more powerful tool in reducing public debt (cf. Teixeira, 2025), but it had major disruptive distributional consequences too.

[67]It is not the first time that farmers benefitted from a favourable tax treatment, as the latter had already been exempted from the 1916 *Contribution extraordinaire sur les bénéfices de guerre* ('Extraordinary contribution on war profits') (cf. Touchelay, 2008, § 1).

	Wealth Levy	Enrichment levy	*Majoration* ('Increase')	Total	Share of National Income
1946	37,973	10,848		48,925	2.1%
1947	25,928	4,796	9,882	31,367	1.2%
1948	5,526	2,133	8,382	17,092	0.3%
1949	4,375	1,873	1,742	8,757	0.1%
1950	1,538	563	693	3,098	0.0%
1951	697	319	365	1,554	0.0%
1952				1,170	0.0%
1953				801	0.0%
1954				878	0.0%
1955				879	0.0%
1956				795	0.0%
1957				583	0.0%
1958				465	0.0%
post–1958				$\approx$ 3,500	
Total	76,036	20,532	21,064	129,796	

Notes: The breakdown between categories is no longer available after 1951. The sum of columns is lower than the total because of that and because *pénalités* (fines) are excluded here. After 1958, sums recovered in respect of the 'National Solidarity Levy' are no longer shown separately, but Le Douarec (1957, pp. 172–173) noted that, as of 1957, the *Enregistrement* still expected about 4 billion francs in revenues. Many of these late revenues came from payments made with war–damage claims. Out of the 15.4 billion generated by the levy on French corporations, a little more than half was paid in shares. Overall operating costs were estimated at around 1 billion francs (Guérin, 1949, p. 161).
Sources: BSMF and S&EF, various years.

Table 3: 'National Solidarity Levy' Tax Revenues (in Million Old Current Francs)

effective liability rates were much lower than the theoretical ones. The unconditional tax deduction for farmers (*forfait* 3, cf. subsection 3.3.2) was also quite generous even it turned out to benefit wealthy Parisian taxpayers too.

5.5 Summary

What to make of that evidence before looking at the bigger picture of post–WW2 France and Western Europe? Our overall assessment is that the 'National Solidarity Levy' was fairly successful, contrary for instance to fears expressed during parliamentary debates – fuelled by the failure of past capital levy experiences or ideological opposition to any form of capital taxation[68]. It succeeded in making a census of taxable wealth, thanks to the work & controls carried by the *Enregistrement* – which notably improved 'illicit profits', income & inheritance tax collections (cf. Guérin, 1949,

[68]Cf. for instance alarmist statements by the *députés* Joseph Laniel and Joseph Denais.

	'Illicit Profits' Confiscation		'National Solidarity Levy'		Income Taxes	
	Government Revenues	National Income	Government Revenues	National Income	Government Revenues	National Income
1946	3.1%	0.5%	12.4%	2.1%	19.3%	3.3%
1947	1.6%	0.3%	6.6%	1.2%	27.5%	4.9%

Sources: Own calculations following S&EF n°10 *Octobre* 1949, Le Douarec (1957, p. 177) and Piketty (2001); Piketty and Zucman (2014).

Table 4: 'Illicit Profits' Confiscation, 'National Solidarity Levy' and Income Taxes Revenues (as a Share of Government Tax Revenues & National Income)

pp. 167-171)[69]. Despite its explicit goal of restoring public finances, it actually generated small tax revenues as expected, notably due to deductions and exemptions, and contemporary accounts did not witness major asset sales or had any sizeable impact on inflation, credit, saving, asset prices, consumption or production (cf. e.g. Guérin, 1949, pp. 193–198). As noted in Section 4, the levy rather acted as an income surtax. The real value of these revenues was however eroded by high inflation (about 50% per year in 1945—1948)[70] and mobilised for financing ordinary public expenditures, not just the country's reconstruction – hence further measures later: the 1947 foreign asset requisition; the *prélèvement exceptionnel de lutte contre l'inflation* ('exceptional anti-inflation levy' also called 'Plan Mayer', which acted as an income surtax); or the Marshall Plan. The question of enrichment taxation remains open, even if it is beyond doubt that part (most?) of it escaped the enrichment levy. Further research will be necessary to answer it, but 'National Solidarity Levy' tax returns surely provide an invaluable source to do so.

5.6 A Note on Inequality

Despite its goal to tax all enrichments made throughout WW2, the 'National Solidarity Levy' was never designed to massively alter wealth inequality – as evidenced by the nature of the par-

[69]Le Douarec (1957, p. 198) also noted the merit of a (potential periodic) wealth declaration to control income tax returns and even cited Charles Rist expressing a similar view in the pages of the newspaper *Le Monde* in February 1945.

[70]We also do not think that inflation prevented the levy from having catastrophic repercussions given its limited liability share of net wealth in 1945 (cf. again Figure 3, which does not even account for the possibility to pay in instalments).

liamentary debates held at the time and the subsequent design of the tax itself[71]. We are able to further illustrate that point through a simple upper–bound partial equilibrium calculation built upon Parisian microdata. By making the following (strong) assumptions: (i) Parisian taxpayers were representative of the French ones (they were not), (ii) tax liability was immediately paid in full out of wealth instead of income (i.e. without taking advantage of instalment payments but excluding the 1947 *majoration*) and (iii) holding aggregate net private wealth constant (i.e. ignoring general equilibrium and redistribution effects), the 'National Solidarity Levy' would have led to a decline of the top 10% wealth share of 2.3 percentage points (from 70 to 67.7%; the respective decline for the top 1% would have been 1.3 percentage point). Such hypothetical declines are not negligible, but rest on too strong of assumptions to be plausible. They simply suggest that it is very unlikely that 'National Solidarity Levy' had an aggregate impact on wealth inequality (and by extension, on pre–tax income inequality).

Le Douarec (1957, pp. 185–187) also noted that 'National Solidarity Levy' tax returns had to merit to put statistical evidence on wealth inequality at the *départemental* (regional) level. The geographical distribution of taxable wealth and enrichment are respectively reported in Maps C8 and C9.

6 Historical and International Perspectives

To present the 'National Solidarity Levy' in a satisfactory manner and to understand its fair success (including the contrasts between originally stated goals and actual provisions), it is essential to put it back into the bigger picture.

We do so (all to briefly here) along two lines: first, we discuss the 'National Solidarity Levy' within the bigger framework of (post–) war finance in the context of post–WW2 France

[71] As Rabault-Mazières (2020, p. 266) explained, despite the stated goal of '*remedy[ing], as far as possible, the inequalities caused by the war*' (cf. JORF 1945a, *exposé des motifs*) (own translation), the objective was not to profoundly alter social hierarchies or inequality but rather to redistribute losses to a certain extent.

in subsection 6.1. Second, we touch upon the 'National Solidarity Levy' in a (West–) European comparative perspective in subsection 6.2. The insights to be drawn from these two subsections are summarised in the conclusion (Section 7).

6.1 Post–WW2 (Finance) in France: Inflation versus Taxation

Following Casella and Eichengreen (1991), we argue that the analysis of the 'National Solidarity Levy' provides novel insights into two key challenges faced by Western European countries at the time.

On the one hand, rebuilding the country was marked by a tension between inflation *versus* tax collection to solve distributional conflicts – including reducing public debt; preserving firms' profits (cf. e.g. Teixeira, 2025); make black & official markets converge (cf. e.g. Mouré, 2023). To that extent, it is good to read the 'National Solidarity Levy' as part of a succession of fiscal measures along rising taxation to rebuild the country and restore public finances: the *Emprunt de la Libération à 3%* (from November 1944 and which raised 165 billion francs, cf. Rabault-Mazières, 2020, p. 259 citing Chélini, 1992); the banknotes exchange in June 1945; the 'National Solidarity Levy'; the 1947 foreign asset requisition; the *prélèvement exceptionnel de lutte contre l'inflation* ('exceptional anti-inflation levy')[72]; and the Marshall Plan[73].

On the other hand and as discussed in subsection 5, taxing war–profiteers turned out to be a much harder task than what public demand for justice hoped for (cf. Mouré and Grenard, 2008).

[72]Cf. Laufenburger (1954, pp. 240–241) for a brief description.

[73]It is also worth noting here a historical and fiscal curiosity: the *taxe sur les oisifs* ('tax on the idle'). It was introduced by the Law of 16 June 1948, ending on the 31st of December 1948 and was levied on any adult male under fifty years old who could not prove that he had carried out any professional occupation in 1947 (cf. Laufenburger, 1954, pp. 242–243).

6.2 The 'National Solidarity Levy' in a Comparative (West–) European Perspective

Putting the 'National Solidarity Levy' in a comparative perspective to ask the question of its success or failure is the object of my ongoing second doctoral chapter (Brassac, 2026a). The subsection here therefore only presents an overview of the preliminary investigations conducted so far. Details about each capital levy will not be presented here, as the goal is merely to highlight some interesting differences between the French case and a few selected foreign experiences.

It must first be stressed, following Robson (1959, pp. 33–34), that three factors are to be kept in mind for understanding the '[...] *striking contrast between the smoothness and success with which, on the whole, the recent levies have been administered and the major difficulties encountered in the earlier period*' (p. 33). These capital levies were backed by monetary reforms[74], ranging from banknote exchanges to blocked accounts; they took place at a time of capitals control; and despite being high in France or Italy, inflation was lower on the whole than it had been after WW1.

As briefly mentioned in subsection 2.3, Robson (1959) identified in his review of post–WW2 capital levies in Europe three types according to their main purposes: fight inflation, provide compensation, or finance ordinary public expenditure. Are taken in turn to respectively illustrate these objectives: Belgium & the Netherlands, West–Germany and Italy. Capital levy revenues as a share of national income are shown in Appendix Figure B7 including absent inflation.

6.2.1 Belgium

As noted by Robson (1959, p. 23): '*The Belgian levy is of particular interest in that it became the prototype for several later levies.*' While the *impôt sur le capital* ('capital levy', cf. Moniteur belge 1945c) was technically not implemented together with an enrichment levy, it was so along-

[74] There is much to write about said monetary reforms. The latter pursued a wide range of objectives including: halting inflation, eliminating black markets, improving tax collection.

side two other extraordinary taxes: the *impôt spécial sur les bénéfices résultant de fournitures et de prestations à l'ennemi* ('special tax on profits from supplies and services to the enemy', cf. Moniteur belge 1945a) and the *impôt extraordinaire sur les revenus, bénéfices et profits exceptionnels réalisés en période de guerre* ('extraordinary tax on exceptional income, profits and gains made during wartime', cf. Moniteur belge 1945b). As described by Baudhuin (1958, pp. 56–60), the capital levy had a flat 5% rate[75]. Belgian taxpayers could pay in instalments over a period of 7 years (cf. Robson, 1959, p. 42). Corporations were liable too, and it would appear that they were obliged to pay in shares (cf. Robson, 1959, pp. 25–26)[76].

Baudhuin (1958, p. 57) noted that these three extraordinary taxes were expected to yield 63 billion Belgian francs. The latter yielded instead 47.227 billions (31% of 1945–Belgian national income[77]): 31.871 (21%) for the capital levy , 12.703 (8%) for the tax on war profits and 2.653 (2%) for the collaboration–related tax. Capital levy revenues statistics are presented in Table A1.

As Robson (1959, pp. 28–29) stressed, in Belgium and the Netherlands (cf. subsection 6.2.4), the capital levies must be analysed alongside the concurrent monetary reforms which included the blocking of accounts.

6.2.2 West–Germany

Amongst the numerous capital levy experiences cited so far, perhaps the most researched and well–known one is the 1952 West–German *Lastenausgleichgesetz* ('Burden Equalisation Act'), which implemented the broader *Lastenausgleich* system. As explained by Albers et al. (2022, p. 132), said 1952 capital levy is in fact the most important of a series of capital levies that were introduced from 1949 onwards[78], notably the *Soforthilfeabgabe* ('Emergency Aid Levy'). The *Laustenausgle-*

[75] 95% for the tax on war profits, 100% for the collaboration–related tax.

[76] The taxation of corporations for the Belgian capital levy also greatly influenced what was done in France, cf. Guérin (1949, p. 130).

[77] Own computations for net national income built upon Pirard (1999, pp. 763–764, Tableau 66) and *Annuaires statistiques de la Belgique (et du Congo Belge)*, various years.

[78] And the implementation of the first one of those was directly linked to the 1948 currency reform.

ichgesetz itself was made of three levies: the *Hypothekengewinnabgabe*, the *Kreditgewinnabgabe* and the *Vermögensabgabe*. The latter was the main capital levy, taxing individuals and corporations at a 50% rate – payable in quarterly instalments until 1979. Revenues are shown in Table A4 (cf. Wiegand, 1992, p. 78, Tabelle 7 for the proceeds of the *Soforthilfeabgabe*).

Total *Lastenausgleich* liabilities amounted to roughly 60% of 1952 West–German national income[79]. In comparison with other capital levies, the *Lastenausgleich* succeeded in generating substantial tax revenues until the 1960s, notably thanks to a lower inflation rate (about 2.2% of national income on average in the 1950s, 0.9% in the 1960s and 0.3% in the 1970s). It also received a larger public support thanks to its farther reaching ambition and after years of parliamentary debates (cf. Hughes, 1999)[80].

Germany however has a longer history of capital levies which we do not review here. To that end: cf. Bach (2012, pp. 5–7) and Bach (2020, pp. 20–27)[81].

6.2.3 Italy

Just like Germany, Italy[82] has a long history of introducing exceptional wealth taxes in the 20th century[83]. In comparison with the Dutch and French examples, there was no enrichment levy introduced in post–WW2 Italy. But just like in France, the goal was to finance ordinary public expenditure (cf. Griziotti, 1947, p. 154). It came in the form of a triple–levy (cf. Griziotti, 1947; Manestra, 2012). Its main component was the *Imposta straordinaria sul patrimonio progressiva* ('Extraordinary Progressive Tax on Individual Property') taxing fiscal households' net wealth as of the 28th of March 1947 and whose tax rates are shown in Table A5. Through the *Imposta proporzionale sul patrimonio delle Società ed altri Enti morali* ('Extraordinary Proportional Tax on the Property of Corporate Bodies'), it also targeted corporations: at a 2% rate for limited and

[79] The 60% figure calculated by Bach, 2020, p. 26 refers to the sum of the *Soforthilfeabgabe* and *Vermögensabgabe*. We however reach a similar figure when excluding the *Soforthilfeabgabe* but including the *Hypothekengewinnabgabe* and the *Kreditgewinnabgabe*.

[80] I.e. running against Eichengreen (1989)'s argument in that case.

[81] Or pp. 18–25 in the original German version of the document available here.

[82] I warmly thank Paolo Bozzi for encouraging me to undertake a more detailed comparative analysis & providing me with some references to start with for Italy.

[83] Notably in 1918 and in 1936–1938 (cf. Robson, 1959, p. 32).

general partnerships, 3% for institutions and other corporate bodies when their activities produce income that is liable for income tax and 4% for joint-stock companies, limited liability companies and limited partnerships with share capital. Finally, it also featured an *Imposta straordinaria sul patrimonio proporzionale* ('Extraordinary Proportional Tax on Property').

In terms of government tax revenues, it is worth noting that the Italian capital levy more or less matched expectations – cf. Table A6. But it did so over the course of several years and amounted to a higher share of national income for a longer period than in France.

6.2.4 The Netherlands

A first glance at the Dutch case suggests that similar concerns were behind the introduction of a capital levy in the Netherlands[84]. Its structure and timing however slightly differs from the French 'National Solidarity Levy': first, a *Vermogensaanwasbelasting* ('wealth gains tax') was introduced on the 19th of September 1946. It had a dual rate structure, imposing differently legitimate from 'illegitimate' (*onoirbare*) enrichment – taxpayers had to prove that enrichments were legitimate not to face a 90% tax rate. Second, a *Vermogensheffing ineens* ('wealth tax') was put into law on the 11th of July 1947 following a more traditional tax scheme – cf. Table A2. Corporations were only liable to the 'wealth gains tax' (cf. Robson, 1959, p. 25). Tax revenues statistics are summarised in Table A3.

Overall, the Dutch capital levy raised 3.2 billion f, that is less than $2/3$ of the expected 5.1 billion f. In 1948, it still amounted to roughly 15% of Dutch national income, which is much more than what the French capital levy ever raised. In comparison with the French capital levy, it is also quite striking that most of its revenues (65%) stemmed from the 'wealth gain tax' (20% for France). Next steps will therefore consist in investigating the functioning of the Dutch capital levy (including exemptions, deductions, controls) to understand that difference.

[84] I am very grateful to Wouter Leenders for sharing the data & information with me.

7 Conclusion

Contrary to general opinion on capital levies, the 1945–French 'National Solidarity Levy' appears as fairly successful. Despite its explicit goal of restoring public finances, it actually generated small tax revenues, in line with government expectations, and notably thanks to an effective wealth census. It led to about 2.4 million tax returns (15% of all fiscal households), representing approximately 2,700 billion francs in taxable wealth (around 260% of French national income and 85% of total private wealth in 1945). Total tax liabilities amounted to roughly 130 billion francs (about 12% of national income in 1945). Inflation was however critical in eroding tax payments. The latter amounted to circa 2.1% of national income in 1946, 1.2% in 1947 and 0.3% in 1948. And while it is certain that far from all wartime enrichment was taxed, judgements made about the 'National Solidarity Levy' at the time were perhaps too severe for what it could realistically achieve. Be that as it may, further research is necessary to answer to provide some satisfactory answers to the question of the (non) taxation of war–profiteers – and 'National Solidarity Levy' tax returns surely provide an invaluable source to address the matter.

A few observations are also worth repeating: contrary to fears expressed during parliamentary debates, the 'National Solidarity Levy' did not trigger major asset sales or had any sizeable macroeconomic consequences. It actually rather acted as an income surtax. It also did not jeopardise the collection of other taxes, but instead improved 'illicit profits', income & inheritance tax collections thanks to the information collected & controls undertaken by fiscal authorities. These successes ought however not to hide certain shortcomings, whether in terms of fiscal justice or tax evasion (cf. Rabault-Mazières, 2020, 2023).

Finally, as suggested by the historical contextualisation in section 6.1 and the comparative West–European analysis in section 6.2, the question of the success or failure of the 'National Solidarity Levy' cannot properly be tackled in isolation. In comparison with the 1952 West–German *Lastenausgleich*, the French 'National Solidarity Levy' might be perceived as a relative failure. But it is important to bear in mind that these are two capital levies with very different scopes. The *Lastenausgleich* succeeded in generating substantial tax revenues until the 1960s while securing public support, but its ambition was far greater (cf. Hughes, 1999). French Finance Minister René Pleven's grandiloquent statements together with the reliance on a moral argument tend to suggest that the French capital levy was meant to solve all post–WW2 France's problems. In fact, a more serious examination of the levy, its features and its practice reveals more modest ambitions, whose objectives were rather achieved, and which on its own could not finance the entire reconstruction effort or seize all war–related enrichments. Members of the Parliament of the time were well aware of the first point. As for the second, the analysis presented here concurs with that of Mouré and Grenard (2008) with regards to 'illicit profits' confiscation: hopes to tax collaborators and war–profiteers quickly and thoroughly were probably too high. Although imperfect, the 'National Solidarity Levy' did however contribute to that effort.

8 Lessons for Wealth and Enrichment Taxation in the 21st Century

The aim throughout the paper has been, as far as possible, to provide a detailed and fair account of the 'National Solidarity Levy'. Below, we highlight certain innovations that have characterised the implementation of the tax before attempting to draw some lessons for wealth & enrichment taxation in the 21st century. Before that, a foreword is essential.

8.1 Words of Caution

First, the point below is not to claim that the innovations described hereunder were devised solely by and for the 'National Solidarity Levy'[85], nor that the 'National Solidarity Levy' exhausted the range of possible policies[86], but simply to highlight those that were implemented in the French context – marking the first experience to tax the wealth of the living in modern France. A thorough overview of these other innovations goes beyond the scope of the present work and is the subject of the ongoing comparative research in Brassac (2026a).

Second, and following Colvin et al. (2026), the term 'lessons' must be interpreted with caution. Our goal here is not to supply strict rules about wealth & enrichment taxation, but rather to take stock of the evidence discussed throughout the paper to clarify potential mechanisms and constraints at play were policy–makers to tax wealth (or its accumulation).

8.2 Innovations

First, households could pay part of the 'National Solidarity Levy' in State bonds (*valeurs d'État*) often receiving an advantageous bonus (*valeur de reprise*)[87]. Corporations could also do so and /

[85] As Robson (1959, p. 23) explains, the 1945–Belgian capital levy actually inspired many of the post–WW2 levies introduced in (Western) Europe.

[86] Cf. e.g. Robson (1959, pp. 30–31) on the (second) Finnish capital levy.

[87] With certain State bonds valued at 110% of their nominal value (or the first quoted price on the fifth trading day preceding the payment date, whichever was greater).

or pay in shares (for instance, after carrying out a share capital increase)[88].

The fact that corporations could pay in shares led to the creation of the *Société nationale d'investissement*[89] and *sociétés d'investissement*, the French equivalents of British investment trusts – which had existed since 1863 (cf. JORF 1945b, S&EF n°56 *août* 1953, pp. 798 and 801 and Le Douarec, 1957, p. 179–183).

Second, the levy design favoured 'honest' pre–WW2 income–taxpayers. It did so in at least two different ways: (i) since half of the net income declared to the 'General income tax' was deducted from the enrichment calculation, taxpayers who had truthfully reported their incomes throughout the war were favoured over dishonest ones. (ii) Similarly, taxpayers who had honestly reported their pre–WW2 (financial) incomes could benefit from generous deductions (*forfaits* 1B and 2)[90]. Early payment was also encouraged: taxpayers who settled their liability before the due date were granted a 1.5% discount per full quarter[91].

Third, even though the 'National Solidarity Levy' was a one–off tax, the various upstream & downstream controls implemented together with information exchanges between the different branches (*Régies*) of the fiscal administration improved the collection of other taxes in subsequent years (on inheritance, incomes and illicit profits; cf. Guérin, 1949, pp. 167–171 and DGI 1982, p. 28).

[88]Recall that the main legal entities targeted by the 'National Solidarity Levy' were listed *sociétés par actions ayant leur siège en France* (French joint-stock companies), liable to a 5% flat rate if their share capital exceeded 5 million francs.

[89]In order for the State to manage its newly acquired portfolio without liquidating it immediately. Further specific information related to the management of said portfolio may be found for instance in SAEF files B9817/1, B9857/2, B9858/1–3 and B9859/1.

[90]As a reminder, these deductions (*forfaits*) 1B and 2 respectively allowed taxpayers to estimate their cash & short–term State bond and / or financial asset holdings in 1940 for the enrichment calculation. These deductions could even be used on a cumulative basis. If used, deduction 1B amounted to the taxpayer's net income declared under the 'General income tax' for the years 1938 or 1939. Similarly, and if used, deduction 2 amounted to the taxpayer's financial income for 1938 or 1939 (again, as declared for the 'General income tax' base) multiplied by a factor of 30 (assuming a net yield of 3.33%). Accordingly, taxpayers could respectively not list cash & short–term State bonds (*forfait* 1B) or any financial assets (*forfait* 2) as old assets for the enrichment calculation. These deductions were meant to facilitate the taxpayers' drafting of their tax returns and the *Enregistrement*'s controls.

[91]Except for those whose cash assets exceeded 10% of their net wealth.

In particular, 'National Solidarity Levy' tax returns likely constituted an essential information source for the introduction of the *casier fiscal* ('fiscal record') implemented as part of the 1948 fiscal administration reform that led to the creation of the *Direction Générale des Impôts* ('Directorate–General for Taxation') as suggested by Guérin (1949, pp. 170–171)[92].

Fourth, it provides a practical example of the joint taxation of households & corporations, as taxpayers were required to state separately the value of their shares in liable corporations. One–twentieth of it (5%) was deducted from the gross wealth levy liability to calculate the net liability (which also provided an incentive to report taxable equity).

Fifth, taxpayers whose wealth was below a certain threshold could pay the tax in war–damage claims, derogating from the principle that tax liabilities cannot be offset against claims on the State ('*principe de non–compensation*').

8.3 Lessons

The primary twofold goal of the present project is to assess the success or failure of the 1945–French 'National Solidarity Levy' and put it back in the bigger post–WW2 social & economic history picture of France and (Western) Europe. But an additional objective is to reflect on the lessons to be drawn from that experience – if any – when it comes to the taxation of wealth and its accumulation in the 21st century. Let there be no misunderstanding. The 'National Solidarity Levy' was not the first nor the last attempt at taxing wealth and enrichment. But some insights are still worth stressing, either from a comparative approach (how did it differ from other attempts in France? or did it relate to other experiences abroad?) or from today's policy–making perspective.

In our opinion, there are chiefly three main lessons for today's policy–making to be drawn.

[92] Cf. article 45 in JORF (1948). The introduction of said *casier fiscal* ('fiscal record') had been called for since the 1920s within (parts) of the fiscal administration (cf. Tristram, 2005, Chapitre premier, section I and for within the *Administration des Contributions directes*, cf. SAEF file B641/1). It was implemented as part of the 1948 fiscal administration reform that led to the creation of the *Direction Générale des Impôts (D.G.I.)* ('Directorate–General for Taxation'), cf. Tristram (2005, Chapitre premier, section I) for further information on said reform.

The first one is very specifically directed towards the recent (French) debate on the wealth taxation of the ultra–wealthy: building upon the taxpayer–level data shown in Section 4, we argue that in 1945–France, the government (fairly) successfully taxed wealth at low rates to compensate for the income tax which could not fulfil its traditional progressive role given depressed top (capital) incomes (a situation that is relatively similar to nowadays from that point of view, except that top capital incomes are purposefully low). Such a measure strengthened the overall progressivity of the tax system, which is arguably a fairer policy than relying on indirect taxation, public debt or inflation.

Second, and more generally speaking, the taxation of wealth was and still is a matter of political will. Even in the (post–) WW2 context, the census, valuation and taxation of wealth was effectively carried out. Again, the reader ought to bear in mind that the WW2 context surely did facilitate certain aspects of the wealth census (e.g. thanks to wartime & capital controls) and even through those difficult years, the fiscal administration still operated. Third, although it may be the subject of a broad consensus for political, moral or economic reasons, the definition and taxation of wealth accumulation raises greater technical difficulties. These difficulties are not insurmountable. But the latter must be dealt with with the utmost conscientious spirit for the success of such an undertaking. Under these conditions, and with all due humility, historic and economic analysis may prove useful to shape tomorrow's world.

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Appendices

A Additional Tables

	Impôt sur le capital *Kapitaalheffing / Belasting op het Kapitaal* (capital levy)	Share of National Income
1946	9.4	4.2%
1947	4.2	1.7%
1948	3.8	1.4%
1949	3.4	1.2%
1950	4.3	1.4%
1951	5.4	1.6%
1952	1.7	0.5%
1953	0.1	0.0%
1954	0.3	0.1%
Total	32.7	

Sources: *Banque Nationale de Belgique*. *Statistiques économiques belges*. 1941-1950, Tome II, Tableaux & 1950-1960, Tome II, Tableaux et Graphiques, respectively pp. 134 and 243. Own computations for net national income built upon Pirard (1999, pp. 763–764, Tableau 66) and *Annuaires statistiques de la Belgique (et du Congo Belge)*, various years.

Table A1: Belgian Capital Levy Revenue Statistics (in Billion Belgian francs)

Threshold (f)	Rate
Vermogensheffing ineens ('Wealth Tax')	
0	4%
10,000	6%
30,000	8%
60,000	10%
100,000	12%
200,000	14%
360,000	16%
520,000	18%
1,000,000	20%
Vermogensaanwasbelasting ('Wealth Gains Tax, Legitimate')	
0	50%
50,000	60%
100,000	70%
Vermogensaanwasbelasting, onoirbare ('Wealth Gains Tax, Illegitimate')	
0	90%

Sources: *Staatsblad No. G264: Wet van 19 September 1946, tot heffing van een vermogensaanwasbelasting; Staatsblad No. H238: Wet van 11 Juli 1947, op de vermogensheffing ineens*.

Table A2: Dutch Capital Levy Tax Rates

	Wealth Gains Tax	Wealth Tax	Total	Share of National Income
1947	98.9	0.1	99.0	0.8%
1948	1,296.6	752.6	2,049.1	15.4%
1949	350.2	213.6	563.8	3.7%
1950	65.0	31.0	96.0	0.6%
1951	64.0	17.0	81.0	0.4%
1952	66.0	20.0	86.0	0.4%
1953	73.0	34.0	107.0	0.5%
1954	43.0	31.0	74.0	0.3%
1955	13.0	11.0	24.0	0.1%
1956	20.0	5.0	25.0	0.1%
1957	-4.0	2.0	-2.0	0.0%
1958	3.0	0.0	3.0	0.0%
Total	2,088.6	1,117.3	3,205.9	

Sources: For tax revenues, cf. De Nederlandsche Bank n.v., Annual Reports 1949–1973; Nederlandse Staatscourant, 30 January 1948, 27 January 1949, 27 January 1950. National income series drawn from: Statistics Netherlands, Table ‘Nationale rekeningen, historie 1900 – 2012’, obtained by multiplying euro amounts by 2.20371.

Table A3: Dutch Capital Levy Revenue Statistics (in Million Guilders)

	Vermögensabgabe	*Hypothekengewinnabgabe*	*Kreditgewinnabgabe*	Total	Share of National Income
1952	749	416	30	1,195	1.7%
1953	1,413	482	46	1,941	2.5%
1954	1,605	583	67	2,255	2.8%
1955	1,856	799	99	2,754	2.9%
1956	1,645	426	108	2,179	2.1%
1957	1,587	344	109	2,040	1.8%
1958	1,654	362	199	2,215	1.8%
1959	1,704	412	119	2,235	1.7%
1960	1,162	249	74	1,485	1.0%
1961	1,612	322	91	2,025	1.3%
1962	1,652	354	87	2,093	1.2%
1963	1,467	280	78	1,825	1.0%
1964	1,560	318	78	1,956	1.0%
1965	1,325	255	79	1,659	0.8%
1966	1,266	191	74	1,531	0.7%
1967	1,300	193	72	1,565	0.7%
1968	1,278	202	99	1,579	0.6%
1969	1,241	187	65	1,493	0.5%
1970	1,347	174	60	1,581	0.5%
1971	1,215	170	54	1,439	0.4%
1972	1,175	149	55	1,379	0.4%
1973	1,103	139	55	1,297	0.3%
1974	1,167	126	6	1,299	0.3%
1975	1,128	112	1	1,241	0.3%
1976	1,222	95	3	1,320	0.3%
1977	1,255	88		1,343	0.2%
1978	818	70		888	0.1%
1979	212	52		264	0.0%
1980	71	4		75	0.0%

Sources: Wiegand (1992, p. 168, Tabelle 18) and Albers et al. (2022).

Table A4: West-German Capital Levy Revenue Statistics (in Million Marks)

Imposta straordinaria sul patrimonio progressiva ('Extraordinary Progressive Tax on Individual Property')	
Threshold ($L.$)	Rate
3,000,000	6.00%
5,000,000	7.23%
10,000,000	8.53%
50,000,000	13.57%
100,000,000	17.50%
200,000,000	23.29%
500,000,000	35.46%
1,000,000,000	50.00%
1,500,000,000	61.61%

Sources: Griziotti (1947); Manestra (2012).

Note: Conversely to the French capital levy, the Italian one is not a bracket tax. As Griziotti (1947, p. 153) explained: '*For intermediate values the rate is determined by the formula* $y = 6 + 0.0002885 * (x - 3,000,000) * 0.576$*, in which* x *represents the amount of taxable property and* y *the tax*.'

Table A5: Italian Capital Levy Tax Rates

	Progressive Tax	Proportional Tax	Proportional Tax on Corporations	Total	Share of National Income
1947		8,164			
1948	8,940	48,079		57,019	0.7%
1949	25,686	23,249	4,708	53,643	0.6%
1950	14,287	9,628	2,128	26,043	0.3%
1951	17,226	8,277	2,239	27,742	0.3%
1952	27,232	2,684	3,254	33,170	0.3%
1953	30,571	2,083	5,138	37,792	0.3%
1954	37,576	1,291	3,935	42,802	0.3%
1955	43,158	1,310	3,950	48,418	0.3%
1956	47,116	1,821	2,372	51,309	0.3%
1957	45,215	437	4,271	49,923	0.3%
1958	36,971	387	1,052	38,410	0.2%
1959	31,784	193	946	32,923	0.2%
1960	19,983	347	865	21,195	0.1%
Total	385,745	107,950	34,858		
Targets	300,000 to 400,000	80,000	56,000		

Sources: *Annuari statistici italiani*, various years.

Table A6: Italian Capital Levy Revenue Statistics (in Million Lire)

B Additional Figures

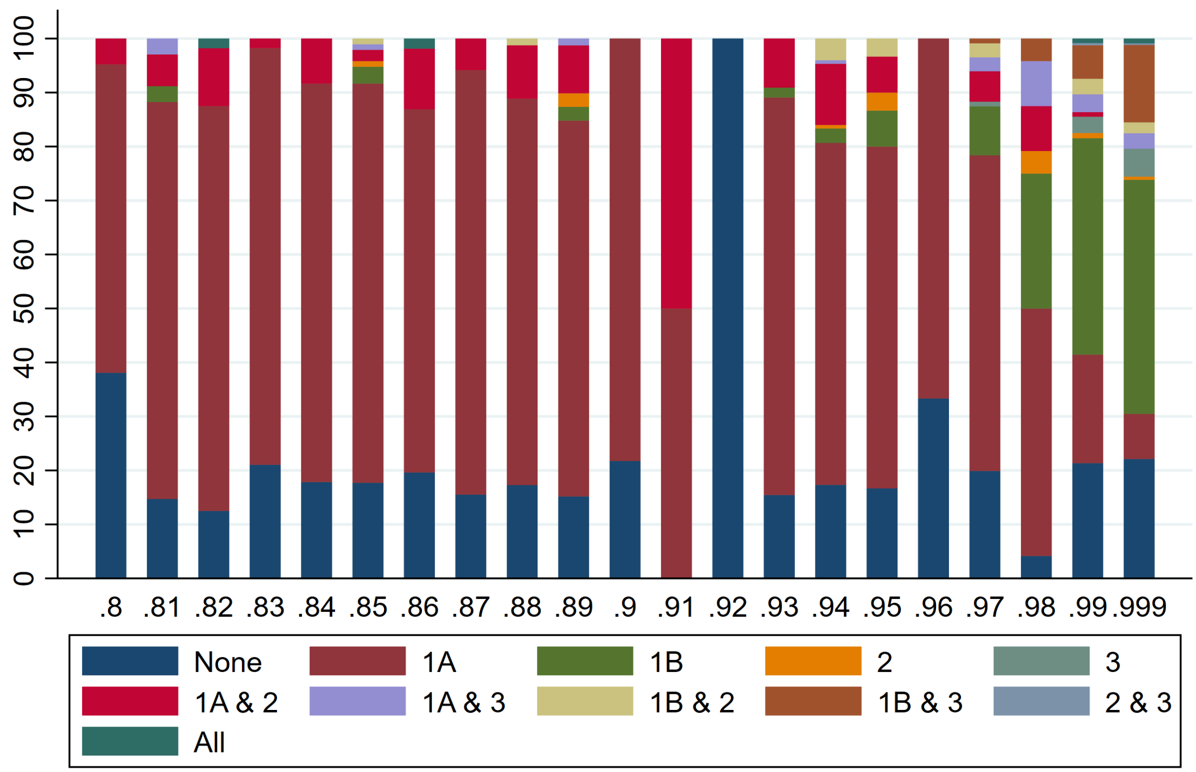
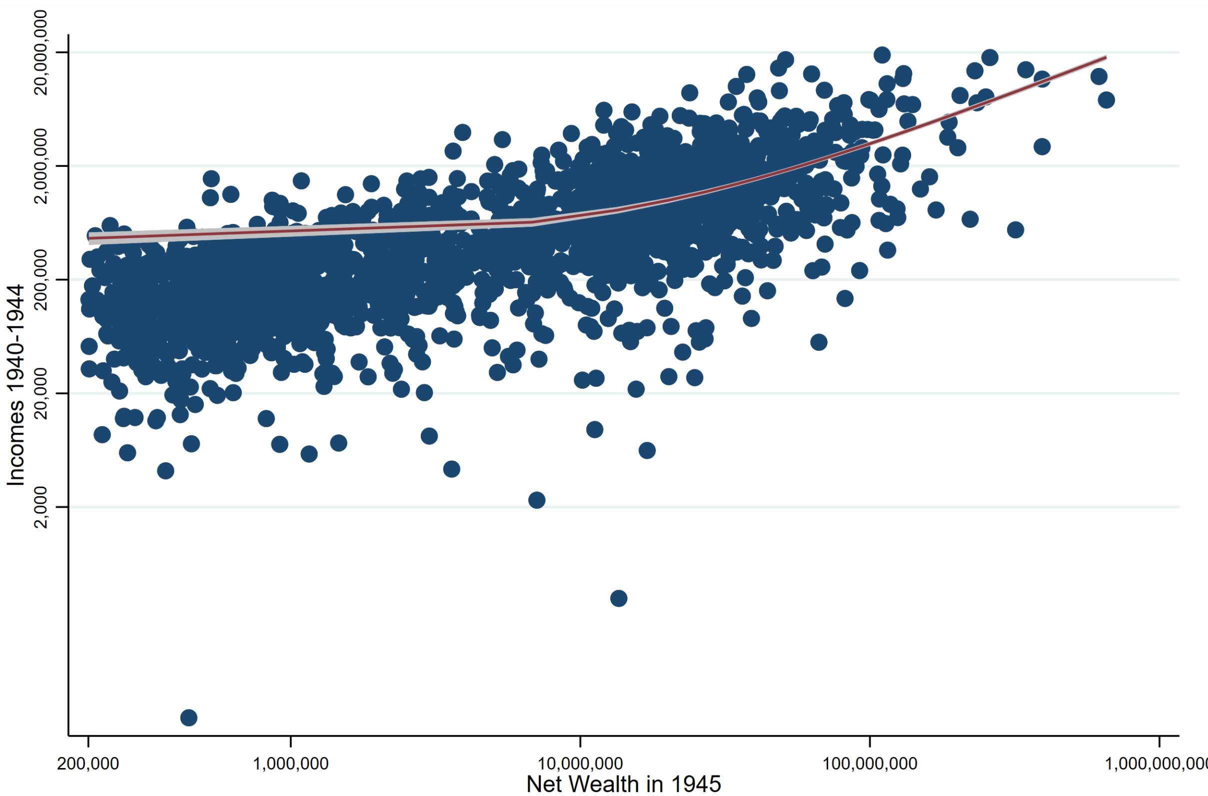
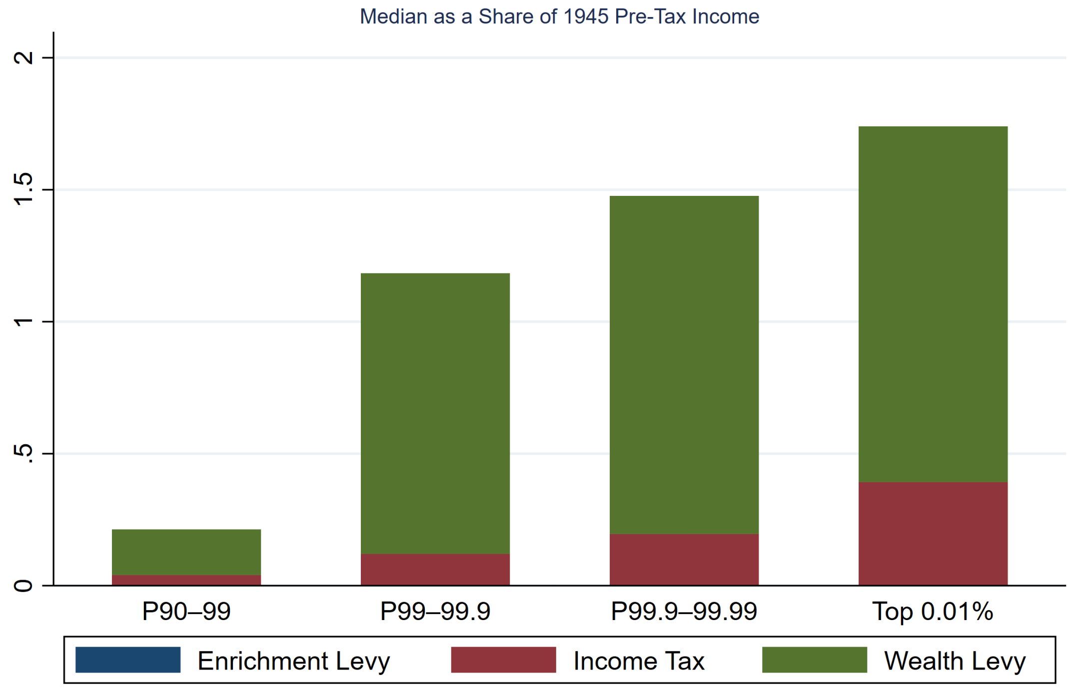


Figure B1: Use of *Forfaits* by Percentile

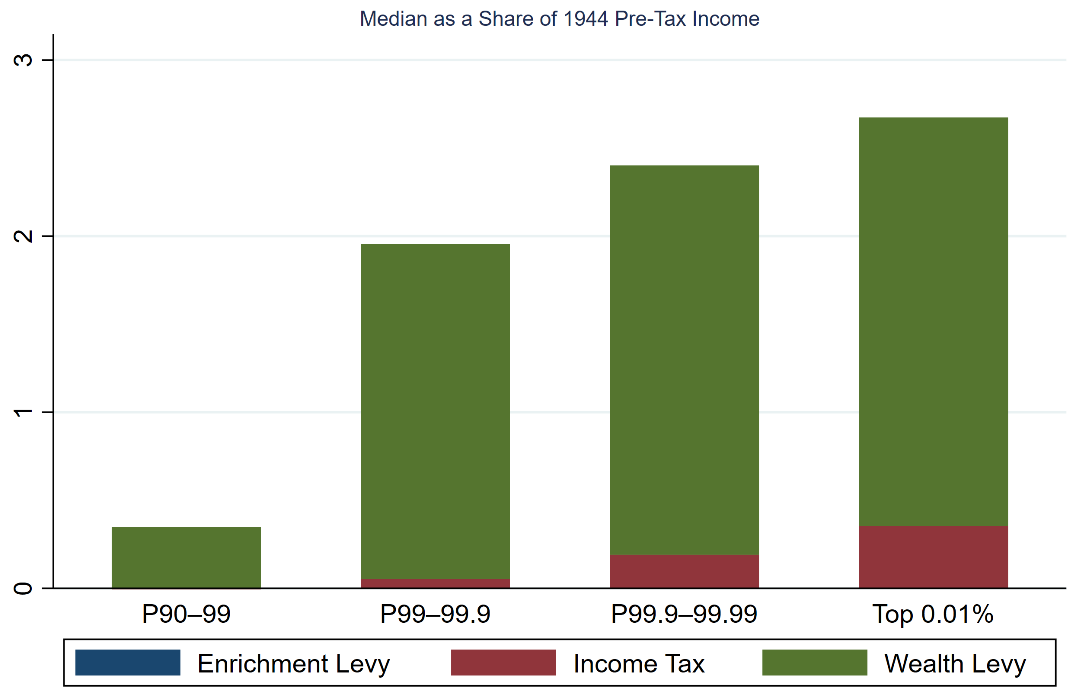


Note: The x–axis shows net wealth in 1945. The y–axis shows the sum of nominal gross incomes reported to 'General income tax'. All amounts are in current old francs.

Figure B2: Net Wealth in 1945 & Incomes through WW2



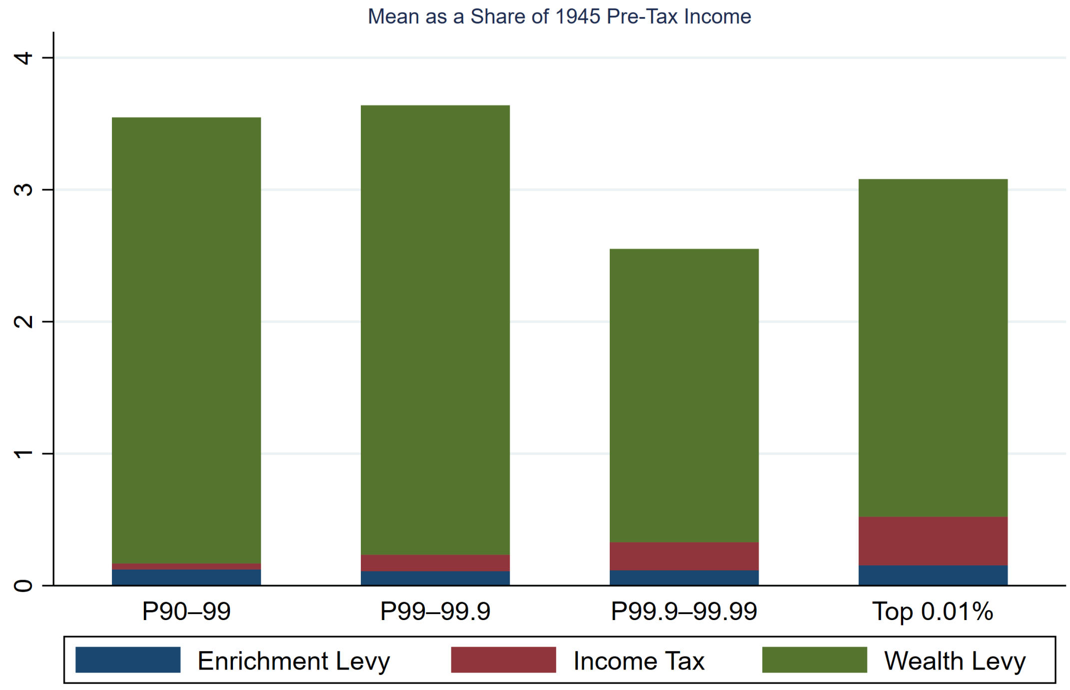
(a) 1945 Incomes



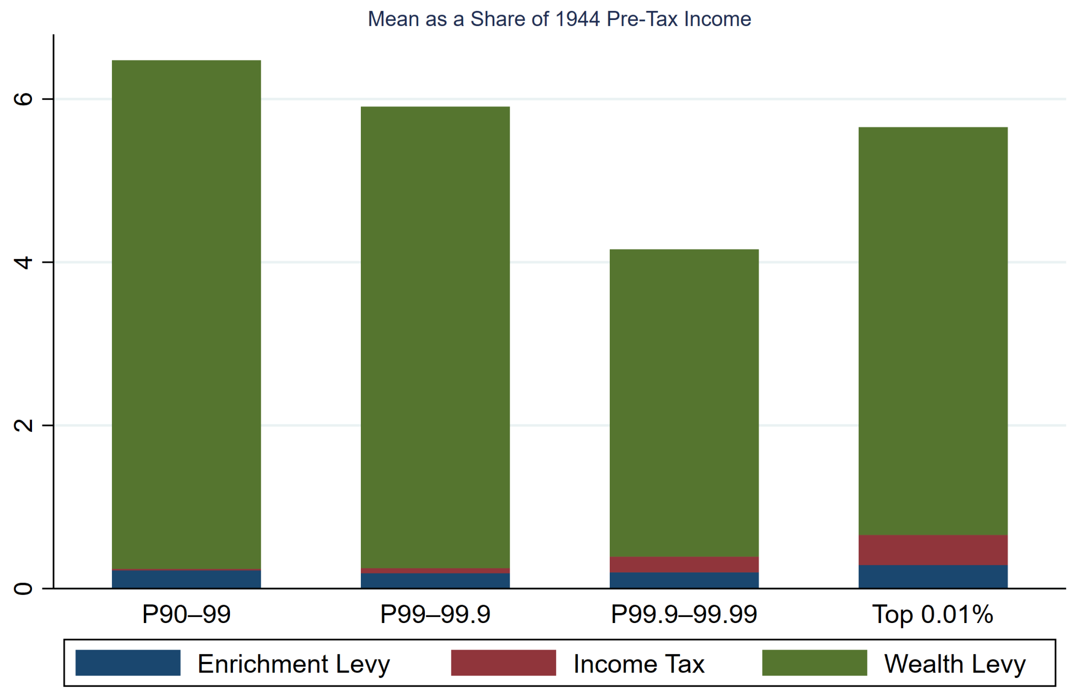
(b) 1944 Incomes

Note: Cf. Figure 1 for notes & interpretation.

Figure B3: Median Levies Liability (Share of Pre–Tax Income)



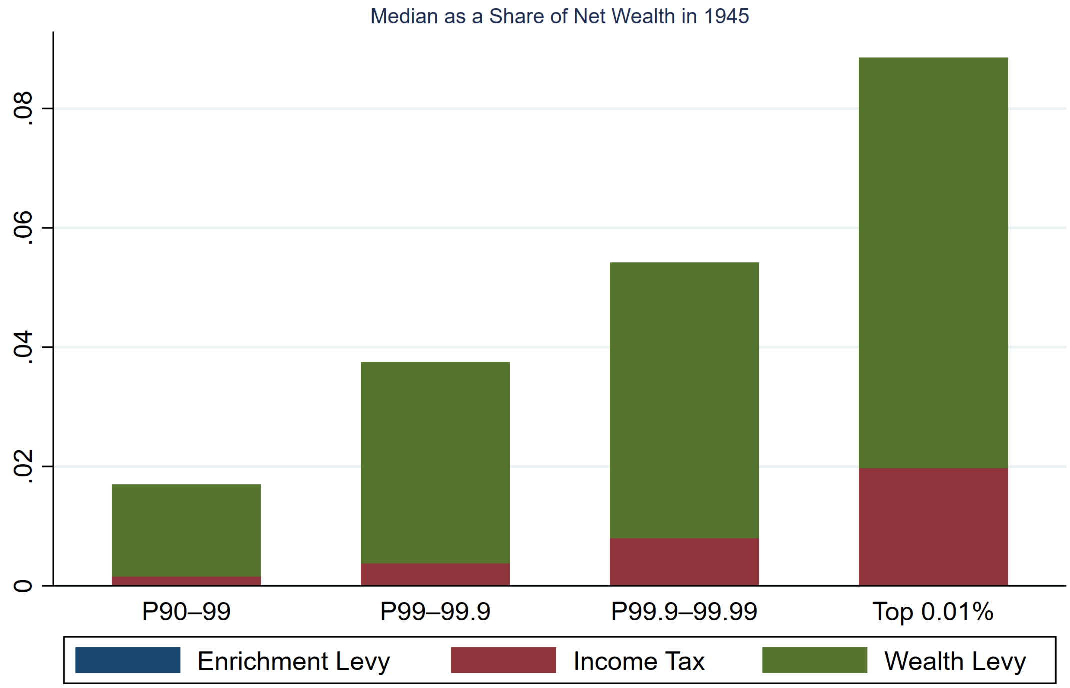
(a) 1945 Incomes



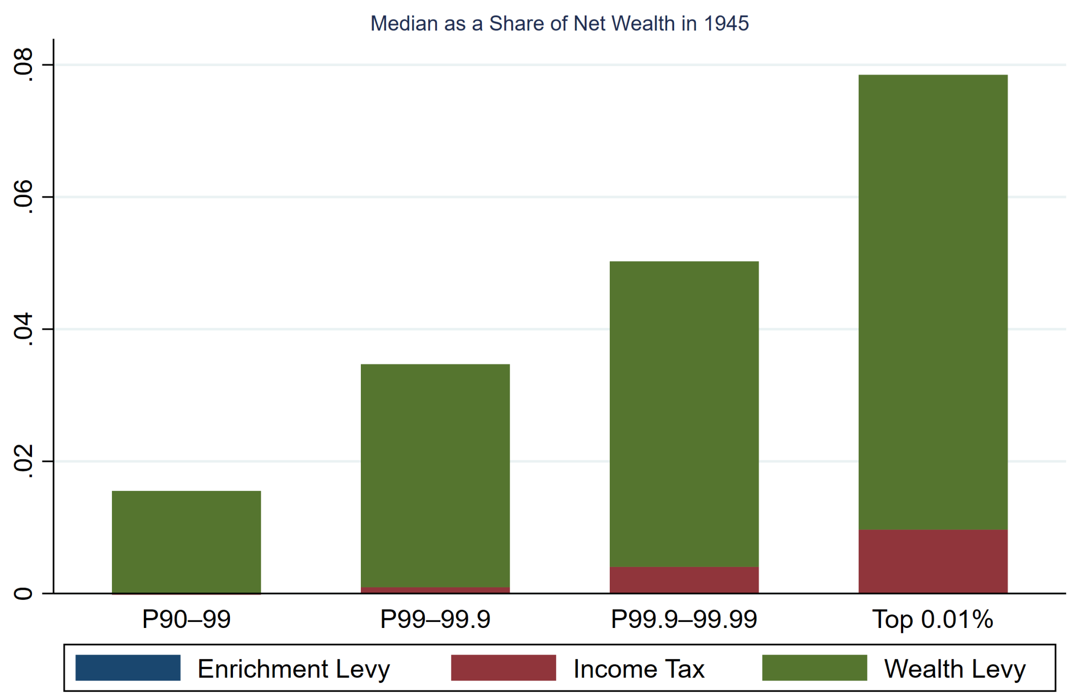
(b) 1944 Incomes

Note: Cf. Figure 2 for notes & interpretation.

Figure B4: Mean Levies Liability (Share of Pre–Tax Income)



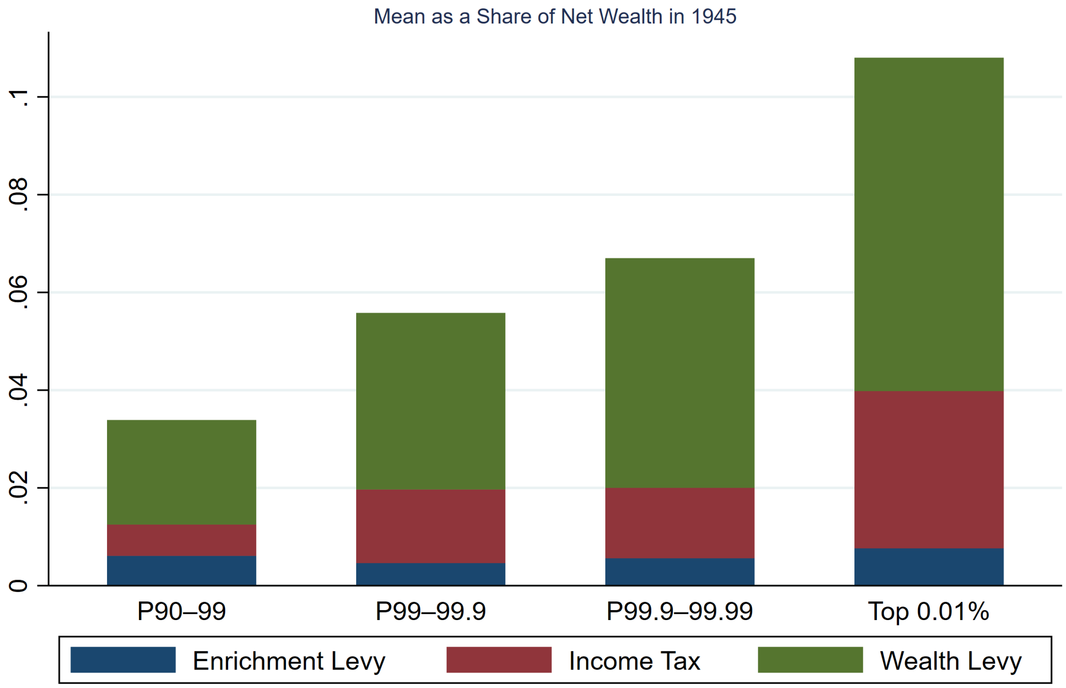
(a) 1945 Incomes



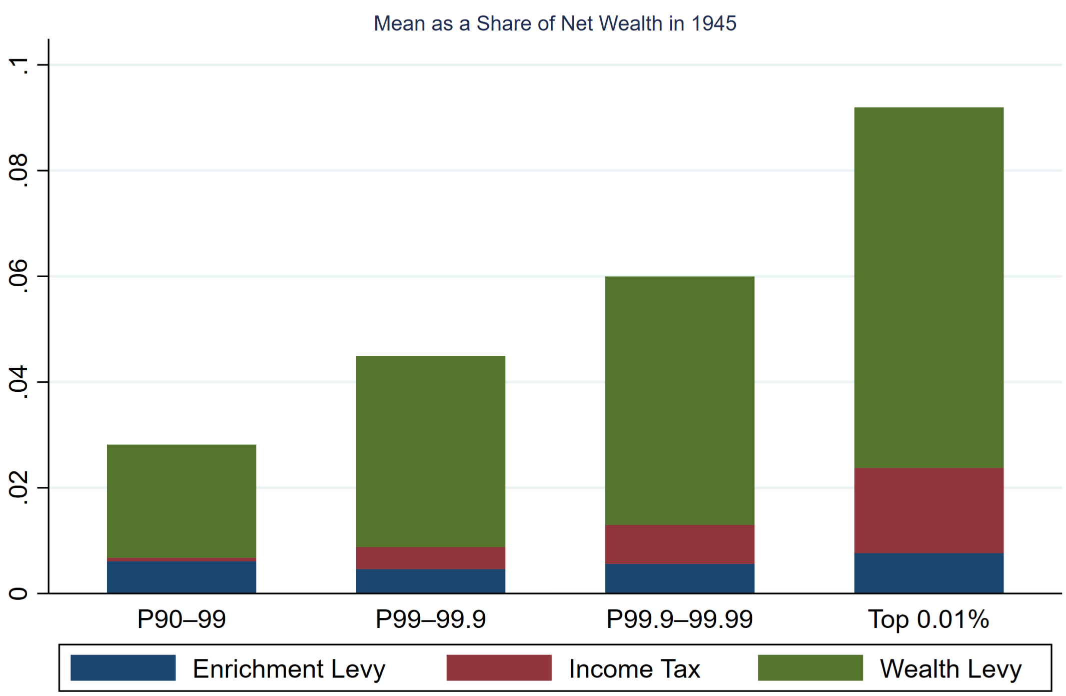
(b) 1944 Incomes

Note: Cf. Figure 3 for notes & interpretation.

Figure B5: Median Levies Liability (Share of Net Wealth)



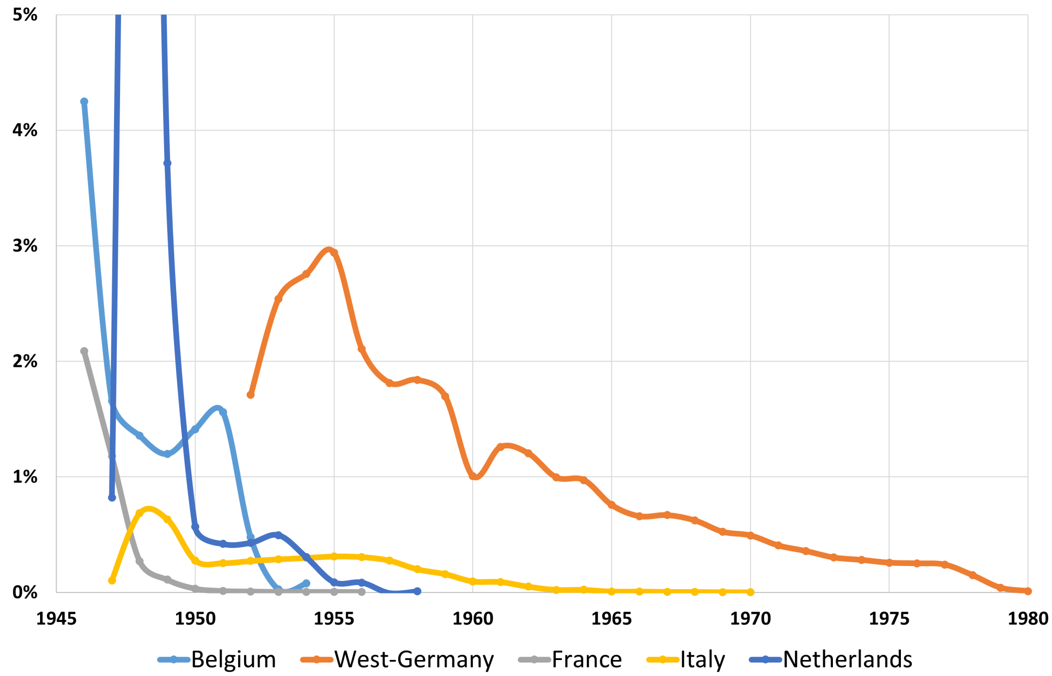
(a) 1945 Incomes



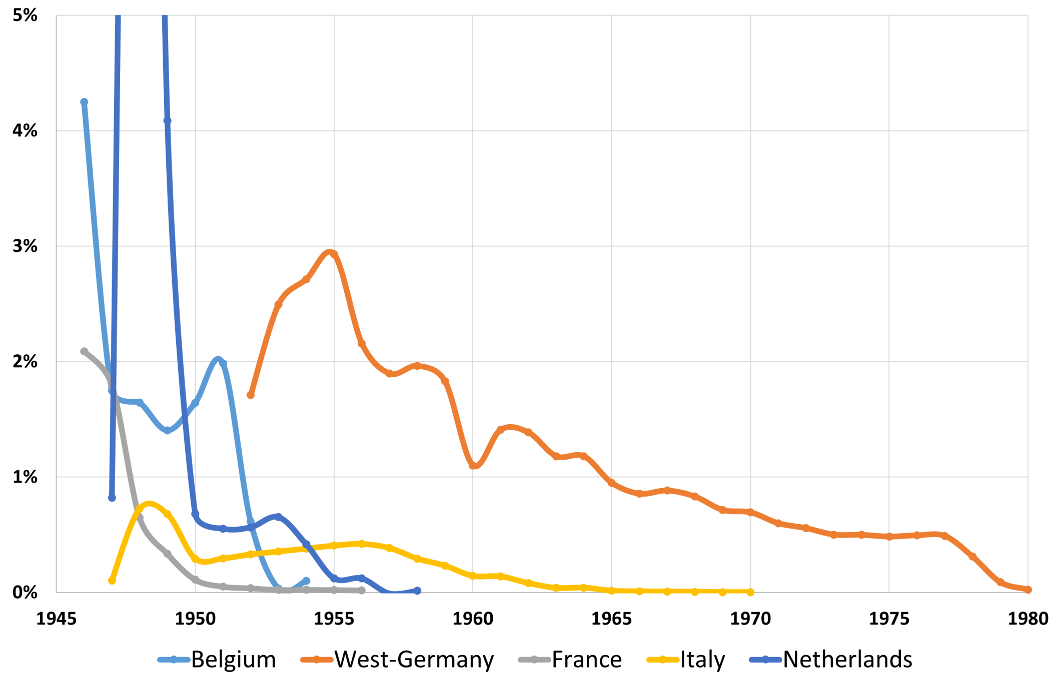
(b) 1944 Incomes

Note: Cf. Figure 4 for notes & interpretation.

Figure B6: Mean Levies Liability (Share of Net Wealth)



(a) Capital Levy Revenues as a Share of National Income

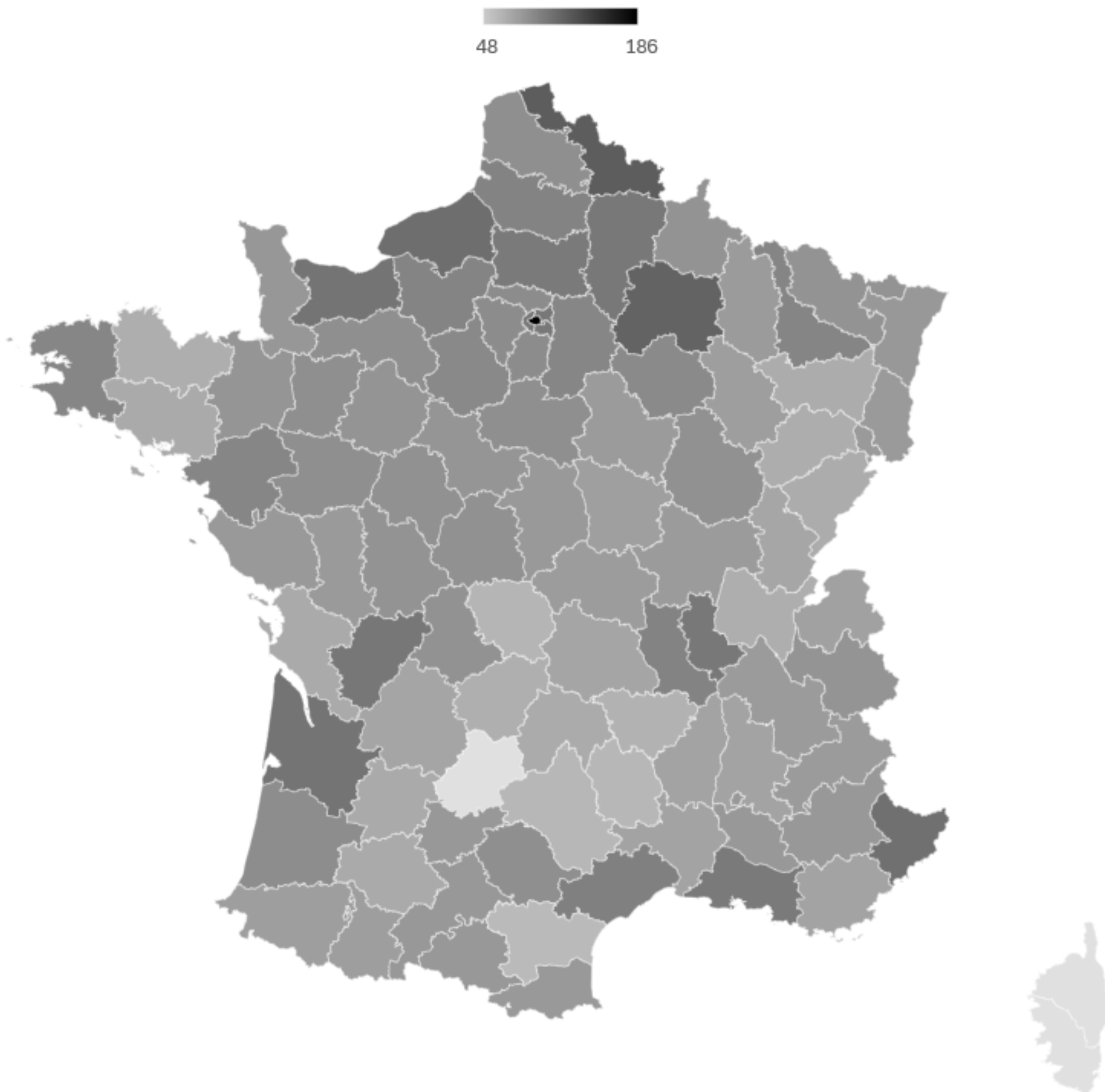


Note: In the bottom panel, national income series are deflated by the year in which payments started: 1946 in Belgium & France, 1947 in Italy & the Netherlands and 1952 in West–Germany. Deflators come from Ljungberg (2025).

(b) Capital Levy Revenues (Absent Inflation) as a Share of National Income

Figure B7: Capital Levy Revenues

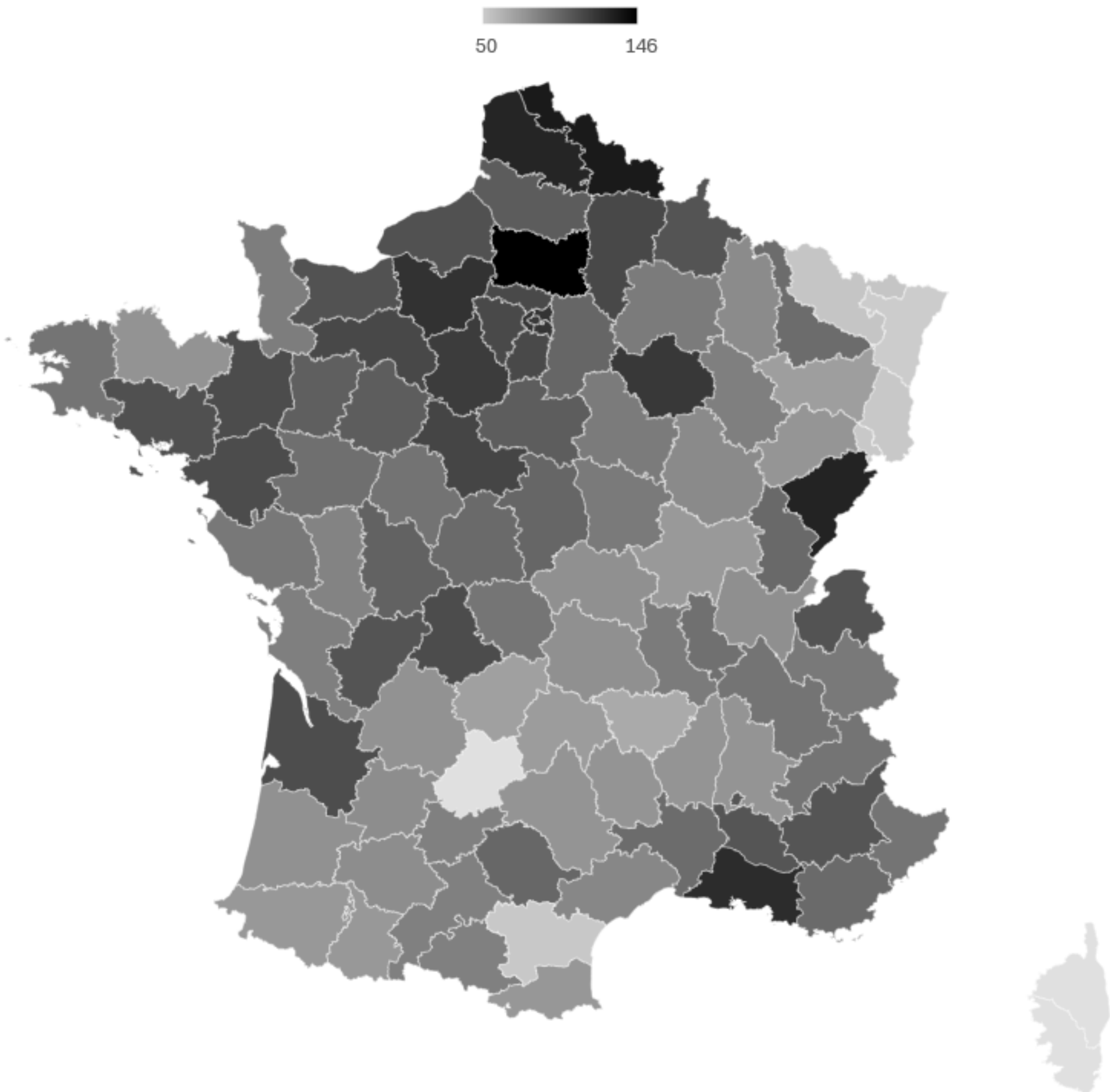
C Maps



Note: Standardised to national taxable wealth average as of the 25th of June 1947 (100 = 1,092,553 F).

Source: Guérin (1949, pp. 205–210, Annexe I).

Figure C8: Taxable Wealth in France by *Département*



Note: Standardised to national taxable enrichment average as of the 25th of June 1947 (100 = 98,548 F).

Source: Guérin (1949, pp. 205–210, Annexe I).

Figure C9: Taxable Enrichment in France by *Département*