Table 4

Intergenerational Transfers as a Source of Capital Accumulation, 1986

Transfer Category	*Annual Flow* (*$ billions*)	*Stock of Transfer Wealth* (*$ billions*) ($r - n = 0.01$)
Support Given to:		
Children	32.69	1346.7
Parents	3.37	−104.3
Grandparents	0.07	−4.0
Grandchildren	5.05	416.2
Trusts	14.17	576.1
Life Insurance	7.84	258.3
Totals		
Intended Transfers	63.19	2489.3
College Payments	35.29	1441.5
Bequests	105.00	3708.1
As a % of net worth[a]		
Intended Transfers	0.53	20.8
College Expenses	0.29	12.0
Bequests	0.88	31.0

Source: Authors' calculations from the Survey of Consumer Finances.
[a]Aggregate net worth in the SCF in 1986 is $11,976 billion.

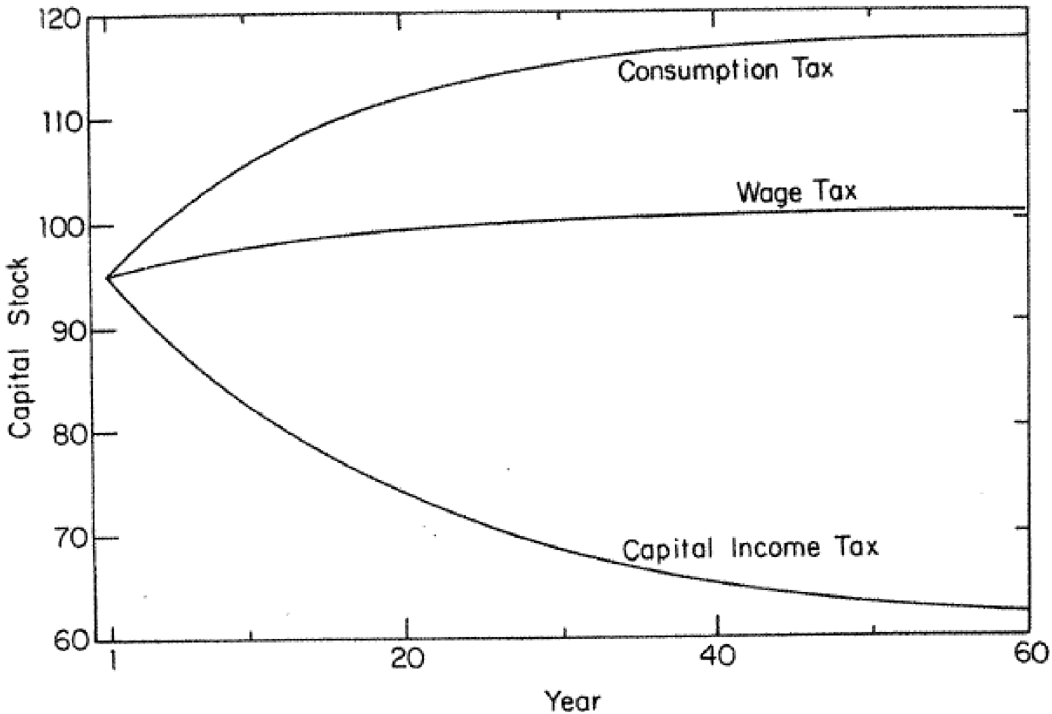

Figure 5.3. The impact on capital formation of tax reform.

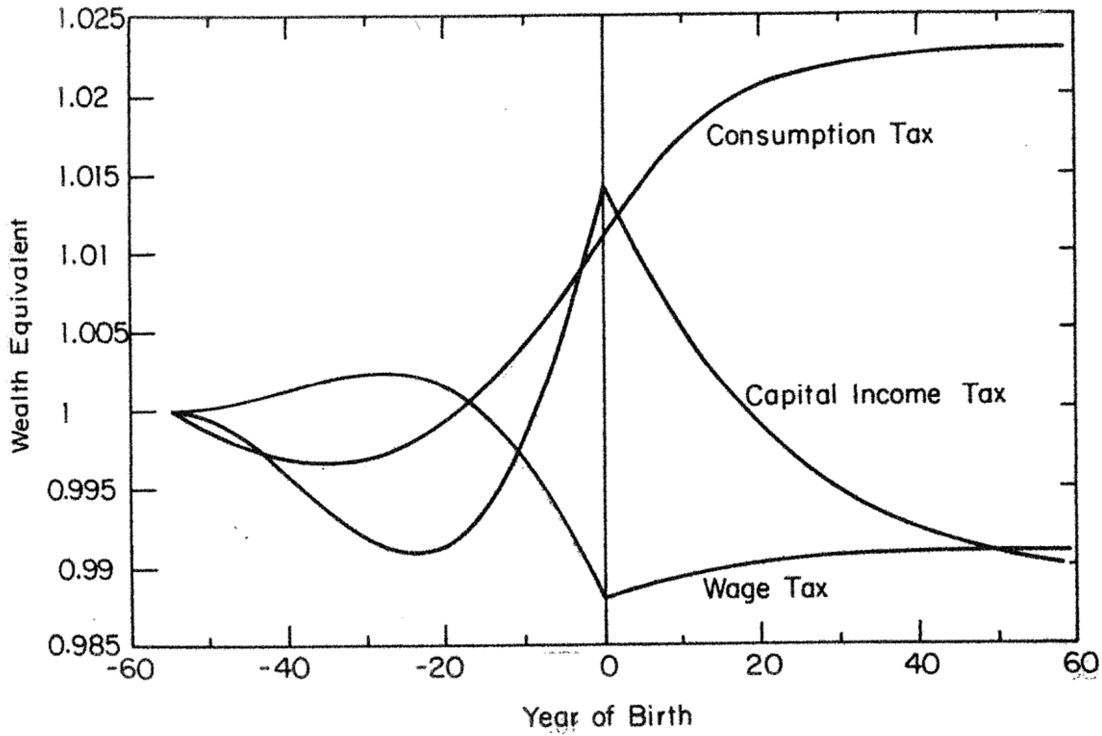

Figure 5.4. The welfare effects of tax reform.