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# **Wealth Transfer Trends in Iowa**

**Sandra Charvat Burke  
Mark A. Edelman**

*Community Vitality Center*

# Wealth Transfer Trends

 *Recorded* in Iowa 1998-2002

 *Projected* for Iowa 2000-2049

# **Basis for Wealth Transfer**

 **Income and Wealth**

 **Charitable Giving**

 **Demographic Conveyor Belt**

# ***Recorded Wealth Transfer***

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# ***Recorded Wealth Transfer***

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 **Probate Records**


 **Estate Settlement Fees**

 **Estate Value**

# **Recorded Wealth Transfer**

 **Probate Records**

 **Iowa Court Information System**

 **1998 - 2002**

# ***Recorded Wealth Transfer***

 **Estate Settlement Fees**

 **Probate Code**

 **\$100 fee approx = \$100,000 estate**


 **No Maximum Fee**



# Recorded Wealth Transfer

 Estate Value

 \$350 fee = \$350,000 estate

 \$1,000 fee = \$1,000,000

 Calculate Estate Values

 Sum Estate Values

# **Recorded Wealth Transfer**

**⌚ Total Annual Average Transfer Recorded**


**⌚ Annual Average Transfer per Recorded Estate**

# Recorded Wealth Transfer

 \$4.933 Billion

 Annual Total Recorded Transfer

 Iowa

 1998-2002

# **Recorded Wealth Transfer**

 **low - \$9.4 Million Clarke Co.**

 **hi - \$488.8 Million Polk Co.**

# ***Recorded Wealth Transfer***

 ***at least \$9 million annually***

 **5% = \$450,000**

 **10% = \$900,000**




# **Recorded Wealth Transfer**


 **\$274,425**

 **Annual Average Transfer per  
Recorded Estate**

 **Iowa**

 **1998 - 2002**

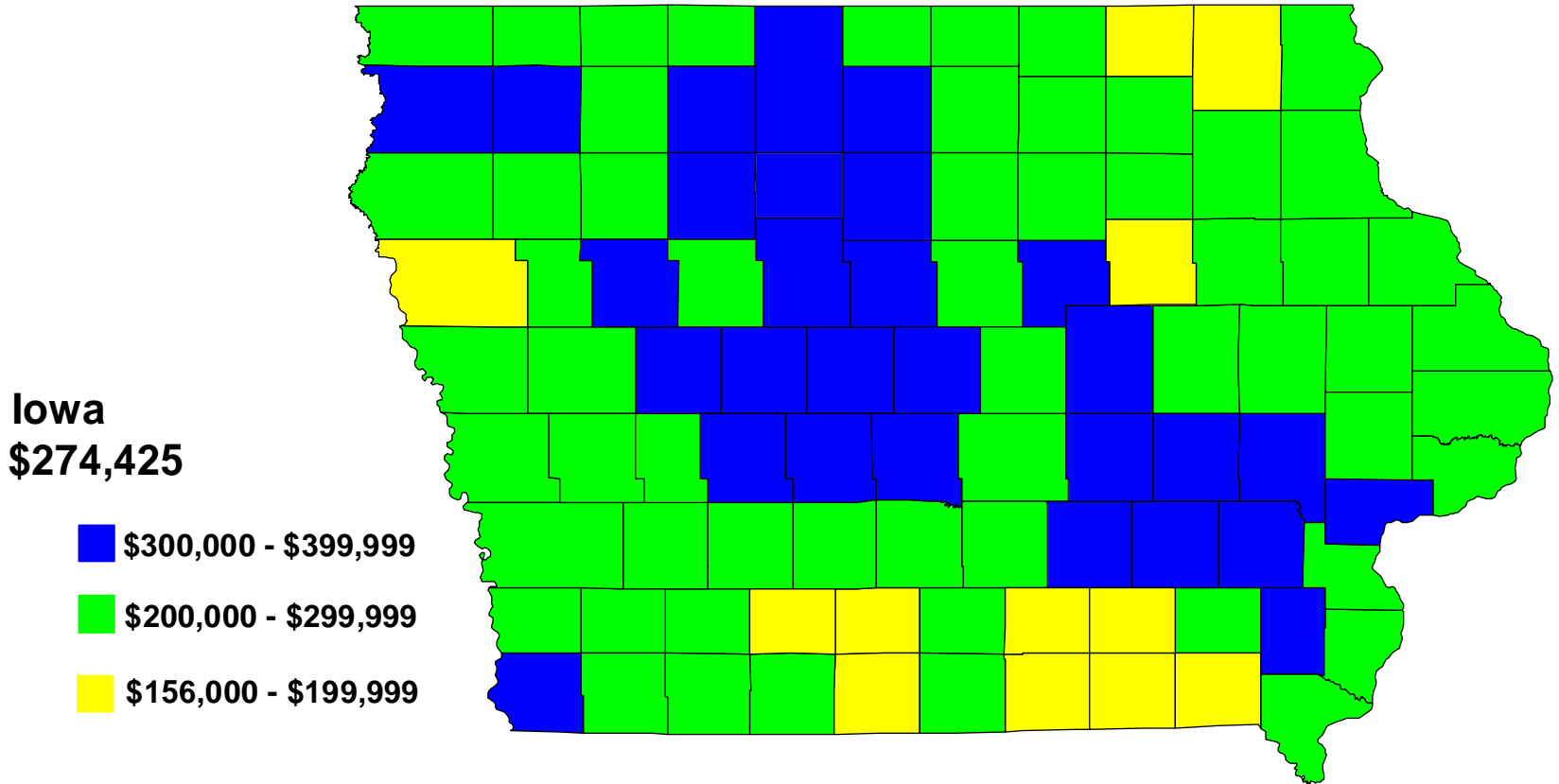
# ***Recorded Wealth Transfer***

 **low - \$156,486 Monroe Co.**

 **hi - \$397,393 Poweshiek Co.**



# Annual Average Transfer per Recorded Probated Estate, 1998-2002



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# **Demographic Conveyor Belt**

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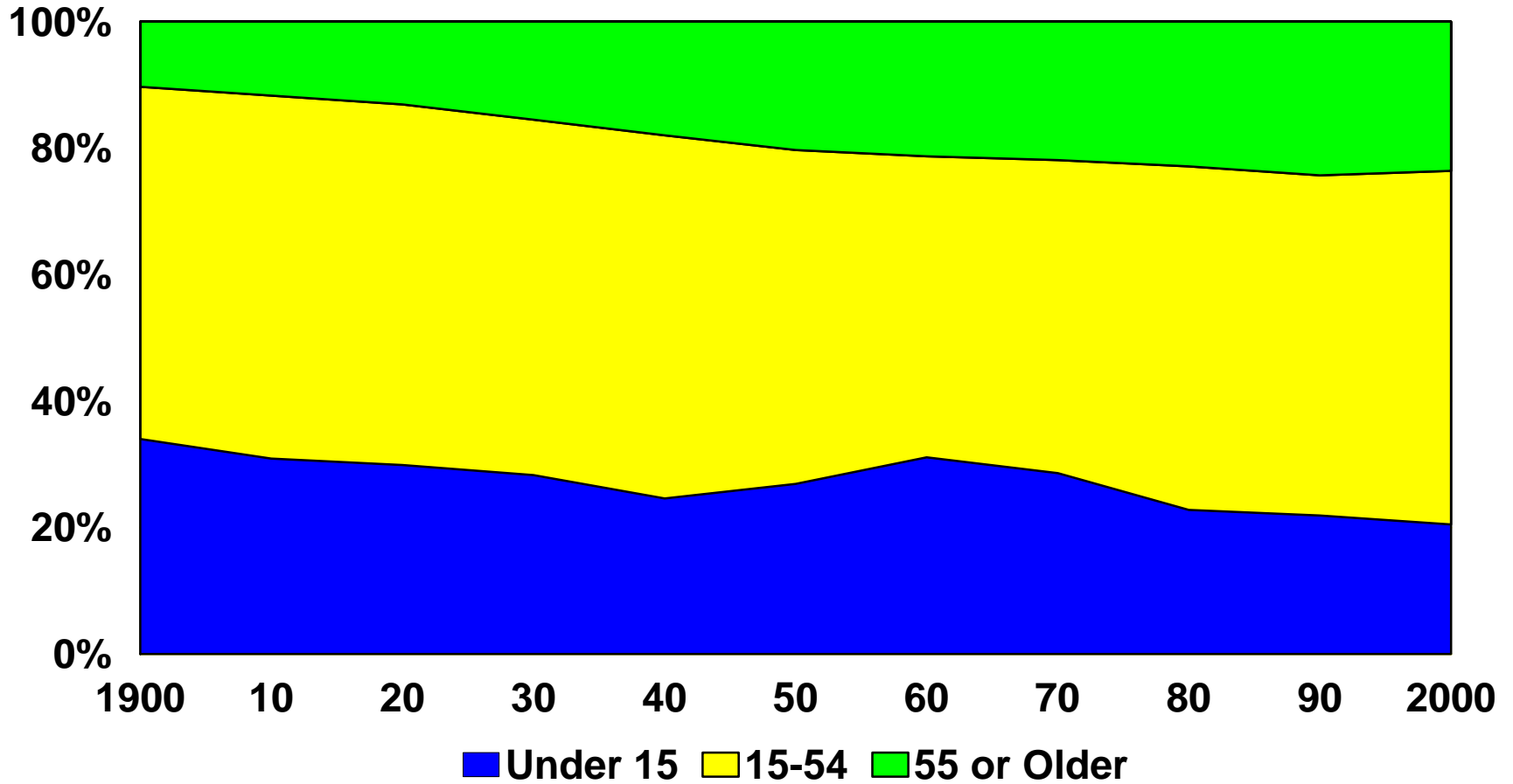
# Demographic Conveyor Belt

 **Past Fertility and Births**

 **Current Age Structure**

 **Future Mortality and Deaths**

## Age in Iowa, 1900-2000



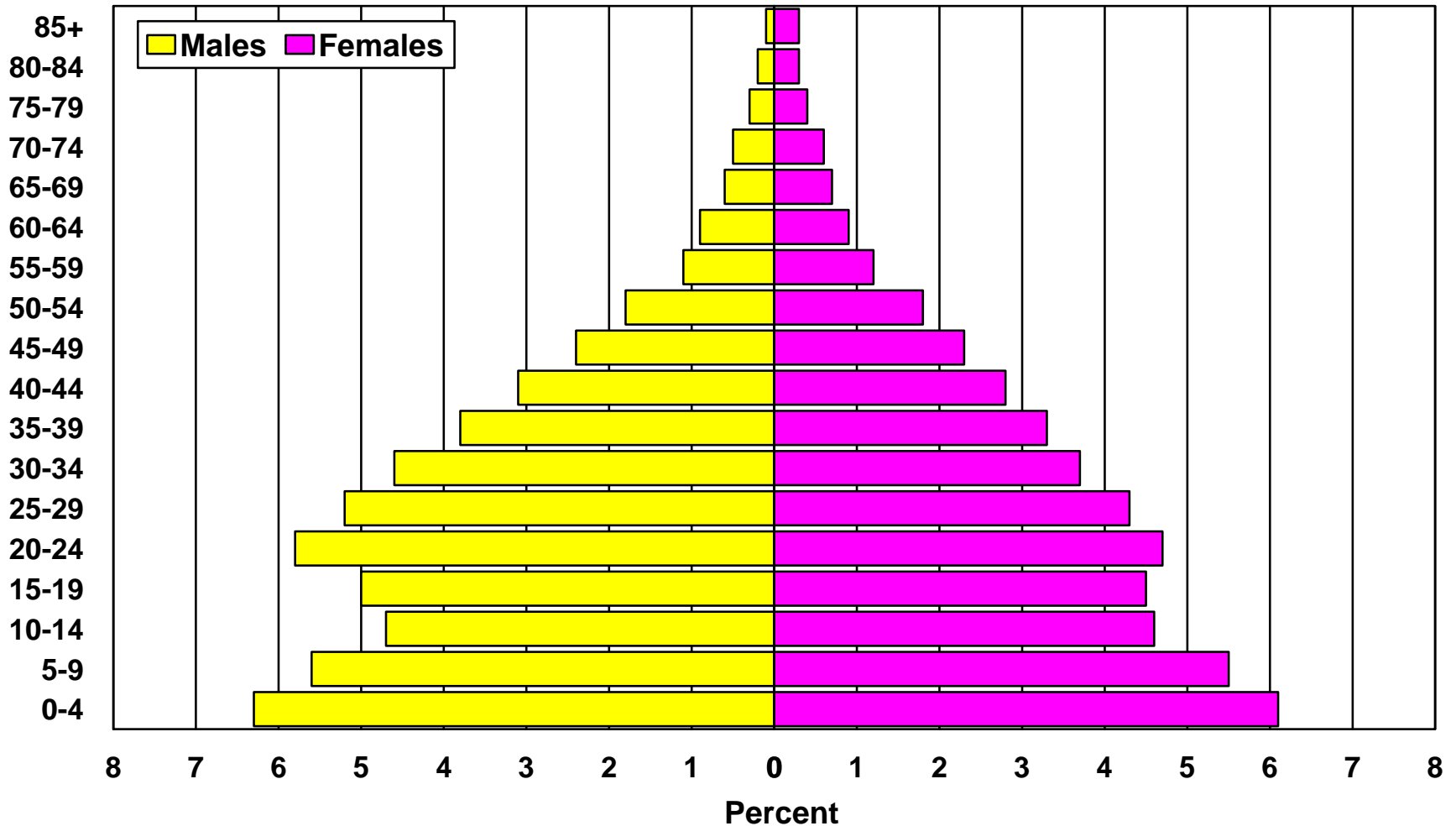
# Age Group by Sex for Majority\* Residents, Iowa, 2000.



Percent

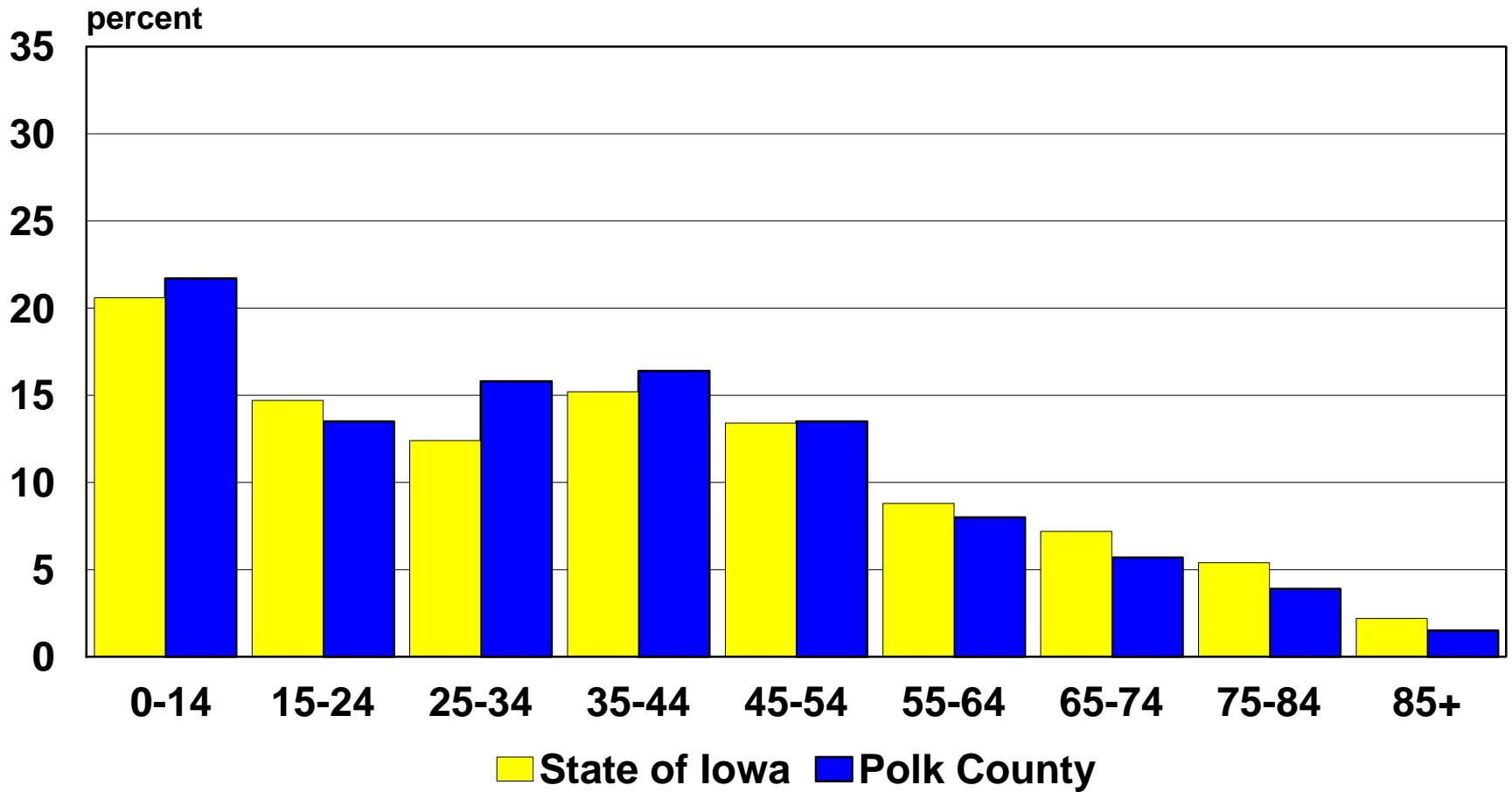
\*white race only, not Hispanic

# Age Group by Sex for Minority\* Residents, Iowa, 2000.



\*Hispanic, one race other than white, or two or more races

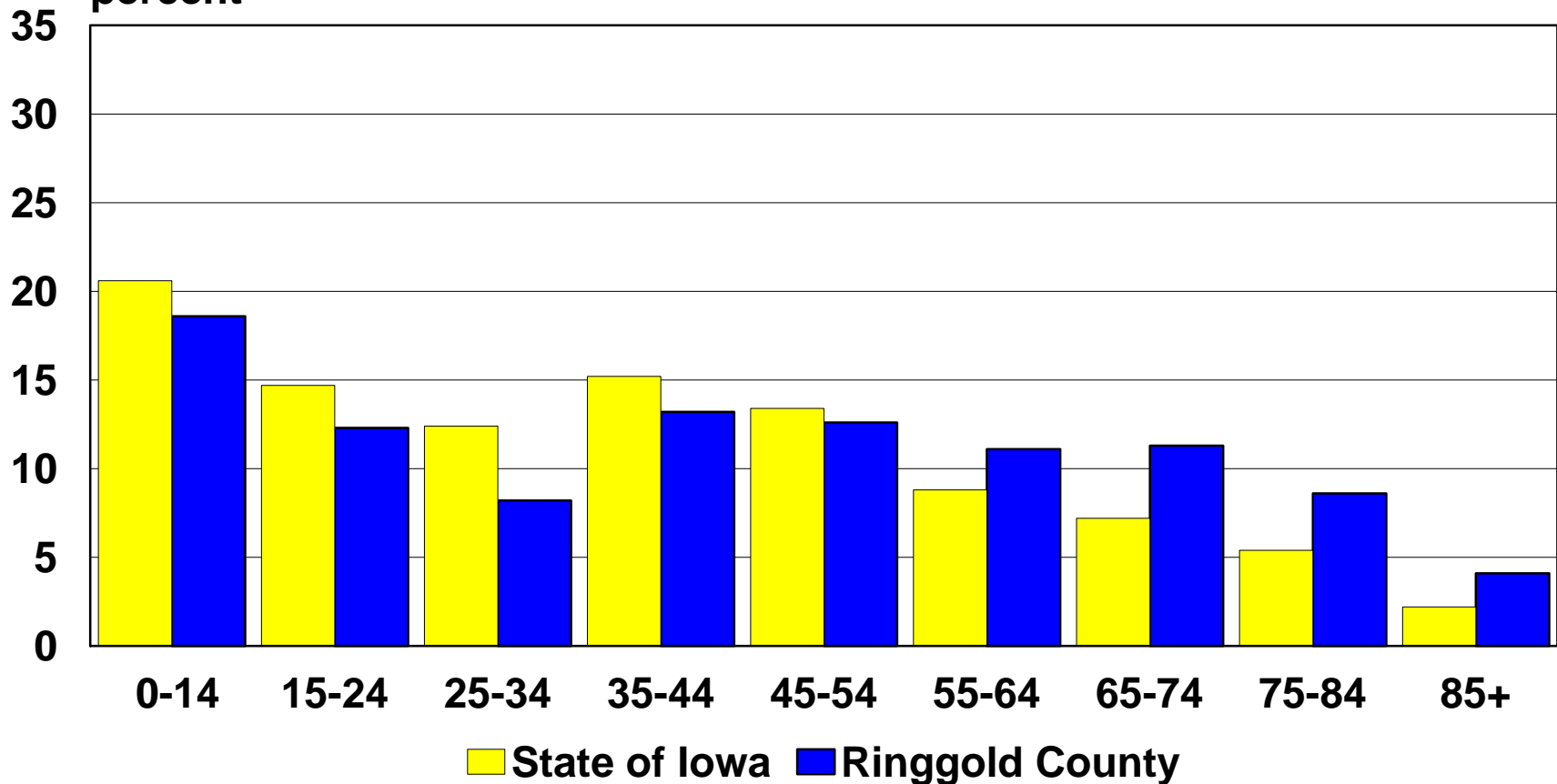
# Percent of Population by Age Group, Iowa, 2000



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# Percent of Population by Age Group, Iowa, 2000

percent



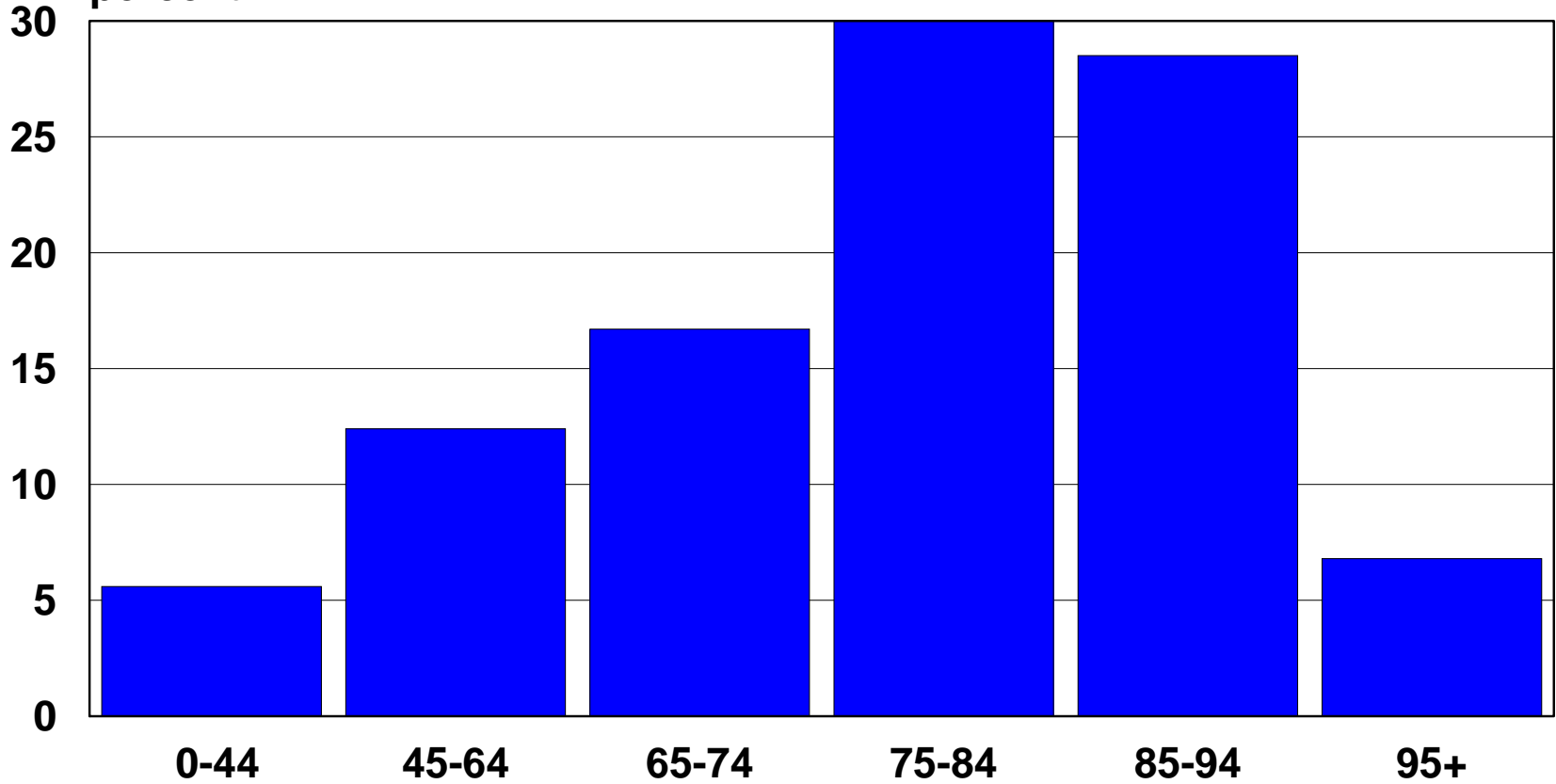
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# Percent of Deaths by Age, 1999-2001

Iowa

percent



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# **Demographic Conveyor Belt**

## **Tyranny of the Life Table**

# Demographic Conveyor Belt

 **Survival rate 80 years to 85:**

 **males = 0.545 females = 0.680**

 **Survival rate 95 years to 100:**

 **males = 0.145 females = 0.192**

# ***Projected Wealth Transfer***

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# ***Projected Wealth Transfer***

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 **Assumptions**


 **Caution**

 **Less Reliable Later in Series**

# ***Projected Wealth Transfer***

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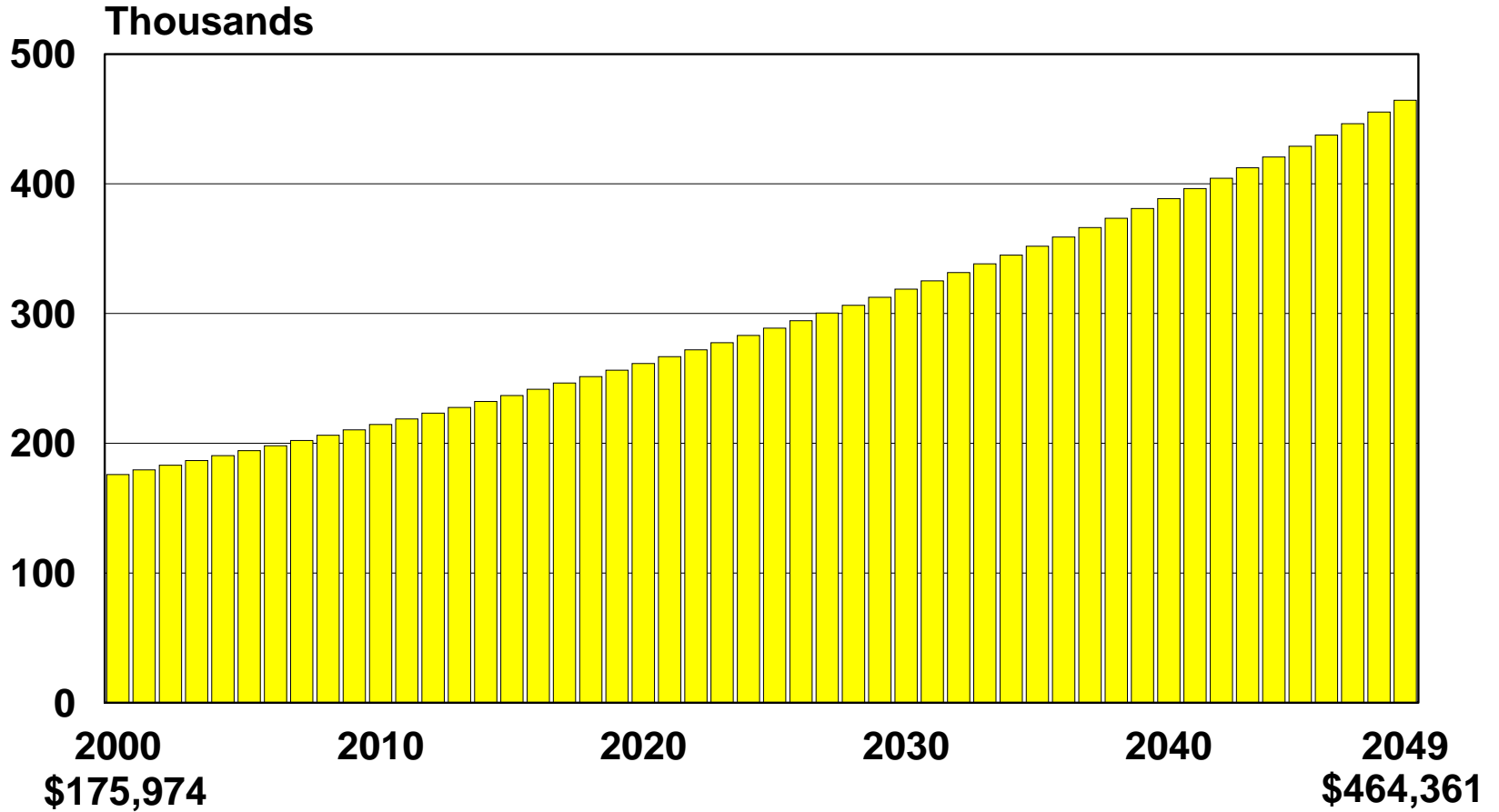
 ***Recorded Wealth Transfer***

 **2000 - 2049**

 **Transfer per Death**

 **2% Annual Growth**

# Average transfer per death compounded at 2%, 2000-2049.



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# ***Projected Wealth Transfer***

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 **Age Structure Census 2000**

 **Life Table Mortality by Age**

 **Project Deaths by Age**



# ***Projected Wealth Transfer***

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 **Projected Deaths x**

 **Transfer/Death =**

 **Projected Wealth Transfer**

 **Increase 2%**

 **Repeat process for 50 Years**


# ***Projected Wealth Transfer***

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 **\$531.7 Billion**

 **50 Year Total Wealth Transfer**

 **lowa**

 **2000 - 2049**

# ***Projected Wealth Transfer***

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 <b>2000-2009</b>	<b>\$57.46 Billion</b>	<b>10.8%</b>
 <b>2010-2019</b>	<b>\$74.43 Billion</b>	<b>14.0%</b>
 <b>2020-2029</b>	<b>\$98.26 Billion</b>	<b>18.5%</b>
 <b>2030-2039</b>	<b>\$133.60 Billion</b>	<b>25.1%</b>
 <b>2040-2049</b>	<b>\$176.96 Billion</b>	<b>31.6%</b>



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