

CANCELLATION OF WEALTH STATISTICS FOR THE YEAR 2004

Our wealth statistics are normally published in October each year. The publication due in October 2006, relating to the year 2004, was postponed while we tried to address problems in the sample of probate and inheritance tax cases which are the main data source underpinning our estimates.

The problem arose because of changes in sampling procedures in 2004. For a seven month period in that year our sample of excepted estates (those estates valued at less than the inheritance tax threshold) was drawn from the minority of estates where the applicant for the grant of probate was an ordinary executor as opposed to a solicitor.

This led to an unanticipated bias in the sample for certain characteristics, notably marital status. We have tried various ways to correct for the bias but have not managed to obtain results in which we could have any confidence. We have therefore decided not to publish any statistics for the year 2004.

From November 2004 we resumed drawing the sample at random from all excepted estates. The problem does not therefore affect years later than 2004 and we intend to publish statistics relating to the year 2005 in October this year.

June 2007