

Housing Wealth and Tax Preferences Across Europe

Matthias Haslberger
University of St. Gallen

Ben Ansell
University of Oxford

Mads Andreas Elkjær
University of Copenhagen

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Abstract

Despite high and rising wealth inequality, taxes on the assets of wealthy citizens play a marginal role in many countries. Indeed, net wealth or inheritance taxes have been abolished or reduced in many countries in the recent past. While existing explanations for the decline of the taxation of assets focus on structural factors, we advance a complementary argument which highlights the micro-foundations of individuals' tax preferences. We argue that the lukewarm public opposition to tax cuts that only directly benefit the wealthy is aided by information asymmetries which prevent low-wealth individuals from formulating preferences that align with their material self-interest. As such, they effectively cede the political arena to the losers from asset taxation, who express well-informed preferences in line with their economic interests. Utilizing original survey data from Denmark, France, Germany, Ireland, Italy, the Netherlands, and Sweden, we find empirical support for our thesis. Housing wealth increases the likelihood of stating a preference, and homeowners and their children support less progressive taxation of wealth, inheritances, and capital gains, as well as a greater focus of the tax system on incomes. With rich data on housing wealth and three different taxes from seven European countries, we shed light on the neglected role of wealth in the formation of tax preferences, and our theoretical argument introduces insights from the literature on political representation to the study of the political economy of taxation.

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1 Introduction

In the face of high and rising wealth inequality and multiple crises putting severe pressure on state budgets, it seems surprising that taxes on the assets of wealthy citizens do not play a more important role in many countries' tax systems. Indeed, the inheritance tax has been abolished or reduced in numerous countries (Genschel, Limberg and Seelkopf, 2023; Elkjaer et al., 2022). Net wealth taxes have likewise fallen into disuse; in the recent past they were abolished for example in Austria, Denmark, Finland, Germany, the Netherlands, and Sweden (Lierse, 2022). Existing explanations for the decline of the taxation of assets highlight the marginalisation of these taxes as a proportion of overall tax revenue and argue that as they lose their original function, they are susceptible to repeal efforts (Genschel, Limberg and Seelkopf, 2023; Limberg and Seelkopf, 2022). Lierse (2022) highlights a growing political consensus against taxing assets that is precipitated by the increasing global mobility of capital. While these explanations focus on structural macro-changes, we advance a complementary argument that deals with the micro-foundations of individuals' tax preferences.

We argue that the lukewarm public opposition to tax cuts that only directly benefit the wealthy is significantly aided by information asymmetries which prevent low-wealth individuals from formulating preferences that align with their material self-interest. Based on existing theories in political economy, we would expect individuals with little wealth to support redistribution through the taxation of wealthy individuals (Meltzer and Richard, 1981). Since the majority of people would not be subject to such taxes on inheritances, net wealth, or capital gains, but would (directly or indirectly) benefit from the revenue generated,¹ they should receive strong support. However, in reality, many of the potential beneficiaries of such tax policies have no strong views on them, ceding the political arena to the potential losers who militate against them. The difference in effective mobilisation is due to stronger incentives for the latter to acquire information about the policies (Elkjaer et al., 2022).

We test this argument using data from an original survey that we conducted in Denmark, France, Germany, Ireland, Italy, the Netherlands, and Sweden. Contrary to much existing research which often looks at one country or one tax in isolation, we study three different taxes (inheritance, net wealth, and capital gains tax) across seven different countries. At the time of the survey, all countries in the sample except Sweden had some form of inheritance tax, while only France and Italy levied a wealth tax on selected assets. All countries had a capital gains tax, but only in Denmark capital gains were subject to personal income tax; in the remaining countries, capital gains tax was below the top income tax rate. The large variation in existing tax rates and tax mix in our sample allows us to postulate a high degree of external validity for our findings.

¹For example, the additional tax revenue could be used to finance public services that benefit all citizens, or to reduce income or consumption taxes that affect a larger share of the population (Elkjaer et al., 2022; OECD Tax Policy Studies, 2021).

As a measure of wealth, we rely primarily on people’s estimate of the value of their house (or their parents’ house to capture future expected wealth). We furthermore distinguish between outright owners and homeowners with a mortgage and investigate the role of people’s perceived position in the wealth distribution. Despite representing the largest share of wealth for ordinary citizens in most countries (OECD Tax Policy Studies, 2021), residential real estate has so far been neglected in research on tax preferences. Moreover, the distribution of housing wealth is the dominant factor in explaining cross-national differences in wealth inequality. As Pfeffer and Waitkus (2021, 587) write, “[h]olding all other aspects of nations’ wealth distributions constant ... the level of inequality and concentration of housing wealth is the principal underlying factor accounting for overall levels of wealth inequality and concentration.” Thus, if we expect that wealth affects people’s preferences concerning the taxation of assets, housing wealth is an obvious measure to look at. It is by far the most important asset class for the average household, an important determinant of wealth inequality in a country, and people generally have a fairly accurate estimate of the value of their house (Elkjaer et al., 2022). We therefore focus on housing wealth as the most substantively important and easily measurable component of people’s net wealth.

As expected, we find evidence that low-wealth individuals (renters) are less likely to express a preference regarding all three taxes, lending support to our argument that information asymmetries contribute to the opposition to taxes on assets. Among those who do express an opinion, homeowners—especially if they own a valuable house—are less likely than renters to support progressive taxation of assets. Interestingly, homeowners with a mortgage occupy an intermediate position between outright owners and renters, reflecting the financial burden of their mortgage payments and the less-than-full ownership of their house. Perceptions of wealth are also a strong predictor of tax preferences: individuals who believe themselves relatively wealthy are substantially more opposed to taxing wealth. This shows that those who care enough to voice an opinion on wealth taxation generally express preferences that align with their material interest—but they are disproportionately wealthier individuals with an incentive to oppose the progressive taxation of assets. By contrast, the potential beneficiaries of expanded wealth taxation are less likely to have preferences in the first place, and if they do, they tend to be more moderate.

While preferences across tax types are broadly similar, the existing differences map well onto patterns of material self-interest.² Homeowners are strongly opposed to inheritance and wealth taxes, but care less about capital gains taxes which are not levied on housing assets. When asked whether the tax system should focus on taxing income or taxing wealth, homeowners and wealthier individuals show much stronger support for focusing on income. Taken together, the findings suggest that whose views get to shape tax policy is in

²The inheritance tax is markedly less popular than the capital gains tax or a net wealth tax, but the patterns of who supports the tax are very similar.

turn shaped by wealth. Wealthier individuals are more likely to have a view in the first place. Naturally, they are also on average less supportive of progressive taxation of assets such as residential real estate. Thus, public opinion is less supportive of wealth taxation than we would expect if everyone formulated preferences in line with their material self-interest (Meltzer and Richard, 1981).

[Here follows a paragraph discussing country differences.]

This study thus makes several important contributions to the political economy of taxation. First, wealth inequality has only recently emerged from the shadow of income inequality and thus we know comparatively less about how people’s assets shape their views on taxation. Yet, it appears highly likely that tax preferences – especially regarding taxes that are levied on assets rather than income – are shaped by wealth in addition to income. We provide comprehensive evidence of this relationship in European countries. Our second, and main, contribution is to show the importance of information for people’s ability to formulate tax preferences that reflect their own material interests. We thereby contribute to the literature on the micro-foundations of people’s tax preferences, extending the argument in Elkjaer et al. (2022) both geographically and by considering a wider range of taxes. Finally, we extend the existing literature by considering multiple different taxes jointly, including the trade-off between taxes on income and assets. Since people do not form their views on individual taxes in a vacuum, and all taxes are in theory substitutes for one another, considering these trade-offs is another important contribution (Hope and Limberg, 2022).

2 Literature and Theory

This section is to be updated along the lines of the argument laid out in the introduction.

2.1 Information and Preferences

Briefly restate Argument of the UK paper.

2.2 Material Self-Interest and Tax Preferences

Argue that people who do express preferences are generally well informed and express coherent, rational preferences. (Maybe combine with previous section)

Table 1: Tax rates on net wealth, capital gains, and inheritances (in %)

Country	Wealth tax	Capital gains tax	Inheritance tax
Denmark	0	42	
France	up to 1.5	30	
Germany	0	25	
Ireland	0	33	
Italy	up to 0.76	26	
Netherlands	0	31	
Sweden	0	30	

Note: Wealth tax: on real estate assets in FR; on assets owned outside the country in IT. Capital gains tax: top marginal rate without additional surcharges. Inheritance tax: add data for inheritances worth 10 times GDP per capita from the tax database.

2.3 Scope of the Argument

Geography

Briefly make the case why the argument applies beyond the UK, highlight differences between tax systems of European countries.

Even though they are all European liberal democracies, they differ in which assets they tax, and how much they tax them (see Table 1). They furthermore exhibit very different patterns of homeownership and house price distributions (see Figure A2). For example, more than twice as many Italians own their home as Germans, and average house values differ widely.

Other Types of Wealth-Related Taxes

Argue why the findings should apply, if to a slightly lesser extent, to other wealth-related taxes and redistribution preferences as well.

2.4 Theoretical Expectations

Based on the preceding discussion, we formulate the following testable hypotheses regarding the relationship between housing wealth and tax preferences.³

H1: Homeowners and children of homeowners are more likely to express an opinion on taxing wealth than non-homeowners and children of non-homeowners.

H2: a) Homeowners and children of homeowners are less likely to support taxing wealth than non-homeowners and children of non-homeowners; b) opposition to wealth taxation is stronger among mem-

³We refer to “taxing wealth” and “wealth taxation” as an umbrella term for net wealth, capital gains, and inheritance taxation. Most of our hypotheses were pre-registered under https://osf.io/zteyu/?view_only=05b0d3763d554f64a433f9d888dd7d98.

bers of families who own more valuable houses; c) opposition to wealth taxation is stronger among homeowners who own their house outright.

H3: People who believe that they are higher up in the (housing) wealth distribution are less likely to support taxing wealth.

H4: Homeowners and children of homeowners prefer a greater focus of the tax system on income taxation compared to wealth taxation.

H5: The relationship between housing wealth and wealth tax preferences is stronger in countries with a) higher taxes on assets; b) higher homeownership rates.

3 Data and Analytical Approach

We test our arguments using data from an original survey that we conducted in 7 European countries (Denmark, France, Germany, Ireland, Italy, Netherlands, Sweden) in the summer of 2022. The survey was conducted online with nationally representative samples by the survey company Kantar.⁴ With approximately 1250 respondents per country, our total sample comprises 8699 people. The average time for completion of the survey was 14 minutes and the median time was 13 minutes. The questionnaires were professionally translated to the six other languages before we checked them for consistency and appropriate use of technical terms.⁵

In the first part of the survey, we asked about socio-demographic characteristics of our respondents, such as age, sex, education, parents' education, and household income, which will serve as control variables in our analyses. Crucially, we also asked participants to provide information about their own and their parents' housing situation, and—if applicable—the estimated value of their house. This constitutes our main measure of household wealth, motivated by the observation that real estate constitutes by far the largest share of wealth for ordinary citizens (OECD Tax Policy Studies, 2021; Pfeffer and Waitkus, 2021) and can be estimated fairly reliably (Elkjaer et al., 2022).⁶ To obtain a measure of respondents' perceived position in the social hierarchy, we asked them to estimate which quintiles of the (housing) wealth distribution they fall in.

Next, we asked the respondents a range of questions about their preferences regarding net wealth, capital gains, and inheritance taxes.⁷ To gauge popular attitudes towards wealth taxation, we asked respondents

⁴The master questionnaire in English is available under <https://ora.ox.ac.uk/objects/uuid:0d82ab4c-b6f9-4f43-8145-577918f2ee8e/files/d6w924c31q>.

⁵Among the authors are native speakers of three of these languages, with working knowledge of the remaining three.

⁶High-quality data on net wealth would be available from the Luxembourg Wealth Study database, but these surveys naturally don't include information on perceptions and political preferences, making housing wealth the most suitable measure of wealth for our purposes.

⁷The survey also included an information experiment where we corrected respondents' perception of top income and wealth

whether they agree or disagree that “there should be an annual tax on the net wealth of the wealthiest households” in their country.⁸ Whereas capital gains taxes on “unearned income” in many cases used to be much higher than taxes on labour income for much of the 20th century, the reverse is true today (Piketty, Saez and Zucman, 2013). For this reason, we asked respondents whether they agree that “realized capital gains should be taxed at the same rate as income” in their country.⁹ Furthermore, we asked whether people think taxes are (much) too low, about right, or (much) too high on people who receive small, medium, or large inheritances.¹⁰ This allows us to gauge attitudes towards progressive taxation of inheritances. Finally, to capture their view on the trade-off between taxing wealth or income, we asked people the following question: “On a scale from 0 to 10, where 0 represents a tax system that concentrates on taxing people’s wealth (their property, savings, and inheritances) and 10 concentrates on taxing people’s income from work, what would be your preference?”

In our regression analyses, the dependent variables are re-scaled to equal one if a respondent (strongly) agrees that there should be a wealth/capital gains tax or thinks that inheritance taxes are (much) too low, and zero otherwise. This allows us to readily interpret coefficients as the percentage change in the likelihood of supporting higher taxation of the respective group or asset. The trade-off question is not re-scaled. We estimate linear probability models and all models include a set of standard controls: household income, age, sex, university degree, and country dummies.¹¹ We report standard errors clustered by country to account for heteroscedasticity.¹² We provide more details on our variables and modelling choices throughout the paper.

4 Results

4.1 Geographical Scope of the Argument: Inheritance Tax Views Across Europe

We first present evidence that our findings for inheritance taxation in Elkjaer et al. (2022) generalise across Europe. While our argument is formulated in general terms, the housing crisis and inheritance taxation are particularly salient in the political debate in the UK. Sceptics might therefore question whether the same

shares, which we do not analyse in this paper. In the appendix we will show that our findings stand when we limit our sample to the control group which was not exposed to the information treatments.

⁸Currently France levies a wealth tax on real estate assets, while Italy taxes real estate properties and financial investments owned outside Italy. No other country in the sample had a wealth tax at the time of the survey.

⁹In Denmark, capital gains are treated as part of labour income, in the remaining countries they are subject to a separate, usually lower flat tax rate.

¹⁰We specified small inheritances to be worth below €200k and large inheritances to be worth over €1m (or the equivalent in national currency). All countries except Sweden had an inheritance tax in place at the time of the survey.

¹¹We experimented with additionally including region dummies and interacting country and region dummies. Neither approach affects the coefficients of interest, hence we only report the most parsimonious specification.

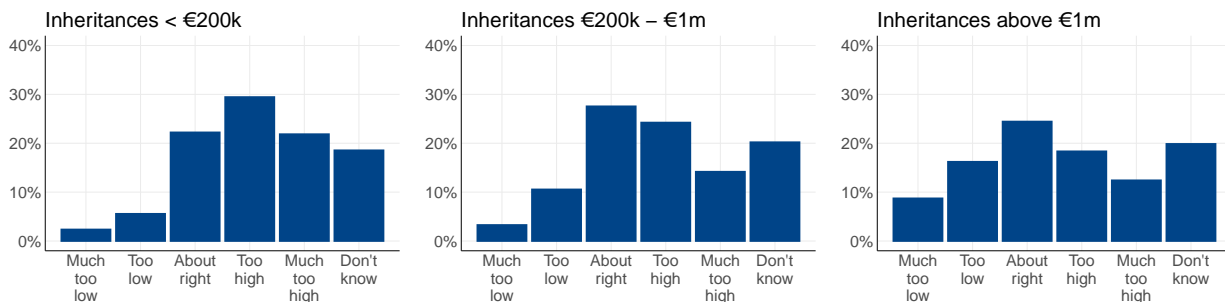
¹²We use the `lm.cluster` function from the `miceadds` package to calculate the standard errors.

dynamics play out in other countries. Our results firmly suggest that they do. In addition to the wider geographical scope, we present evidence using more detailed housing wealth data, including information on mortgage status and perceived housing wealth. We therefore significantly bolster and extend existing research on the effect of housing wealth on inheritance tax preferences.

Descriptive Evidence

We first present the descriptive patterns of support for inheritance taxes on different sized bequests in Figure 1. Across our seven countries, we see that there is little support for higher inheritance taxes. People are generally content with the current levels of inheritance tax or favour lower ones. The modal response for small inheritances is “too high”, even though such bequests (to direct descendants) are exempt everywhere except in Denmark and the Netherlands. For medium and large inheritances, a plurality of Europeans consider the inheritance tax level “about right” on our 5-point scale. What is clear is that there is little appetite for higher inheritance taxes. Even for inheritances above €1m, more people say that taxes are (much) too high than (much) too low. Furthermore, the substantial share of “don’t know” answers (approximately 20 percent) is prima facie evidence that inheritance taxation is a low-information environment where many people do not have a well-defined preference (Elkjaer and Wlezien, 2023). While the findings for individual countries are broadly similar, there are some differences which can be studied in Figure A1. Most notably, Germans show the highest support for taxing inheritances above €200k more - perhaps due to the low homeownership rate and low average net wealth of Germans. Interestingly, Sweden, which is the only country in the sample without any inheritance tax, does not stand out with higher support for increasing inheritance taxes even on larger bequests. In Figure C3, we additionally document the patterns of individual-level correspondence between preferences using heatmaps.

Figure 1: Tax preferences across Europe



Note: N = 8,699 across all figures.

Housing Wealth Predicts whether People Have a View on Inheritance Tax

An integral part of our argument is that people with lower housing wealth are less likely express policy preferences that align with their material self-interest, because they lack the information necessary to do so. Both because they are less likely to be exposed to information about the tax system through socialisation or interaction with it, and because they face fewer incentives to actively familiarise themselves with it (since they have little wealth to shield from taxation), we expect low-wealth respondents to be more likely to answer “don’t know” than wealthier individuals.

Table 2 shows linear probability models that test this argument. We consistently find that people with substantial housing wealth are more likely to express an opinion regarding inheritance taxation.¹³ Compared to non-owners, homeowners are more likely to express an opinion on all three inheritance tax bands. Importantly, these differences are predominantly driven by richer homeowners. While people owning a house worth less than €200k (or the national equivalent) are between 3 and 5 percentage points more likely than non-owners to state an opinion, those owning houses valued at more than €500k are 10 percentage points more likely to express a preference. These differences are highly statistically significant in all cases. Parents’ housing situation is also positively related to the likelihood of stating an opinion on wealth-related taxes, albeit only significantly so for the children of wealthy homeowners, where the effect amounts to 4 to 5 percentage points. Importantly, this relationship is robust to controlling for household income, other demographic characteristics, and internal political efficacy as a measure of people’s self-assessed capacity to participate in politics.

Thus, we find that the role of wealth for explaining opinion formation is consistent across countries with very different treatment of wealth and inheritances. While the country fixed-effects account for most country differences in the main regressions, it is still instructive to compare single-country regressions. Due to the much smaller sample size in these models, we use a numeric house value variable. The coefficients can roughly be interpreted as the change in the probability of expressing an opinion or of supporting higher taxes in response to an increase in house value of €100k. As the top panel of Table 4 shows, higher housing wealth is associated with a higher likelihood of expressing an opinion on the level of taxation on small, medium, and large inheritances in virtually all cases.

¹³The dependent variable is a dichotomous indicator which takes the value ‘0’ if a respondent answered “Don’t know” and ‘1’ otherwise. Thus, the coefficients can be interpreted as the percentage change in the probability of expressing a substantive opinion about the tax in question.

Table 2: Determinants of Expressing an Opinion on Inheritance Tax Levels

	small INH	med INH	large INH
Own house value			
Own, < €200k	0.047*** (0.011)	0.033** (0.012)	0.034** (0.013)
Own, €200k to €500k	0.081*** (0.009)	0.071*** (0.006)	0.071*** (0.008)
Own, > €500k	0.097*** (0.014)	0.101*** (0.012)	0.097*** (0.016)
Don't know/Refuse	0.027 (0.017)	0.014 (0.013)	0.018** (0.006)
Parents' house value			
Own, < €200k	0.026 (0.016)	0.013 (0.019)	0.020 (0.017)
Own, €200k to €500k	0.021 (0.014)	0.017 (0.010)	0.023 (0.014)
Own, > €500k	0.046** (0.016)	0.043* (0.022)	0.040* (0.016)
Don't know/Refuse/Deceased	-0.069*** (0.015)	-0.090*** (0.014)	-0.081*** (0.016)
Household income			
€30k to €80k	0.026* (0.012)	0.025 (0.013)	0.018 (0.014)
> €80k	0.006 (0.020)	0.006 (0.019)	-0.005 (0.017)
Don't know/Refuse	-0.109*** (0.020)	-0.111*** (0.016)	-0.121*** (0.020)
Other controls			
age	0.002*** (0.000)	0.002** (0.001)	0.002*** (0.001)
female	-0.053*** (0.012)	-0.064*** (0.017)	-0.066*** (0.015)
degree	0.001 (0.009)	0.008 (0.009)	0.004 (0.008)
int_eff	0.008 (0.006)	0.014** (0.006)	0.016*** (0.005)
(Intercept)	0.743*** (0.021)	0.720*** (0.040)	0.713*** (0.034)
R ²	0.060	0.065	0.064
Adj. R ²	0.058	0.063	0.062
Num. obs.	8675	8675	8675

Note: Linear probability models with country dummies and standard errors clustered by country. The reference category for both own and parents' housing situation is "Don't own". The reference category for household income is "< €30k". *** $p < 0.001$; ** $p < 0.01$; * $p < 0.05$.

Housing Wealth Is Linked to Opposition to Taxes on Assets

With regard to the inheritance tax, Figure 2 shows that compared to non-owners, people owning modest houses worth no more than €200k are less likely to support higher taxes on small inheritances under €200k and medium inheritances up to €1m. However, they do not differ from non-owners in their likelihood of supporting higher taxes on large inheritances over €1m. People with houses valued between €200k and €500k are significantly less likely than renters to support higher taxes on inheritances of any value, with the strongest opposition to higher taxes on medium inheritances. Finally, the wealthiest homeowners with houses worth at least €500k are strongly opposed to higher taxes on medium and, especially, large inheritances (by approximately 13 percentage points). On the other hand, they are no more opposed to taxing small inheritances than non-owners, presumably because they know that such bequests are largely exempt from inheritance taxation anyway.

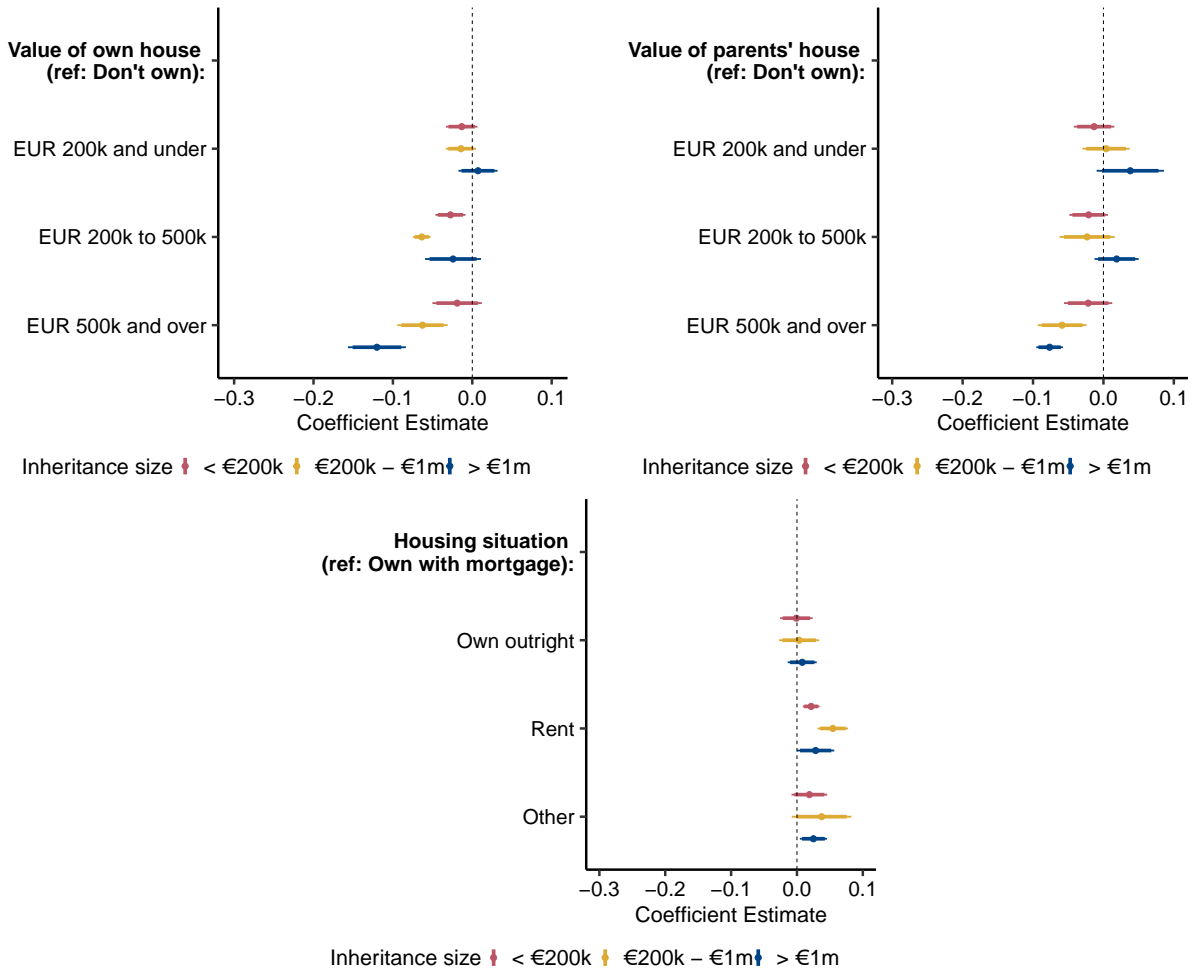
The right panel shows the results for the value of people’s parents’ house. Since respondents can expect to one day inherit their parents’ estate, we expect the findings to mirror those for own housing wealth, albeit in somewhat attenuated form. This is indeed broadly what we see. The results closely resemble those for own housing wealth, indicating that children of homeowners are aware of the implications of inheritance taxation for their financial future. Overall, these results show that homeowners in Europe by and large have inheritance tax preferences that reflect their material self-interest.

The bottom panel presents the evidence for H2c. Here, we differentiate between homeowners with and without a mortgage, renters, and a residual category of people with different living arrangements.¹⁴ Owners who have not yet paid off their mortgage serve as the reference category. When it comes to inheritance taxation, however, owners with a mortgage are indistinguishable from outright owners, presumably in anticipation of having obtained full ownership of their property by the time of their death. Renters are more likely to support higher taxes on inheritances of different sizes, although for large inheritances the difference does not reach statistical significance as homeowners with a mortgage are themselves quite supportive of taxing large inheritances more.

Panels C and D regresses the tax preference variables on people’s self-assessed position in the housing wealth or overall wealth distribution. The results are consistent with hypothesis 1c. Respondents who believe that they are in a higher wealth quintile are less likely to support wealth and capital gains taxes. This is true whether we look at housing wealth only (Panel C) or total household wealth (Panel D). The effect sizes can be substantial: moving from the bottom to the top quintile of housing wealth is associated with 7.2 percentage point reduction in the likelihood of supporting a net wealth tax. For total household wealth, the effect is

¹⁴“Living rent-free with family or friends” and “Homeowners with shared ownership”, together accounting for just under 9% of all observations.

Figure 2: Housing wealth and support for higher inheritance taxes



Note: The figure shows estimates from linear probability models of whether the respondent thinks that inheritance taxes are (much) too low, with 90% and 95% confidence intervals (thick and thin lines). The models include controls for household income, age, gender, and level of education, as well as country dummies. Standard errors are clustered by country. Full output in Tables B1, B2, and B3.

twice as large. Perceived housing wealth does not significantly affect support for aligning capital gains and income taxation. Household wealth, however, does - again suggesting that European respondents have a fairly good understanding of which taxes they are exposed to. Regarding inheritance taxation, members of (self-assessed) richer households display a preference for a less progressive inheritance tax system: they are less likely to support higher inheritance taxes across the board, but especially on large inheritances. Thus, how people assess their relative wealth position in society strongly affects their tax preferences in a way that is consistent with their material self-interest.

Overall, looking at 7 European countries with diverse inheritance tax systems, and using various objective and subjective measures of housing wealth, we find a highly consistent picture: housing wealth shapes people's incentives to acquire information about inheritance taxation and, among those who express an

opinion, reduces support for the tax in accordance with their material self-interest. This analysis significantly extends and bolsters existing research and establishes the generalisability of the argument in Elkjaer et al. (2022).

4.2 Substantive Scope of the Argument: Views on Other Wealth-Related Taxes

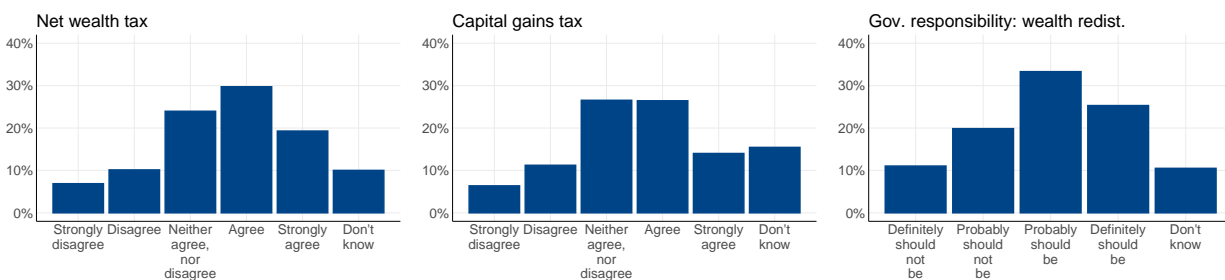
After establishing the wider applicability of our argument regarding inheritance taxation, we now test whether similar dynamics extend to other policies to reduce wealth inequality: net wealth taxes, capital gains taxes, views on the government’s responsibility to reduce wealth disparities, and the tax mix. Theoretically, there are good reasons to expect similarities, as these taxes are to some extent substitutes for one another [REF OECD REPORT]. However, opinion research also shows that inheritance taxation activates deep-seated notions of fairness that are less relevant for other taxes [REF]. This could indicate a weaker relationship between housing wealth and other wealth taxes. To preview our findings, our analyses show a mixed picture, with similar, but progressively weaker findings for preferences over net wealth taxes, capital gains taxes, and wealth redistribution in general. However, we find a very clear preference of wealthier homeowners for a focus of the tax system on income rather than assets.

Descriptive Evidence

Asked whether there should be a wealth tax on the wealthiest households or whether capital gains should be taxed at the same rate as income, people are generally in favour or ambivalent, as we see in Figure 3. Less than 20 percent of respondents are opposed in either case, and especially the wealth tax appears quite popular, with approximately 50 percent actively supportive (answered “agree” or “strongly agree”). The remaining respondents, approximately 35 percent in the case of the net wealth tax and 42 percent in the case of the capital gains tax, expressed no opinion (answered “neither agree, nor disagree” or “don’t know”). A clear majority of respondents agree, however, that it “definitely” or “probably” should be the government’s responsibility to reduce differences in wealth, while less than a third are opposed and only about 10 percent answer “Don’t know”. Compared to views on inheritance tax in Figure 1, we observe a lower number of “Don’t know” responses to all three questions. This is not entirely surprising given how the questions were formulated. While the inheritance tax questions presupposed some knowledge of the current tax system, the second set of questions was more general, asking whether there should be a certain tax, rather than whether its current level is appropriate. Again, there are some country differences which can be studied in Figure A1. Most notably, Danes and Swedes are the least likely to support a net wealth or capital gains tax. In Figure C3, we additionally document the patterns of individual-level correspondence between preferences

using heatmaps.

Figure 3: Tax preferences across Europe



Note: N = 8,699 across all figures.

Housing Wealth Is Weakly Predictive of Registering an Opinion

We find that, like for inheritance taxation, homeowners are significantly more likely to express an opinion on wealth and capital gains taxes, as well as wealth redistribution in general. However, these effects show less of a gradient than for the inheritance tax. Compared to renters, homeowners are between 3 and 5 percentage points more likely to express an opinion on net wealth and capital gains taxes, and up to 3 percentage points more likely to have an opinion on wealth redistribution. Thus, the effects for richer respondents are substantially smaller than for the inheritance tax. Parental housing wealth mostly matters for people with very wealthy parents. The similar, but weaker overall finding suggests that housing wealth indeed affects not only inheritance tax preferences, but attitudes around wealth and inequality in general. At the same time, the more open formulation of the questions lowered barriers for respondents to express an opinion.¹⁵

In Elkjaer et al. (2022, no page numbers yet) we wrote of inheritance taxation in the UK that “low-wealth individuals, who stand to benefit most from taxing inherited wealth, are those least likely to express an opinion on it.” We conclude based on our analysis that this ‘paradox of inheritance taxation’ is not limited to the UK and extends to other forms of taxation and redistribution of wealth, though not necessarily income.¹⁶ This illustrates one of the key obstacles that proponents of taxing wealth—whether through a net wealth tax, higher taxation of capital gains, or a more encompassing inheritance tax—face: the primary beneficiaries of such policies are comparatively uninformed and do not seem to care. On the other hand,

¹⁵Asking whether inheritance taxes should be higher or lower presupposes knowledge of the status quo, whereas asking, for example, whether there should be a wealth tax demands no such knowledge. Of course, many people are likely to have answered the inheritance tax questions without knowing what the current law is, as evidenced by the substantial number of people stating that inheritance taxes on small amounts which are actually exempt, are too high.

¹⁶Our dataset includes an equivalent to the inheritance questions for small, medium, and high incomes. Performing the same analysis as for inheritance tax preferences shows that people’s housing wealth has a much weaker impact on income tax preferences (generally less than half as strong, even though partly statistically significant). Thus, people seem to be informed enough to distinguish between income and wealth taxes in the broad sense. This also validates our decision to group the capital gains tax with the inheritance and net wealth tax, even though it is levied on income—but income generated from a substantial amount of assets.

Table 3: Determinants of Expressing an Opinion on Wealth-Related Taxes

	Net wealth	Capital gains	Wealth redist.
Own house value			
Own, < €200k	0.033** (0.011)	0.036** (0.012)	0.011 (0.007)
Own, €200k to €500k	0.033*** (0.005)	0.051*** (0.010)	0.028*** (0.008)
Own, > €500k	0.043*** (0.013)	0.045*** (0.007)	0.025* (0.010)
Don't know/Refuse	-0.021 (0.012)	-0.028 (0.023)	-0.039* (0.017)
Parents' house value			
Own, < €200k	0.012 (0.011)	0.022* (0.010)	-0.005 (0.012)
Own, €200k to €500k	0.015* (0.007)	0.022 (0.013)	0.019 (0.013)
Own, > €500k	0.028* (0.012)	0.055** (0.021)	0.020 (0.013)
Don't know/Refuse/Deceased	-0.046*** (0.010)	-0.044*** (0.010)	-0.075*** (0.018)
Household income			
€30k to €80k	0.017* (0.007)	0.022 (0.013)	0.023*** (0.006)
> €80k	0.010 (0.013)	0.020 (0.015)	0.030** (0.010)
Don't know/Refuse	-0.130*** (0.019)	-0.154*** (0.020)	-0.097*** (0.021)
Other controls			
age	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)
female	-0.050*** (0.007)	-0.089*** (0.008)	-0.039*** (0.004)
degree	0.021* (0.008)	0.040** (0.014)	0.026** (0.009)
int_eff	0.004 (0.004)	0.021*** (0.003)	0.003 (0.003)
(Intercept)	0.842*** (0.010)	0.788*** (0.024)	0.849*** (0.017)
R ²	0.068	0.093	0.059
Adj. R ²	0.066	0.091	0.057
Num. obs.	8675	8675	8675

Note: Linear probability models with country dummies and standard errors clustered by country. The reference category for both own and parents' housing situation is "Don't own". The reference category for household income is "< €30k". *** $p < 0.001$; ** $p < 0.01$; * $p < 0.05$.

wealthy homeowners and their children, who would bear the cost of an increased focus on assets in the tax system, tend to have clearly defined preferences which reflect their material self-interest.

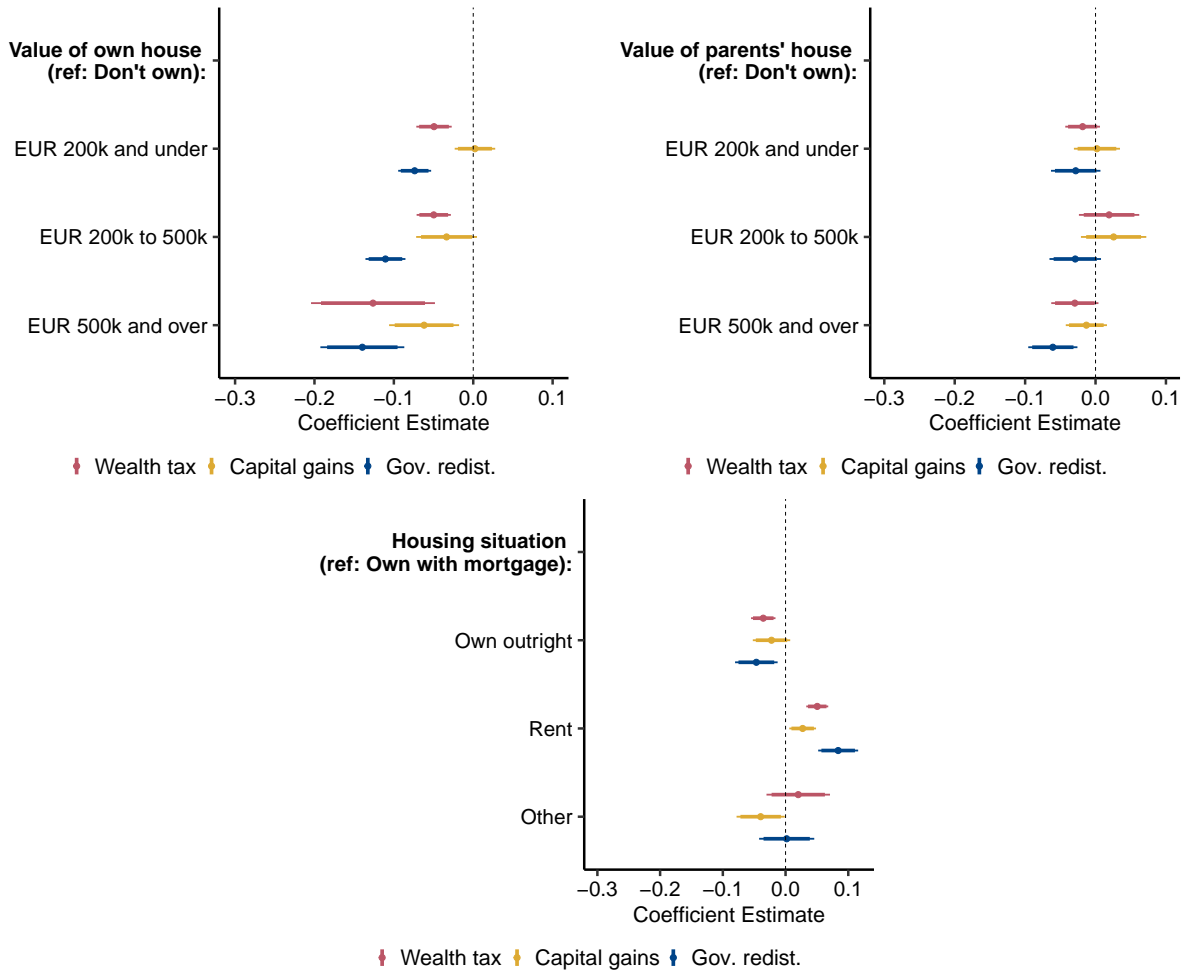
Housing Wealth Predicts Substantive Views on Other Wealth-Related Taxes

If housing wealth predicts the likelihood of voicing an opinion on wealth-related taxes and redistribution in general, it stands to reason that we should also see homeowners express stronger opposition to such policies than renters. Indeed, Figure 4 shows the evidence for H2. The top left panel shows that homeowners are less supportive of taxing wealth (H2a), with wealthier individuals being more opposed (H2b). In line with our theoretical expectations, we find that people with more valuable houses—who have the most to lose—are more strongly opposed to wealth taxes than people with less valuable houses. For the capital gains tax—which is not directly related to housing wealth—a similar relationship is present but only statistically significant for homeowners with a house valued at €500k and more. This is of course in line with homeowners’ material self-interest since their housing wealth might become subject to a wealth tax, but would not be directly affected by higher capital gains taxation. When it comes to support for wealth redistribution in general, the figure shows falling support with greater housing wealth in an almost perfectly linear fashion. The top right panel shows the results for parental housing wealth, which mostly fail to reach statistical significance.

In the bottom panel, we investigate the role of people’s housing situation, with homeowners with a mortgage serving as the reference category. The results show that this group occupies an intermediate position between outright owners and renters. More supportive of wealth and capital gains taxation as well as wealth redistribution than the former, they are still significantly less likely to support these taxes than the latter. Again, this is in accordance with our expectations, bolstering and extending our findings in Elkjaer et al. (2022). Overall, people’s mortgage situation appears to have a strong impact on attitudes towards wealth taxation and redistribution, unlike for the inheritance tax where owners with or without a mortgage have identical preferences that distinguish them from renters.

A given amount of tax revenue can be raised through different combinations of taxes on consumption, income, wealth, and other factors. We call this the tax mix. Actors that are particularly exposed to taxes on one factor should be in favour of shifting the tax burden onto other factors, reducing their contribution to the overall tax take. Our argument thus predicts that homeowners should prefer a greater focus of the tax system on income taxation compared to wealth taxation (H4). To capture this trade-off, we asked survey participants the following question: "On a scale from 0 to 10, where 0 represents a tax system that concentrates on taxing people’s wealth (their property, savings, and inheritances) and 10 concentrates on taxing people’s income from work, what would be your preference?" On average, most respondents prefer

Figure 4: Housing wealth and support for higher wealth-related taxes and redistribution

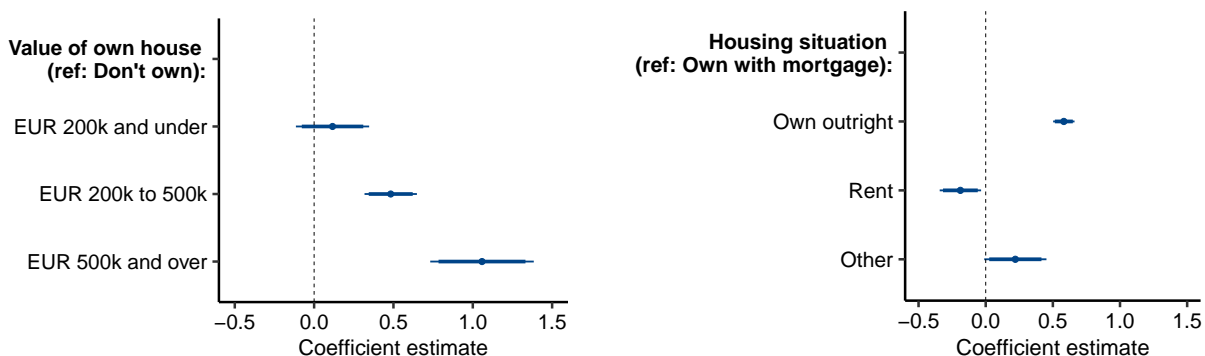


Note: The figure shows estimates from linear probability models of whether the respondent supports the tax (for wealth and capital gains tax) or government redistribution, with 90% and 95% confidence intervals (thick and thin lines). The models include controls for household income, age, gender, and level of education, as well as country dummies. Standard errors are clustered by country. Full output in Tables B1, B2, and B3.

a tax system that focuses on income: the median answer on the 0 - 10 scale is 6. Our regression results show that when asked to trade off income and inheritance taxes in this way, homeowners indeed want to protect their assets by supporting a focus on income taxation. This again driven by the owners of more valuable houses and those who own their house outright, as we can see in Figure 5. People living in the most valuable houses are almost 1.5 points (on a 0 - 10 scale) more likely to favour an income-tax heavy system than non-owners. Moreover, there is an almost linear increase in opposition to wealth-focused taxation as we move up the house price distribution. On the right side, we again disaggregate by housing situation. The results show that outright owners stand out once more with their opposition to wealth-based taxation: even compared to owners with a mortgage, they are almost a full scale point further towards the "income" pole of the scale. Owners with a mortgage, on the other hand, are fairly similar to renters in this regard.

The evidence in favour of H4 further strengthens our overall argument that people form tax preferences in line with their material self-interest, even where this requires trading off different types of taxes and hence a substantial level of information.

Figure 5: The Effect of Housing Wealth on the Preferred Balance Between Income and Inheritance Tax



Note: The figure shows estimates from linear probability models of whether the respondent prefers the tax system to focus on income or wealth, with 90% and 95% confidence intervals (thick and thin lines). The models include controls for household income, age, gender, and level of education. Full output in Table B4.

In contrast to previous studies, we are able to document a surprising level of domain specificity: housing wealth above all reduces support for taxes that people with a given level of housing wealth are themselves likely to incur, such as inheritance and net wealth taxes. Despite the numerous pieces of research showing that people are generally poorly informed about tax systems, it appears that homeowners and their children are well aware of—and predictably opposed to—the taxes that affect them.

4.3 Country Differences in the Relationship between Housing Wealth and Tax Preferences

We find that the role of wealth for explaining opinion formation is consistent across countries with very different treatment of wealth and inheritances. As the top panel of Table 4 shows, higher housing wealth is associated with a higher likelihood of expressing an opinion on the level of taxation on small, medium, and large inheritances in virtually all cases. The relationship is less consistent for the net wealth tax and capital gains tax, where it only reaches statistical significance in two and four of the seven countries, respectively. Still, this analysis shows the general applicability of our argument about information and opinion formation. However, when it comes to substantive tax preferences, the result is less clear. Like in the pooled analysis, we find clear evidence that wealthier individuals are less likely to support higher wealth taxes. However, the country-specific regressions in the bottom panel of Table 4 show a significant negative effect of house value

on the probability of supporting tax increases only in a minority of 10 out of 35 cases. While in 32 of the 35 cases, the coefficient has the expected negative sign, and none of the positive coefficients are anywhere near statistical significance, this still indicates that there might be some variation across countries in how housing wealth shapes wealth tax preferences. We also emphasise, however, that these country regressions rely on fairly small samples which should caution us against prematurely dismissing the findings of the main analysis.

5 Conclusion

[Still needs to be updated] Our large survey of seven European countries shows that wealth – in particular, housing wealth – plays an important role in shaping individuals’ tax preferences. Like with income, people take into account their material self-interest with regard to their assets when formulating preferences over taxation. This also applies to less well-researched forms of taxation such as inheritance, wealth, and capital gains taxes. Viewed in isolation, respondents have a good understanding of their interests that are at play with regard to different taxes. Thus, the impact of housing wealth – both objective and perceived – is strongest on wealth and inheritance tax preferences, with weaker (but still largely along expected lines) effects on preferences over capital gains and income taxes. These taxes, of course, are not directly affected by housing wealth, although property wealth is likely highly correlated with income from both capital and labour. We were also able to show that homeowners want to protect their assets be strongly favouring a greater reliance of the tax system on income rather than on wealth. Moreover, this is one of the first studies to distinguish between mortgage holders and outright owners of their house, showing that their preferences diverge with regard to income taxation, though not when it comes to the inheritance tax. All this paints a picture of Europeans as highly self-interested and reasonably well-informed when it comes to questions of taxation.

Our paper currently has the following limitations (besides being a very first draft that is still thin on literature and theory). First, while we know from previous research in the UK that respondents there have impressively accurate estimates of the value of their house (Elkjaer et al., 2022), it is not self-evident that this is the case everywhere in Europe. We tried to alleviate this problem by asking people to choose a range rather than providing a precise estimate of the value of their house, but the issue remains that we cannot be as confident in the house value estimates as we were in our work on the UK. Second, we have so far largely abstracted from country differences, opting to control for country fixed effects in most of our analyses rather than explicitly theorising and analysing cross-country variation. While the finding that preferred tax rates are fairly similar and therefore do not appear to be anchored in existing tax systems is interesting

in its own right and justifies our choice, the differences that do exist merit more systematic exploration in future iterations of the paper. Furthermore, we do not currently take into account political orientation. We have collected information on respondents' last vote choice and current voting intention, as well as on the political orientation of the parties mentioned. With this information, we intend to study the potential role of political orientation, which has been found to condition people's views for example in Stantcheva (2021). Unfortunately, our survey also did not allow us to further investigate how people trade off low taxation and low inequality. This would be a worthwhile question to explore in a future conjoint experiment, similar to our conjoint on the trade-off between income and inheritance tax preferences.

Table 4: Country-specific effects of house value on opinion formation (top panel) and support for higher wealth taxes (top panel)

	DK	FR	DE	IE	IT	NL	SE
	Effect of house value on expressing opinion on...						
Net wealth tax	0.009*	0.009*	0.003	0.005	0.004	0.001	0.004
	(0.004)	(0.004)	(0.004)	(0.003)	(0.005)	(0.004)	(0.004)
Observations	1,113	1,132	1,074	1,093	1,027	935	1,125
R ²	0.033	0.025	0.024	0.024	0.024	0.015	0.026
Capital gains tax	0.010*	0.012*	0.008	0.009*	0.016*	0.002	0.005
	(0.004)	(0.005)	(0.005)	(0.004)	(0.006)	(0.005)	(0.005)
Observations	1,113	1,132	1,074	1,093	1,027	935	1,125
R ²	0.042	0.032	0.035	0.027	0.069	0.066	0.052
taxing small inheritances	0.009*	0.023*	0.011*	0.022*	0.013*	0.012*	0.016*
	(0.005)	(0.006)	(0.005)	(0.005)	(0.006)	(0.005)	(0.006)
Observations	1,113	1,132	1,074	1,093	1,027	935	1,125
R ²	0.045	0.021	0.021	0.029	0.030	0.033	0.025
taxing medium inheritances	0.009	0.025*	0.011*	0.020*	0.008	0.015*	0.016*
	(0.005)	(0.006)	(0.005)	(0.005)	(0.006)	(0.006)	(0.006)
Observations	1,113	1,132	1,074	1,093	1,027	935	1,125
R ²	0.040	0.023	0.038	0.040	0.043	0.042	0.030
taxing large inheritances	0.010*	0.026*	0.009	0.022*	0.015*	0.012*	0.013*
	(0.005)	(0.006)	(0.005)	(0.005)	(0.006)	(0.006)	(0.006)
Observations	1,113	1,132	1,074	1,093	1,027	935	1,125
R ²	0.047	0.027	0.023	0.038	0.033	0.049	0.021
	Effect of house value on support for higher taxes on...						
Net wealth	-0.003	-0.010	-0.020*	-0.009	-0.002	-0.025*	-0.019*
	(0.007)	(0.008)	(0.007)	(0.007)	(0.009)	(0.007)	(0.007)
Observations	1,015	1,054	969	1,033	958	878	1,017
R ²	0.008	0.016	0.030	0.004	0.004	0.065	0.026
Capital gains	-0.009	-0.017*	-0.007	-0.001	-0.002	0.001	-0.015*
	(0.007)	(0.009)	(0.007)	(0.007)	(0.010)	(0.008)	(0.007)
Observations	1,010	991	936	990	868	798	976
R ²	0.008	0.024	0.037	0.005	0.014	0.019	0.014
Small inheritances	-0.002	-0.007	-0.009	0.005	-0.007	-0.006	-0.004
	(0.004)	(0.005)	(0.004)	(0.005)	(0.006)	(0.004)	(0.005)
Observations	949	958	894	930	893	780	882
R ²	0.034	0.024	0.019	0.014	0.013	0.009	0.010
Medium inheritances	-0.009	-0.008	-0.015*	0.002	-0.014*	-0.013	-0.016*
	(0.005)	(0.006)	(0.006)	(0.005)	(0.007)	(0.007)	(0.006)
Observations	922	942	882	913	893	755	868
R ²	0.025	0.021	0.046	0.005	0.012	0.032	0.032
Large inheritances	-0.010	-0.013	-0.023*	-0.008	-0.009	-0.009	-0.021*
	(0.006)	(0.008)	(0.007)	(0.006)	(0.008)	(0.008)	(0.007)
Observations	914	939	897	911	899	759	881
R ²	0.037	0.042	0.082	0.023	0.035	0.028	0.066

Note: Linear probability models with controls for household income, age, sex, and degree status. In this specification, we use an ordinal house value variable with 12 levels. * $p < 0.05$.

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Online Appendix

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A Descriptive Statistics by Country

Table B1: Own housing wealth and support for higher wealth taxes

	Net wealth	Capital gains	small INH	med INH	large INH
(Intercept)	0.440*** (0.021)	0.350*** (0.030)	0.201*** (0.025)	0.133*** (0.033)	0.028 (0.044)
house_value_catOwn, €300k and under	-0.050*** (0.012)	-0.020 (0.016)	-0.023** (0.007)	-0.036*** (0.005)	0.007 (0.013)
house_value_catOwn, €300k to €600k	-0.063*** (0.014)	-0.041 (0.024)	-0.029* (0.013)	-0.066*** (0.016)	-0.050** (0.016)
house_value_catOwn, €600k and over	-0.102* (0.043)	-0.054 (0.029)	-0.004 (0.013)	-0.062** (0.022)	-0.125*** (0.025)
hh_income_n	-0.009** (0.003)	-0.003 (0.004)	-0.003 (0.002)	-0.004* (0.002)	-0.001 (0.003)
age	0.002** (0.001)	0.002*** (0.001)	-0.001*** (0.000)	0.002** (0.001)	0.005*** (0.001)
female	0.000 (0.020)	-0.028 (0.016)	-0.035*** (0.009)	-0.045** (0.017)	-0.044* (0.019)
degree	0.021 (0.012)	0.067*** (0.016)	-0.003 (0.009)	0.023 (0.018)	0.056*** (0.010)
countryFrance	0.180*** (0.009)	0.027** (0.010)	0.001 (0.004)	-0.017** (0.005)	0.014 (0.007)
countryGermany	0.135*** (0.008)	0.127*** (0.006)	0.012*** (0.003)	0.117*** (0.004)	0.251*** (0.004)
countryIreland	0.152*** (0.003)	0.087*** (0.006)	0.028*** (0.003)	0.009 (0.005)	0.063*** (0.006)
countryItaly	0.142*** (0.010)	0.056*** (0.011)	0.010* (0.004)	-0.016** (0.006)	-0.004 (0.008)
countryNetherlands	0.190*** (0.004)	0.180*** (0.009)	-0.029*** (0.002)	0.074*** (0.004)	0.201*** (0.002)
countrySweden	0.025*** (0.005)	-0.066*** (0.005)	0.051*** (0.002)	0.076*** (0.003)	0.116*** (0.004)
R ²	0.032	0.034	0.019	0.033	0.082
Adj. R ²	0.031	0.032	0.017	0.031	0.080
Num. obs.	6924	6569	6286	6175	6200

*** $p < 0.001$; ** $p < 0.01$; * $p < 0.05$ **B Full Model Output**

Table B2: Parents' housing wealth and support for higher wealth taxes

	Net wealth	Capital gains	small INH	med INH	large INH
(Intercept)	0.447*** (0.033)	0.337*** (0.025)	0.221*** (0.029)	0.147*** (0.037)	0.051 (0.039)
parents_house_value_catOwn, €300k and under	-0.015 (0.011)	-0.003 (0.023)	-0.015 (0.020)	-0.014 (0.015)	0.039* (0.016)
parents_house_value_catOwn, €300k to €600k	0.006 (0.025)	0.016 (0.022)	-0.035*** (0.009)	-0.035 (0.020)	0.010 (0.016)
parents_house_value_catOwn, €600k and over	-0.020 (0.025)	-0.024 (0.024)	-0.007 (0.024)	-0.067** (0.025)	-0.095*** (0.015)
hh_income_n	-0.012** (0.004)	-0.004 (0.004)	-0.003 (0.002)	-0.004 (0.002)	-0.002 (0.004)
age	0.002** (0.001)	0.002*** (0.000)	-0.002*** (0.000)	0.001 (0.001)	0.004*** (0.000)
female	-0.001 (0.018)	-0.018 (0.014)	-0.031* (0.013)	-0.030** (0.011)	-0.040* (0.018)
degree	0.022 (0.015)	0.079*** (0.015)	0.003 (0.011)	0.029 (0.019)	0.054*** (0.015)
countryFrance	0.172*** (0.013)	0.038** (0.013)	0.000 (0.005)	-0.022** (0.008)	-0.004 (0.010)
countryGermany	0.090*** (0.008)	0.098*** (0.005)	-0.005 (0.002)	0.084*** (0.003)	0.214*** (0.004)
countryIreland	0.147*** (0.005)	0.088*** (0.006)	0.025*** (0.004)	0.005 (0.005)	0.051*** (0.005)
countryItaly	0.103*** (0.013)	0.033* (0.015)	0.006 (0.008)	-0.027* (0.011)	-0.040*** (0.011)
countryNetherlands	0.139*** (0.009)	0.176*** (0.006)	-0.036*** (0.004)	0.061*** (0.006)	0.187*** (0.003)
countrySweden	0.010 (0.006)	-0.062*** (0.007)	0.039*** (0.003)	0.065*** (0.004)	0.085*** (0.006)
R ²	0.026	0.033	0.017	0.021	0.071
Adj. R ²	0.023	0.030	0.014	0.018	0.068
Num. obs.	4840	4598	4443	4382	4391

*** $p < 0.001$; ** $p < 0.01$; * $p < 0.05$

Table B3: Housing/mortgage situation and support for higher taxes on assets

	Net wealth	Capital gains	small INH	med INH	large INH
(Intercept)	0.401*** (0.019)	0.337*** (0.042)	0.179*** (0.025)	0.090* (0.036)	0.035 (0.049)
housing_situation_cOther	0.017 (0.029)	-0.031 (0.021)	0.011 (0.024)	0.036 (0.020)	0.018 (0.011)
housing_situation_cOwn Outright	-0.044*** (0.012)	-0.029* (0.012)	-0.003 (0.015)	0.003 (0.017)	0.004 (0.011)
housing_situation_cRent	0.045*** (0.011)	0.026* (0.013)	0.022* (0.010)	0.055*** (0.014)	0.019 (0.016)
hh_income_n	-0.011** (0.004)	-0.003 (0.004)	-0.002 (0.002)	-0.005* (0.002)	-0.005 (0.003)
age	0.002** (0.001)	0.002*** (0.001)	-0.001*** (0.000)	0.001* (0.001)	0.005*** (0.001)
female	-0.002 (0.021)	-0.031* (0.016)	-0.034*** (0.008)	-0.045** (0.017)	-0.043* (0.020)
degree	0.020 (0.012)	0.064*** (0.015)	-0.003 (0.009)	0.023 (0.018)	0.052*** (0.010)
countryFrance	0.185*** (0.010)	0.035*** (0.010)	0.001 (0.005)	-0.017** (0.006)	0.009 (0.008)
countryGermany	0.137*** (0.008)	0.125*** (0.005)	0.011** (0.004)	0.114*** (0.005)	0.244*** (0.005)
countryIreland	0.155*** (0.005)	0.092*** (0.006)	0.027*** (0.003)	0.008* (0.004)	0.056*** (0.006)
countryItaly	0.152*** (0.011)	0.065*** (0.012)	0.007 (0.006)	-0.013* (0.006)	-0.002 (0.009)
countryNetherlands	0.184*** (0.005)	0.174*** (0.005)	-0.030*** (0.004)	0.069*** (0.006)	0.187*** (0.002)
countrySweden	0.022*** (0.006)	-0.066*** (0.005)	0.049*** (0.002)	0.073*** (0.004)	0.110*** (0.004)
R ²	0.033	0.034	0.018	0.033	0.077
Adj. R ²	0.031	0.032	0.016	0.031	0.075
Num. obs.	7042	6674	6390	6273	6300

*** $p < 0.001$; ** $p < 0.01$; * $p < 0.05$

Table B4: Housing wealth and tax mix preferences

	House value	Housing situation	Perceived value
(Intercept)	7.699*** (0.146)	7.735*** (0.199)	6.451*** (0.151)
house_value_catOwn, €300k and under	0.260* (0.125)		
house_value_catOwn, €300k to €600k	0.651*** (0.111)		
house_value_catOwn, €600k and over	1.153*** (0.207)		
hh_income_n	-0.009 (0.009)	0.022 (0.011)	-0.027*** (0.008)
age	-0.015*** (0.003)	-0.016*** (0.003)	-0.009** (0.003)
female	-0.215* (0.092)	-0.199* (0.099)	-0.126 (0.106)
degree	-0.086 (0.108)	-0.065 (0.099)	-0.061 (0.076)
countryFrance	-1.540*** (0.027)	-1.644*** (0.034)	-1.579*** (0.030)
countryGermany	-1.018*** (0.023)	-1.058*** (0.017)	-1.036*** (0.015)
countryIreland	-1.391*** (0.027)	-1.412*** (0.029)	-1.451*** (0.019)
countryItaly	-1.287*** (0.040)	-1.483*** (0.045)	-1.368*** (0.026)
countryNetherlands	-1.860*** (0.025)	-1.678*** (0.017)	-1.781*** (0.015)
countrySweden	-0.463*** (0.011)	-0.445*** (0.016)	-0.579*** (0.012)
housing_situation_cOther		0.273* (0.109)	
housing_situation_cOwn Outright		0.638*** (0.039)	
housing_situation_cRent		-0.154 (0.114)	
perception_val_hou			0.519*** (0.058)
R ²	0.062	0.063	0.082
Adj. R ²	0.061	0.061	0.080
Num. obs.	7499	7645	6365

*** $p < 0.001$; ** $p < 0.01$; * $p < 0.05$

Table B5: Political orientation moderates effect of housing wealth

	NWT	CGT	Small inh	Medium inh	Large inh
(Intercept)	0.574*** (0.039)	0.475*** (0.048)	0.256*** (0.028)	0.185*** (0.047)	0.126* (0.058)
House value	0.010 (0.007)	0.007 (0.005)	-0.001 (0.004)	0.002 (0.008)	0.008 (0.007)
Left-right	-0.023*** (0.006)	-0.021*** (0.005)	-0.009* (0.005)	-0.011 (0.008)	-0.023*** (0.006)
House value x Left-right	-0.004*** (0.001)	-0.003*** (0.001)	-0.000 (0.001)	-0.002 (0.001)	-0.004*** (0.001)
HH income	-0.007* (0.004)	-0.003 (0.005)	-0.004* (0.002)	-0.004* (0.002)	0.001 (0.003)
Age	0.001 (0.001)	0.002** (0.001)	-0.001*** (0.000)	0.001** (0.001)	0.005*** (0.001)
Female	0.006 (0.026)	-0.019 (0.015)	-0.036*** (0.006)	-0.042* (0.018)	-0.042 (0.024)
Degree	0.012 (0.014)	0.059** (0.020)	-0.009 (0.011)	0.021 (0.021)	0.053*** (0.005)
R ²	0.061	0.052	0.024	0.047	0.120
Adj. R ²	0.058	0.050	0.022	0.045	0.118
Num. obs.	5080	4882	4652	4592	4607

*** $p < 0.001$; ** $p < 0.01$; * $p < 0.05$

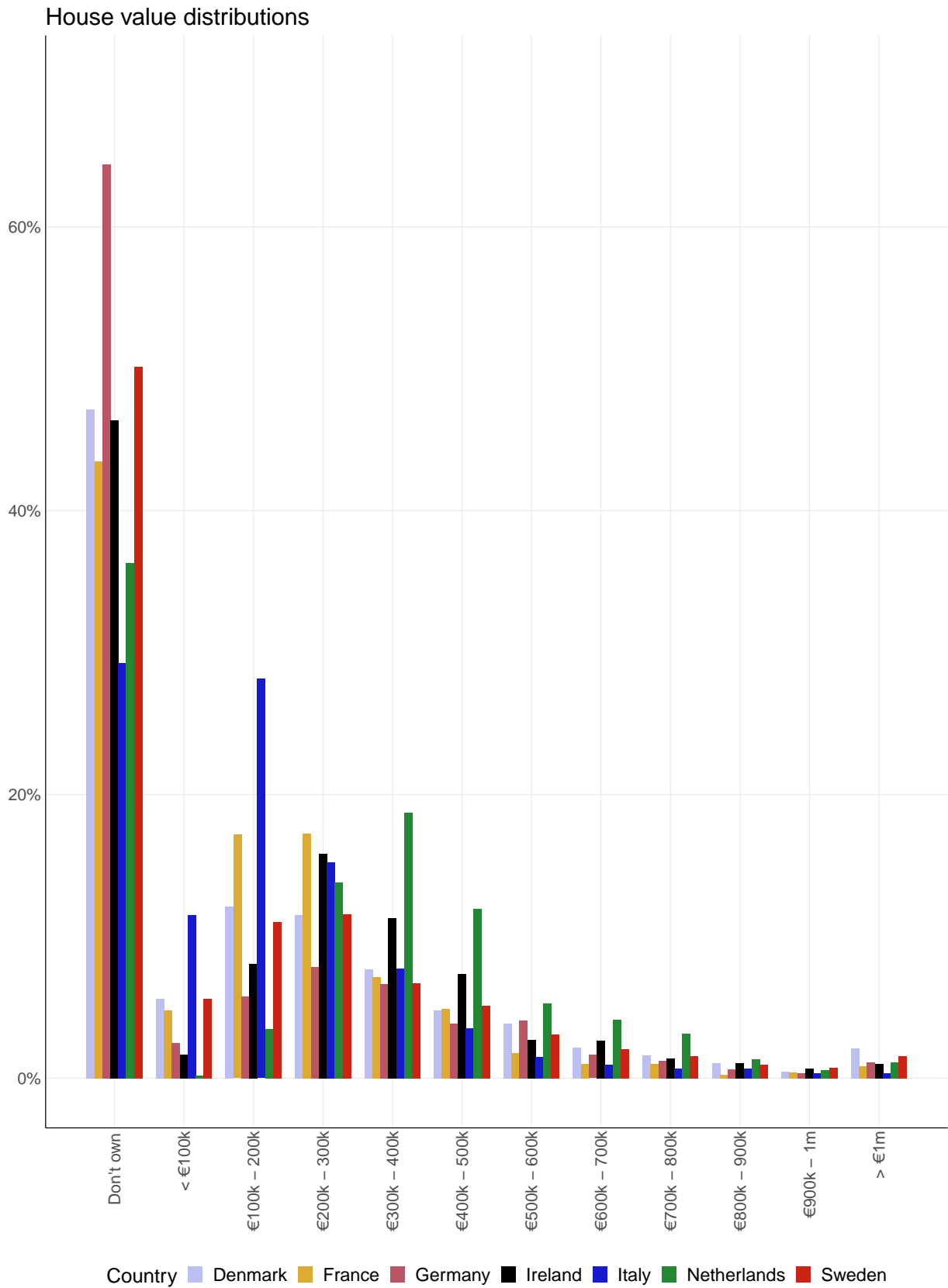
C Supplementary Materials

Figure A1: Tax preferences across Europe, by country



Note: N = TBA.

Figure A2: Housing wealth distributions by country



Note: N = TBA.

