

## **A Different Perspective on the Evolution of UK Income Inequality**

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We scrutinize the conventional wisdom about the trends in UK income inequality, and also place contemporary inequality in a much longer historical perspective. We combine household survey and income tax data to provide better coverage of all income ranges from the bottom to the very top. We make a case for studying distributions of income between tax units (i.e. not assuming the full income sharing that goes with the use of the household as the unit of analysis) for reasons of principle as well as data harmonization. We present evidence that income inequality in the UK is higher today than it was just before the start of World War 2.

This will be a substantially revised version of the paper presented at ECINEQ 2017, NYC.