

Glossary:Secondary distribution of income account

Statistics Explained

The **secondary distribution of income account** of the [national accounts](#) shows how the [balance of the primary income](#) of an institutional sector and the total economy's [national income](#) are allocated by redistributive transactions.

The following distributive transactions are listed under 'uses' and 'resources':

- current taxes on income, wealth, etc.,
- [social contributions](#) ,
- [social benefits](#) other than social transfers in kind,
- other current transfers.

The balancing item of the account is [disposable income](#) . It explicitly excludes capital transfers, real holding gains and losses and the consequences of events such as natural disasters. Disposable income shows how much can be consumed without the need to run down assets or incur liabilities. When the balancing item includes [consumption of fixed capital](#) , it is called *gross disposable income* . After deduction of CFC it is called *net disposable income* .

Adjusted disposable income is calculated by taking into account redistributive transactions in the form of social transfers in kind in the **redistribution of income in kind account** . Also adjusted disposable income can be defined *gross or net* .

Further information

- [National accounts - Methodological manuals on RAMON](#)

Statistical data

- [National accounts and GDP](#)

Sources

- [Eurostat: Methodological manuals on RAMON](#) ESA 1995, §§ 8.30-8.32
- [United Nations: System of National Accounts \(SNA\) 2008](#) § 2.95.-2.97, 16.12-16.13, United Nations, New York, 2009