Friedberg and Isaac (2022) Replication

Key

March 28, 2023

References

Friedberg, Leora and Elliott Isaac (2022). "Same-Sex Marriage Recognition and Taxes: New Evidence About the Impact of Household Taxation". In: *Review of Economics and Statistics*.

Sanderson, Eleanor and Frank Windmeijer (2016). "A weak instrument F-test in linear IV models with multiple endogenous variables". In: *Journal of Econometrics* 190.2, pp. 212–221.

Table 2

Table 2
Couple-Level Reported and Predicted Earnings Statistics

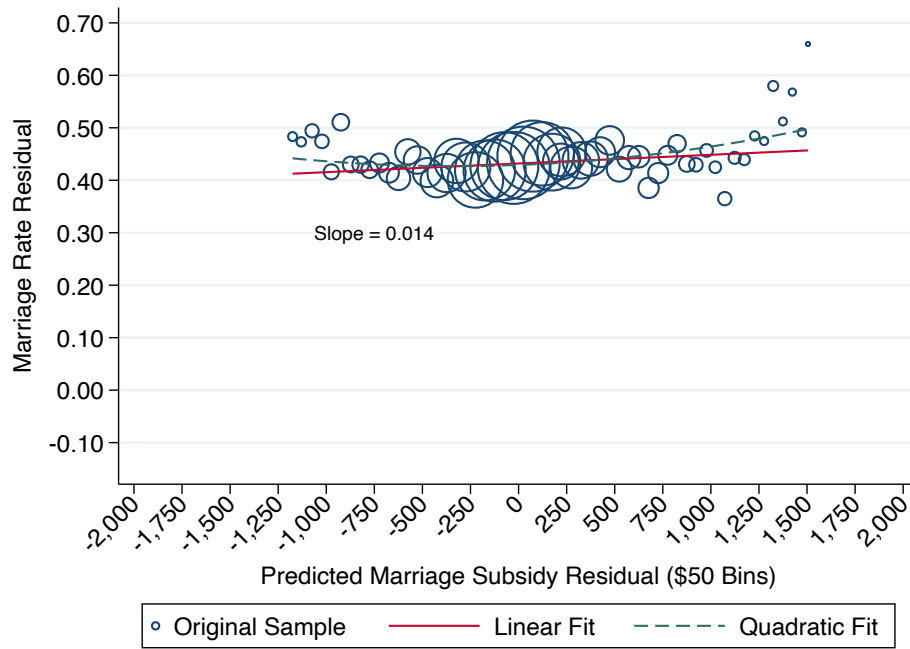|	Married couples	Cohabiting couples
Positive earnings	0.935	0.935
	(0.246)	(0.247)
Positive earnings	0.963	0.969
(predicted)	(0.188)	(0.172)
Reported earnings	125,286.76	105,188.00
	(119,779.91)	(105,191.59)
Predicted earnings	110,729.40	102,952.54
	(57,936.40)	(54,275.74)
Reported earnings split	0.745	0.723
	(0.200)	(0.174)
Predicted earnings split	0.648	0.641
	(0.197)	(0.181)
Fed + st marriage subsidy	442.45	263.79
(reported income)	(5,116.62)	(3,247.05)
Fed + st marriage subsidy	68.19	256.82
(predicted earned income)	(2,218.99)	(1,623.22)
Fed marriage subsidy	395.05	231.80
(reported income)	(4,563.36)	(3,055.28)
Fed marriage subsidy	122.41	266.89
(predicted earned income)	(1,896.07)	(1,427.33)
St marriage subsidy	47.41	31.99
(reported income)	(974.14)	(584.34)
St marriage subsidy	-54.21	-10.06
(predicted earned income)	(487.06)	(332.98)
Observations	16,098	21,136

Notes: Standard deviations in parentheses. The data come from the 2012–2017 American Community Surveys and include same-sex married and cohabiting couples where both partners are between 18–60 years old. The earnings split means are conditional on the couple having positive reported earnings.

Table 3

Baseline OLS and IV Estimates of the Effect of the Marriage Subsidy on the Probability of Being Married

	No income controls		Expanded income controls			
	OLS	IV	OLS	IV	OLS	IV
Outcome: Married						
Marriage subsidy ($1,000s)	0.005***	0.008***	0.004***	0.009*	0.005***	0.014***
	(0.001)	(0.003)	(0.001)	(0.005)	(0.001)	(0.005)
Legal marriage	0.066***	0.066***	0.066***	0.066***	0.116***	0.116***
	(0.010)	(0.010)	(0.010)	(0.010)	(0.008)	(0.008)
State expanded Medicaid	0.010	0.010	0.009	0.010	0.035***	0.034***
	(0.010)	(0.010)	(0.010)	(0.010)	(0.006)	(0.006)
Male	0.003	0.003	-0.005	-0.002	0.002	0.003
	(0.005)	(0.005)	(0.005)	(0.005)	(0.008)	(0.009)
Couple has children	0.171***	0.176***	0.167***	0.176***	0.165***	0.181***
	(0.011)	(0.012)	(0.011)	(0.013)	(0.011)	(0.013)
Number of children	0.037***	0.037***	0.037***	0.035***	0.032***	0.029***
	(0.005)	(0.005)	(0.005)	(0.005)	(0.006)	(0.006)
Oldest partner's age	0.008***	0.008***	0.008***	0.008***	0.009***	0.009***
	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
Partners' age difference	-0.008***	-0.008***	-0.008***	-0.008***	-0.008***	-0.009***
	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
Most educated partner's years of education	0.006***	0.006***	0.001	0.004**	-0.007***	-0.004
	(0.001)	(0.001)	(0.001)	(0.002)	(0.002)	(0.002)
Partners' education difference	-0.002	-0.002*	-0.000	-0.002	0.005***	0.003**
	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)	(0.001)
Partners are the same race	0.037***	0.037***	0.037***	0.037***	0.032***	0.033***
	(0.006)	(0.006)	(0.006)	(0.006)	(0.006)	(0.006)
Partners' earnings split			0.051***	0.032	0.058***	0.057***
			(0.013)	(0.020)	(0.013)	(0.022)
Additional controls for:						
5th-order polynomial in couple's earnings			✓	✓	✓	✓
Control function					✓	✓
Mean of dep var	0.432	0.432	0.432	0.432	0.432	0.432
1st stage coefficient		0.463		0.408		0.420
		(0.021)		(0.027)		(0.026)
		[474.697]		[220.977]		[261.297]
Observations	37,234	37,234	37,234	37,234	37,234	37,234

Notes: *, **, and *** indicate statistical significance at the 10%, 5%, and 1% level, respectively. Robust standard errors are in parentheses and Sanderson and Windmeijer (2016) F-statistics are in brackets. All specifications include year and state fixed effects. In specifications using expanded income controls, the OLS specifications use reported earnings measures and the IV specifications use predicted earnings measures.

Figure B1

Marriage Rate Residuals by First Stage Marriage Subsidy Fitted Value Residuals

Notes: The data come from the 2012–2017 waves of the American Community Survey and include same-sex married couples and same-sex cohabiting couples. The figure plots the marriage rate residual on the y-axis and the first stage marriage subsidy fitted value residual on the x-axis, where the sample mean marriage rate (0.432) has been added back in to facilitate interpretation of the y-axis scale. The residuals control for the couple's sex, racial composition, age, education levels, presence of children, and number of children, along with whether state *s* expanded Medicaid under the ACA, a 5th-order polynomial in the couple's predicted earnings, the couple's predicted earnings split, the non-zero covariates from the predicted earnings LASSO, and state and year fixed effects. Households are grouped into $50 bins of their first stage marriage subsidy fitted value residual and each marriage rate residual-marriage subsidy residual cell is weighted by the number of households, with larger circles indicating more households within the cell. The figure displays a linear line of best fit in solid red and a quadratic line of best fit in dashed green.