

APPENDIX

In statistics, a t-test is used to determine if there is a statistically significant difference between the means of two groups.

Results of t-test and Descriptive Statistics for growth in RGDP per worker by tax regime

	Tax regime						95% CI for Mean Difference	t	df
	Income tax			No income tax					
	M	SD	n	M	SD	n			
Unemployment duration (in weeks)	1.07	0.48	779	1.18	0.56	171	-0.2, -0.02	-2.4 **	0.11

p<0.05, *p<0.01

Results of t-test and Descriptive Statistics for growth in RGDP per capita by tax regime

	Tax regime						95% CI for Mean Difference	t	df
	Income tax			No income tax					
	M	SD	n	M	SD	n			
Real GDP per capita growth	1.28	0.62	779	1.36	0.68	171	-0.18, 0.04	-1.31	-0.07

**p<0.05,
***p<0.01

Real GDP is taken from the Bureau of Economic Analysis (BEA). Income tax collections collected from the U.S. Census Bureau. The income tax burden is measured as income tax paid as a share of total wage and salary income reported by the BEA. The population is taken from the BEA.

Results of t-test and Descriptive Statistics for growth in wages per worker by tax regime

	Tax regime						95% CI for Mean Difference	t	df
	Income tax			No income tax					
	M	SD	n	M	SD	n			
per worker wage growth	2.65	0.39	779	2.76	0.38	171	-0.17, -0.04	-3.2 ***	-0.11

**p<0.05,
 ***p<0.01

Results of t-test and Descriptive Statistics for unemployment duration by tax regime

	Tax regime						95% CI for Mean Difference	t	df
	Income tax			No income tax					
	Mean	SD	n	Mean	SD	n			
Unemployment duration (in weeks)	20.41	2.72	779	19.01	2.75	171	0.93, 1.85	6.02 ***	1.4

***p<0.01

Unemployment duration is taken from IPUMS CPS. Income tax collections collected from the U.S. Census Bureau. The income tax burden is measured as income tax paid as a share of total wage and salary income reported by the Bureau of Economic Analysis (BEA)