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Revisiting the Income Tax Effects of Legalizing Same-sex Marriages

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INTRODUCTION

Gays and lesbians have made major efforts in recent years to be accepted into all aspects of mainstream American life. Many of these efforts have centered on winning the right to marry, and same-sex couples have gone to court in several states seeking this legal right. Indeed, public support for same-sex marriage has increased considerably in the last ten years, and most recent polls suggest that a slight majority of Americans now favor legal recognition, even though groups have also organized to vote down or preemptively to ban state recognition. With the repeal of Section 3 of the Defense of Marriage Act (DOMA) by the U.S. Supreme Court in June 2013 (*United States v. Windsor*), the federal government now defers to the states regarding the classification of “married” and “spouse”. Consequently, the federal government now recognizes same-sex marriages for couples residing in states that have legalized same-sex marriage for federal tax and benefit purposes. By the same token, the federal government does not confer legal recognition of unions for couples in states that do not recognize same-sex marriage. Currently, thirteen states and the District of Columbia recognize same-sex marriages;¹ many more states continue to explicitly define marriage as occurring between one man and one woman only, and most states do not recognize marriages of same-sex couples from other states. In this paper, we estimate the impacts on federal and state income tax collections of legalizing same-sex marriage.

There are many unresolved – and likely unresolvable – controversies surrounding same-sex marriages, regarding such issues as the definition of marriage, the meaning of family, the notion of morality, the right of privacy, the influence of religion, and the scope of civil rights. There are also various economic issues related to marriage. One such economic consequence of

¹ These states include California, Connecticut, Delaware, Iowa, Maine, Maryland, Massachusetts, Minnesota, New Hampshire, New York, Rhode Island, Vermont, and Washington. Additionally, Colorado, Hawaii, Illinois, and New Jersey recognize same-sex civil unions.

allowing same-sex couples to marry is the potential impact on federal and state tax revenue.² A change in an individual's filing status from either single or head-of-household to married can sometimes trigger an increase in tax liability, referred to as a "marriage penalty" or a "marriage tax"; under other circumstances, it can lead to a decrease in tax liability (a "marriage bonus" or a "marriage subsidy"). There have been several attempts to estimate these income tax effects, notably by Alm, Badgett, and Whittington (2000) and the Congressional Budget Office (CBO) (2004), and more recently by Stevenson (2012). Alm, Badgett, and Whittington (2000) constructed a "representative household" to estimate the federal tax consequences in 1997, and concluded that legalization of same-sex marriage may generate additional revenues to the federal government of as much as \$1 billion annually. The CBO (2004) revised this estimate to \$400 million annually to account for the Economic Growth and Tax Relief Reconciliation Act of 2001, which reduced the marriage tax for many couples. More recently, Stevenson (2012) used individual-level data rather than a representative household to estimate the annual federal revenue impact of legalization before and after the Jobs and Growth Tax Relief Reconciliation Act (JGTRRA) of 2003. Pre-JGTRRA estimates showed a positive impact of legalization that ranged from \$118 million to \$231 million when labor responsive is considered; post-JGTRRA estimates were reduced to a range of \$19 million to \$39 million.³

² Another economic issue is the potential impact on legalization on employer-provided benefits. For example, Buchmueller and Carpenter (2012) evaluated the effect of 2005 California legislation that required private employers to provide the same health benefits to employees in committed same-sex relationships as those provided to employees in different-sex marriages. They found that the reform had no effects on differences in insurance outcomes between gay and straight men, but that the reform may have reduced insurance disparities between lesbians and heterosexual women. There are of course many other issues.

³ There are also several studies that focus on the state-level effects. For example, Badgett (2010) used American Community Survey individual-level data on same-sex couples in Massachusetts to estimate 2009 federal income tax liabilities for same-sex couples in Massachusetts if they filed jointly as a married couple and if they filed as two separate individuals; she found that 66 percent of the same-sex couples in Massachusetts would pay on average \$2,325 less in federal taxes if they could file as a married couple, 11 percent of same-sex couples in Massachusetts would see no change in their federal income taxes if filing as married, and the remaining 23 percent would see an average increase in taxes of \$502. Other studies examine the economic impact of legalization at the state level, including the impacts on state income tax collections and on the overall state budget. For example, see Badgett

The differences between these various estimates are due to a number of features in the calculations: the differences in time period and the corresponding changes in incomes and tax features over these periods (e.g., 1997 versus 2001 versus 2003 versus 2009); the detail of income and other tax-related information (e.g., a representative household versus individual-level data, standard deductions versus itemized deductions); and, especially, the assumptions about the numbers of same-sex couples and about their likely marriage behavior following legalization. Given the sensitivity of any calculations to income, to exemptions and other tax preferences, to the specific features of a tax code that has changed considerably over time, and to the size of the affected population, it is essential that estimates be based on current and accurate measures of these various factors.

Of some note, these previous studies have largely focused on the impact of legalization on changes in *federal* individual income tax revenues assuming same-sex marriage is legalized in all states. However, an individual state can choose independently to legalize same-sex marriage, changing the extent to which federal government tax revenues are influenced. Given the large differences in political support for legalization across states, it is likely that state legalization, if it does occur, will be done on a case-by-case basis. Given also that state income tax codes vary significantly, coupled with regional variation of same-sex couple characteristics that also varies significantly, the fiscal impact of same-sex marriage on state budgets seems likely to vary dramatically across states. Also, studies that have examined the overall economic impact within a state have typically found a net benefit to the state.⁴

(1998), Badgett, Sears, and Kukura (2005a, 2005b), Badgett et al. (2007), Badgett et al. (2008), Sears and Badgett (2008), Sears, Ramos, and Badgett (2009), Herman, Konnoth, and Badgett (2011), among others. Many of these studies have been done by researchers at the Williams Institute of the UCLA School of Law (<http://williamsinstitute.law.ucla.edu/>).

⁴ For example, see Kastanis, Badgett, and Herman (2012) for analysis of legalization in the State of Washington. These calculations include wedding and tourism expenditures generated by legalization. Again, see the many studies done by researchers at the Williams Institute of the UCLA School of Law.

Calculating the marriage tax/subsidy for heterosexual couples is a surprisingly difficult exercise (Alm & Whittington, 1996). Calculating the income tax consequences for same-sex couples is even more difficult. The calculation requires information on such variables as the number of gay and lesbian individuals, the number in same-sex relationships, the number in relationships who would marry, and, especially, their income and other tax-related characteristics (e.g., deductions, exclusions, and exemptions). Perhaps because of these difficulties, many previous estimates have tended to rely upon average tendencies generated from various surveys, as captured in a “representative household”. Such estimates are useful and make the calculations straightforward. Even so, this approach makes it difficult to generalize beyond these stylized taxpayers.

However, much has changed in the tax landscape and beyond since many of these estimates were first made, and there are now more reliable and more recent data sources that make calculation of the tax/subsidy at the household level possible. We utilize these new data sources to estimate the federal income tax consequences of legalizing same-sex marriages. These data sources also allow us to estimate the impact of legalization on state income tax collections. Our estimates therefore provide, for the first time, a comprehensive and current look at the federal and state income tax consequences of legalizing same-sex marriage.

We find that 23 states would realize a net fiscal benefit from legalization, while 21 states would experience a decline in revenue; the remaining seven states do not levy income taxes and consequently would not be affected. Of the 13 states that currently recognize same-sex marriage, four are estimated to experience a tax revenue decline, seven are estimated to experience an increase, and the remaining two states do not collect state income taxes. The potential (annual) changes in state tax revenue for all states range from negative \$29 million in California to

positive \$16 million in New York. At the federal level, our estimates suggest a reduction in federal revenue of \$187 million to \$580 million. Overall, we find that the federal and state income tax effects are very small. We also find that our estimates are only marginally affected by alternative assumptions about how many same-sex couples will choose to marry and which partner will claim any children for tax deduction purposes.

A BRIEF HISTORY OF MARRIAGE TAXES AND SUBSIDIES IN THE UNITED STATES

The individual income tax in the United States was established in 1913, and its treatment of the family has varied over time. In its early years, the basic unit of taxation was the individual, in which each individual was taxed on the basis of his or her income independently of marital status. Because the tax liability did not change much with marriage, the income tax was largely marriage neutral. However, the Revenue Act of 1948 changed the unit of taxation from the individual to the family. With the adoption of income splitting for married couples, couples were now allowed to aggregate and to divide in half their income for federal tax purposes. This change meant that families with equal incomes paid equal taxes. However, because of the progressive tax rates in the income tax, it also meant that a couple's joint tax liability could fall when they married. The Revenue Act of 1948 therefore created the potential for a couple to receive a marriage subsidy.

It was not until the Tax Reform Act of 1969 that a widespread and significant marriage penalty was created for many married couples. The 1969 act established (effective in 1971) a separate tax schedule for single persons that insured that a single person would incur a maximum tax liability of 120 percent of a married couple with equal income. Although the tax schedule for

married persons was not changed, the act effectively increased the tax liability of some married tax filers relative to single filers, especially for couples whose partners had similar earnings.

Marriage now could lead to a substantial increase in income tax liabilities for many couples. The 1969 act therefore generated the potential for a significant marriage tax, even though a potential marriage subsidy still existed for some couples.

Over the last 40 years or so, various tax changes have markedly affected the potential for a marriage tax or subsidy. In particular, the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA) and the Jobs and Growth Tax Relief Reconciliation Act of 2003 (JGTRRA) both cut taxes in such a way as to effectively eliminate the marriage penalty for low-income households (Gale & Potter, 2002).⁵ These measures, combined with the remaining potential marriage subsidies/penalties resulting from the tax system, imply that tax liability changes as a result of marriage are extremely sensitive to assumptions about individual earnings and taxable income. If, for example, same-sex couples are comprised of one earner or two earners with very unequal incomes, it is likely that they will gain from being able to file as married, resulting in a decrease in government revenues. If instead same-sex couples are instead comprised largely of equal-earning couples, it is likely that they will pay more when married, resulting in an increase in government revenues.⁶ However, recent research has found that many same-sex couples do specialize similarly to hetero-sexual couples, at least when children are present (Black, Sanders, & Taylor, 2007).

⁵ These tax cuts did not eliminate the entire marriage penalty once one includes the effect of an increase in family income resulting from marriage on qualification for government transfers.

⁶ Historically same-sex couples have been assumed to be less likely to have children and, together with the implications resulting from gender-based discrimination, same-sex couples have been assumed to be part of a two-earner couple (Becker, 1991; Alm, Badgett, & Whittington, 2000). In contrast, Becker (1991) predicted that hetero-sexual couples would choose to specialize in either home production or labor market production, implying more single-earner hetero-sexual couples.

DATA AND METHODOLOGY

We use data from the 2010 American Community Survey (ACS) to estimate the tax consequences of legalization.⁷ The ACS is an annual survey conducted by the Census Bureau that is a 1-in-100 random representative sample of households of the overall population in the United States. The Census interviews all members of the household, obtaining information on each individual's annual income from work, social security, public welfare, investments, and other income sources. The ACS also provides information on the age, race, marital status, gender, and number of dependents for each of the persons living under the same household.

Individuals identify themselves by providing their relationship to the head of household. The ACS compiles information on 2 million individuals, single and married, coupled and living alone. Given that the sample provides a household identifier for each sampled individual, we can identify who in the household is a spouse, a child, a father-in-law, or an unmarried partner. Of special note, when a head of household and an unmarried partner in the same household are identified with the same gender, then the Census suggests that they are a same-sex couple living in cohabitation, so same-sex couples can be identified from head of households who claim an unmarried same-sex partner living with them (Black et al., 2000). Note that both the 1990 Census and the 2000 Census suffered from a biased estimate of the number of same sex cohabiting couples, resulting from the Census miscoding individuals who identified themselves as married to a same-sex individual. This miscoding was corrected in the 2010 Census following a procedure suggested by Gates and Steinberger (2010); see also Gates (2010). Note also that we are able to identify who in the ACS has an opposite sex unmarried partner, which means they are heterosexual couples living in cohabitation.

⁷ The ACS data used to determine family characteristics, income, and potential tax deductions were obtained from the Minnesota Population Center (Ruggles et al., 2010).

Once these same-sex cohabitating couples are identified, we can use the household weights provided by the ACS to calculate the approximate number of cohabitating same-sex couples in the United States. Similar to the uncorrected Census estimates, there is the possibility of measurement error. If couples who appear to be same-sex couples are actually heterosexual couples who have marked the wrong gender when answering the questionnaire, our estimates will be biased. However, the corrected estimation of number of same-sex couples by the Census is *larger* than the raw estimation obtained from the ACS data. If all couples whose marital status has been allocated by the Census are dropped from the ACS estimates, the estimations are roughly halved relative to the original estimates and more than halved relative to the Census corrected summary estimates. Given this, it is likely that the estimates obtained without dropping these observations are more appropriate, although we do provide these alternative estimates in our Sensitivity Analysis, as discussed later.⁸

Using the household weights provided by the Census, we estimate that there are approximately 526,452 same-sex couples living together in the United States, an estimate that is in line with previous estimates (Graham & Barr, 2008). Table 1 describes the estimated (weighted) number of same-sex couples in each state, as well as the percentage of couples in one-earner versus two-earner households. An average of 24 percent of all same-sex couples are single-earner couples, ranging from 5 percent in North Dakota to 41 percent in Arkansas.

Estimating the number of same-sex couples who would marry if same-sex marriage is legalized by the states is not a straight-forward procedure. The assumed marriage rate will affect our projected tax revenue/loss. Our initial estimation assumes that the number of same-sex couples who would marry if legally allowed to do so is based simply on the total estimated

⁸ We provide a comparison of the estimated number of same-sex couples and the corresponding effects on the estimated income tax revenue changes for each specification (e.g., the original ACS numbers, the ACS numbers with re-allocated observations dropped, and the Census estimated numbers) in Tables 12 and 13.

number of same-sex couples currently living together (or 526,452 couples in our household sample), without considering those who are cohabiting but who choose not to marry; this initial estimation also does not consider those who are not cohabitating and thus not captured by our household sample.

Of course, the number of same-sex couples who would marry following legalization cannot be known. Some recent studies for individual states (Badgett, Sears, & Kukura, 2005a, 2005b; Badgett, 2010) assume a more modest 50 percent marriage rate, based upon observed marriage rates in states following legalization in these states. Accordingly, we test the sensitivity of our initial results by using this alternative assumption of a 50 percent marriage rate.

However, it seems plausible that the federal recognition of same-sex marriages will result in higher marriage rates than when only states recognize same-sex marriage. Federal benefits are more comprehensive, and in some cases result in significantly higher tax and legal benefits. Additionally, the 50 percent estimates are based on the number of couples who marry immediately following legalization or soon after. Given the current uncertainty of state recognition, it is likely that a higher percent of same-sex couples will marry over time as more states legalize same-sex marriages. Furthermore, the overall marriage rate of heterosexuals in the United States is estimated to be between 51 percent (currently married) and 72 percent (ever married) (Cohn et al., 2011). If we make similar assumptions with respect to the homosexual population, this suggests that over 1 million same-sex couples will marry, far higher than our assumption that 526,452 couples will marry.

Regardless of these considerations, we include estimates that assume a more conservative 50 percent marriage rate, as noted. We also include estimates that assume that even more couples than those living together choose to marry and estimates that assume that same-sex couples

marry at the same rate as heterosexual couples. These alternative scenarios are discussed in our sensitivity analysis.

In order to obtain the most accurate estimate of each person's income tax liability, we gather individual-level information on wage income, business and farm income, social security income, dividends, number of children, property taxes, and mortgage payments.⁹ Information on annual mean and median earned income by state is in Table 2. The mean and median wages are separated by the higher earner and lower earner in the case of the two-earner households with unequal incomes. Note that the mean earned incomes are considerably higher than the median, suggesting influential outliers and also suggesting that researchers must be wary of estimates based on a single representative agent obtained from national or state averages.¹⁰

Each person's tax liability in the sample is calculated using the NBER's TAXSIM simulation tool.¹¹ TAXSIM allows us to input data on individuals' income and other assets, number of dependents, assumed filing status (i.e. single, married, or head of household), whether a filer is 65 years of age or older, state of residence, and the desired tax year. In return, TAXSIM provides the estimated federal and state tax liabilities and their corresponding marginal tax rates for each person for the year specified. When the filing status is set to married, the simulator also includes the spouse's earned income as part of the couple's tax liability estimation.

We calculate each couple's potential marriage tax/subsidy in three steps. First, we use each individual's information to calculate the individual liability before. In cases where the

⁹ Interest paid on mortgage was calculated by assuming that home-owning households are 15 years into a 30-year mortgage with a fixed interest rate of 6.5 percent. This interest rate represents a 15-year average mortgage interest rate obtained from Freddie Mac. This includes home equity loans or second mortgages and takes the mean and median interest paid for each state representative household.

¹⁰ The presence and magnitude of the marriage tax/subsidy depends heavily on the relative wages of the coupled individuals. To that end, couples are classified as a "one-earner household" if only one partner works for wages and as a "two-earner household" if both partners earn wages; two-earner households are further classified as "equal earner" if each partner earns the same gross wage and as "unequal earner" if the gross wages differ.

¹¹ We are grateful to Daniel Feenberg for his help with the NBER TAXSIM calculations.

couple reported having children, we allocated those to the person who claimed the child on the Census (we also estimate the tax revenue changes assuming the higher earner and, separately, the lower earner claims any children in our Sensitivity Analysis section).¹² We then estimate each couple's total liability by adding the liabilities of the two individual filers. Note that we also assume a "head of household" filing status when possible (e.g. single individuals with dependents), allowing some individuals to lower their potential tax liability even further.

Second, we estimate the each couple's tax liability assuming they were allowed to file as a married couple. Instead of leaving the spouse's income and wages TAXIM field empty, we add it to the calculation and change the filing status to "married".

Third, each couple's marriage tax/subsidy is then calculated as the difference between the tax liability as a married couple and the aggregated tax liability found when adding the liabilities as separate filers; a positive number indicates an increase in tax liabilities (e.g., a marriage penalty/tax), and a negative number indicates a marriage bonus/subsidy. The tax revenue consequences at the federal and state levels are obtained by using the corresponding household weights.

As with our sensitivity analysis that examines the impact of different assumptions about the marriage rate of same-sex couples, we also conduct sensitivity analysis on the impact of alternative assumptions about which partner claims any children for tax deduction purposes (e.g., the higher earning partner versus the lower earning partner). All results are discussed in the next section.

¹² We suspect that a non-trivial portion of these children are the product of previous relationships rather than jointly adopted, and so they cannot legally be claimed by the same-sex partner even if it would lower their joint tax liability. Adopted children make up a very small portion of the overall sample, and it is not possible to tell from our data if any adopted children have been adopted by both partners.

ESTIMATIONS

Main Results

We first consider the estimates obtained when we assume that all states legalize same-sex marriage and, separately, the estimated tax revenue implications of the states that have already legalized same-sex marriage. We present estimates at the state level and at the federal level; we also present estimates for one-earner couples separately from two-earner couples. Later we examine several alternative scenarios regarding the sensitivity of child allocation for tax deduction purposes and several in which we make different assumptions about marriage patterns of same-sex couples.

Our state-level estimates using individual level data when all states legalize same-sex marriage are provided in Table 3 (aggregate estimates) and Table 4 (weighted average across households); we also present estimates when individuals are assumed to take the standard deduction, even when this increases their tax liability.¹³ New York is estimated to gain the most revenue from legalization, ranging from an increase in tax revenue of \$10.8 to \$15.8 million; in contrast, California is estimated to lose \$28.8 million. In total, state governments experience a decrease in income tax collections, but the aggregate impact is small and negative (-\$2.6 million to -\$18 million). See also Figure 1 for the state patterns.

At the per household level (Table 4), one-earner couples in California on average see the largest decrease in their per household state tax liability upon marriage (or about \$950), while those in West Virginia and Utah see the largest increase in tax liability (roughly \$200). Two-

¹³ Note that the tax-minimizing estimation does not imply that we assume that all couples itemize; rather, we assume that couples will choose to itemize if it reduces their overall tax liability. In some cases, individuals in a household may itemize when unmarried, but may then take the standard deduction when married (or vice-versa), if this minimizes their overall liabilities. For 22 of the states that have income taxes, the standard deduction estimation is identical to the tax-minimizing estimation because the couples in the sample do not have sufficiently high qualifying deductions to warrant itemizing.

earner couples fare the best in Hawaii with a reduction in estimated liability of \$380, while those in New York would see the largest increase (\$630).

The federal impact of legalization is significantly larger (Tables 5 and 6 and Figure 2). These federal tax revenue consequences are broken down by state, but remember that these estimates represent only the federal income tax liabilities, not the state tax liabilities. Our estimates indicate a reduction in federal tax revenue that ranges from -\$187 million to -\$475 million (Table 5).¹⁴ At the household level (Table 6), we estimate an average decrease for same-sex couples to be -\$316 when individuals are assumed to minimize their tax liabilities; when individuals are assumed to take the standard deduction, the average change in tax liability becomes -\$718.¹⁵

There is considerable variation across states in the federal income tax consequences. On average, same-sex couples in Connecticut will pay slightly over \$1,000 *more* in federal taxes if they choose to wed, while couples in Pennsylvania will pay about \$800 *less*. If we consider one-earner and two-earner couples separately, one-earner couples will pay as much as \$9,100 *less* in Alaska, but they will pay roughly the *same* amount in Nebraska before and after marriage.¹⁶ Similarly, two-earner couples will see the largest drop in federal tax liability in South Carolina (-\$570) and the largest increase in the District of Columbia (\$1,400)

Unlike differences in state-imposed state income taxes, federal taxes must treat all individuals the same, so that differences in the per household estimates are a result of differences in family structure, income, and deductions. For same-sex couples in particular, the differential

¹⁴ Our negative result is comparable to the results obtained by Stevenson (2012) when he assumes an instantaneous penalty; his estimation based on the assumption of an endogenous penalty is larger, but still modest.

¹⁵ Although it may seem counterintuitive that the marriage subsidy decreases when we minimize taxes, it occurs because individuals stand to gain a larger amount from itemizing as a single filer relative to filing as married. Remember that we are measuring the difference in tax liabilities rather than the overall level of tax liability.

¹⁶ Our estimates suggest larger effects in Wyoming, North Dakota, and Montana, but these states do not seem to present an appropriate comparison given their relatively small sample sizes. See our later discussion in Sensitivity Analysis.

appears to be largely driven by differences in income. In Alaska the average one-earner household earns an average of \$100,000 while the average one-earner household in Nebraska earns only \$7,500. Consequently, we estimate that one-earner couples in Nebraska will not experience the large reduction in tax liability upon marriage that one-earner same-sex couples in Alaska will experience. Similarly, in South Carolina, the higher earner of a two-earner household earns \$56,000 on average while the lower earner earns an average of \$21,000. In the District of Columbia, on the other hand, the higher earner earns \$113,000 on average while the lower earner earns an average of \$62,000. Averaged across same-sex households, those in South Carolina will face a lower tax burden upon marriage due to the low wages of the lower earning spouse.

Note that some care must be taken when we interpret tax revenue changes in states with few (unweighted) observations. For example, in Wyoming there are only three same-sex couples that are used to estimate the general population of same-sex couples. States with low numbers of same-sex couple samples include Alaska, North and South Dakota, Montana, and Wyoming. Eliminating the influence of these states does not change our general findings. However, in most states the number of unweighted observations is quite large. For example, in California there are 2176 observations, in Texas there are 1002 observations, and in Florida there are 1104 observations; the average number of observations (other than in the outlier states) is 276.¹⁷

The estimated spatial distribution of the marriage tax for same-sex couples in the contiguous 48 states is given in Figures 3 and 4, which depict the weighted average change in households' state income tax liability and federal income tax liability, respectively (averaged across households in each state).

Given the recent Supreme Court ruling that grants same-sex couples who are in marriages recognized by their state to have their marriage recognized by the federal government, we also

¹⁷ Unweighted sample sizes for all states are reported in Table 1.

estimate the tax liability changes for states that currently recognize same-sex marriage or civil unions. These are a subset of our previous estimations, and are found in Table 7. Our estimations suggest that the federal income tax revenues will decline by approximately \$74.2 million as a result of the recent ruling.

Sensitivity Analysis

We consider several potential scenarios that may alter our aggregate estimates. It is possible that a couples' tax liability may be lowered if someone other than the person who claimed a child on the Census claims the child for tax deduction purposes.¹⁸ We re-estimate the tax consequences assuming that the higher earning partner and, separately, the lower earning partner claims any present children as dependents. The changes in aggregate state and federal tax liabilities are quite modest and can be found in Tables 8 and 9. The estimated state income tax change increases a bit when the higher earner claims any children (ranging from positive \$2.7 million to negative \$11.7 million), and decreases when the lower earner claims any children (-\$10.3 million to -\$26.3 million).

As previously noted, the assumed marriage rate following legalization is unknown. Similar to Badgett, Sears, and Kukura (2005a, 2005b) and Badgett (2010), we have also estimated the revenue impacts when we assume that only 50 percent of co-habiting same-sex couples marry if allowed (rather than assuming that all co-habiting couples marry if allowed). This alternative assumption halves our estimates to an even more modest reduction of \$1.3 million to \$9 million for states and -\$95 million to -\$237 million for the federal government. Similarly, we have estimated the revenue impacts if even more couples than those living together

¹⁸ As previously mentioned, there are likely legal deterrents that prohibit unmarried same-sex couples from choosing which partner will claim any children present as dependents.

choose to marry, say, 75 percent of couples choose to marry, again with minor impacts on our estimates. Other scenarios are of course possible. It is estimated that there are 4 million gays and lesbians in the United States (Gates & Steinberger, 2010). If same-sex couples marry at the same rate as heterosexuals, or 51 percent, according to the Census Bureau (2011), then there would be 960,000 same-sex married couples. This is almost double our current estimates, suggesting that state revenues may decrease by as much as \$36 million and that federal revenues would have a potential annual loss of almost \$1 billion¹⁹

It is also plausible that couples who face large penalties may choose to marry at a relatively lower rate than couples who do not face large penalties. The range of subsidies/penalties faced by households at the state level and federal level are provided in Table 10. At the high end, some couples face a federal tax liability increase of over \$15,000 in Massachusetts while some couples in Delaware would face a federal tax liability reduction of almost \$19,000. At the state level, the largest reduction in state tax liability is almost \$6,000 for some couples in Hawaii and the largest increase in state tax liability is over \$12,000 for some couples in New York.

If we assume that couples who would face a federal tax liability increase of over \$5,000 would not marry if allowed, then both federal and state income tax revenues would experience an aggregated reduction. The reduction in federal income tax revenue would be approximately \$303.5 million (a drop of an additional \$116.4 million) while the reduction in aggregated state tax revenues would be around \$15.7 million (an additional \$5.4 million), summarized in Table 11, columns 2 and 3. Column 1 in Table 11 details the marriage tax of the 95th percentile for couples in every state. For the majority of states this falls well below the \$5,000 mark,

¹⁹ While the CBO (2004) assumed a 100 percent marriage rate of same-sex couples, Stevenson (2012) considered several potential marriage rates, including those suggested by Badgett (2010) and those that depend upon the demographics of the same-sex couples.

suggesting that the majority of couples would still marry if indeed an increase of \$5,000 would entice these couples not to marry. If a change in tax liability less than \$5,000 would deter marriage, the net negative influence on federal income taxes would increase.

However, given the large size of the increased tax liability faces by these couples in particular, imposing this restriction does change the number of states that contribute a net positive change to the federal income tax. For the original estimates Arkansas, the District of Columbia, Delaware, Hawaii, Minnesota, New Jersey and Wisconsin were estimated to have couples paying a net positive average increase in federal income tax. Dropping couples whose federal income tax liability increased by more than \$5,000 eliminates Arkansas, the District of Columbia, Hawaii and Minnesota from this statistic.

The estimated change in state income tax revenue if these couples are assumed to not marry is detailed in column 3 in Table 11. All 23 states that were previously estimated to experience a net increase in revenues are still estimated to experience an increase.²⁰ New York is still the state with the largest estimated increase (\$5.3 million), but this is roughly one-third of the original estimated increase (\$15.8 million). California, the state that is estimated to lose the most state income tax revenue, would experience an additional drop of approximately \$2 million, adjusting the aggregated net decline in state income tax revenues to approximately \$30.8 million.

CONCLUSIONS

The income taxes paid by same-sex couples are one of many potential effects of legalizing same-sex marriage. We provide updated estimates of potential federal government revenue changes using current and individual-level data. We also consider the potential impacts

²⁰ Additionally, Connecticut, which was not previously estimated to experience an increase, now is estimated to experience an increase. This is because the restriction of eliminating couples whose federal tax liability increased by more than \$5,000 also eliminated some couples who were experiencing an estimated reduction in state tax liability.

on state government income tax collections of legalization.

Overall, we find quite modest impacts on state budgets, on federal collections, and on per household liabilities. In total, states are estimated to gain on an annual basis between \$6.7 million and \$23.7 million in additional state income tax under the most plausible set of assumptions, but may generate as much as \$48 million or as little as \$3 million. New York is projected to experience the largest increase in additional tax revenues (\$12 million), while California will experience the least (-\$21 million). Same-sex couples in Ohio will pay the largest state per household marriage penalty (\$380), while couples in California will receive the largest subsidy (-\$272). In all, we estimate that 31 states will gain additional income tax revenues, 12 will lose, and seven will experience no change. At the federal level, our estimates range from an annual gain of \$5.7 million to an annual loss of -\$315.8 million. For both the state and federal tax liability changes, the distribution of the effects varies significantly across the states. Again, however, the effects are small.

Our estimates are of course dependent upon the many assumptions that we necessarily made: on the number of gay and lesbian individuals, the number in relationships, the number in relationships who would marry, their labor supply responses, and their income and use of tax preferences. We have considered several alternative scenarios, and generally found our base estimates to be only marginally affected. Behavioral changes, if any, will also influence our estimations. For example, if as a result of marriage same-sex couples have more children, then this will increase the available deductions, decrease federal income tax revenue, and also reduce any projected gain to many states. Similarly, an increased probability of homeownership by married same-sex households will increase deductions and reduce taxable income further. Although marriage taxes/subsidies have been shown to have a small impact on the probability of

marriage (Alm & Whittington, 1997), it is possible that those couples who would see an increase in their tax liability will choose to remain unmarried.

Even though these revenue effects in the aggregate are typically modest, individual couples may still experience large changes in their income tax liabilities simply from a change in legal marital status. Any such changes in taxes do not need to occur, and are entirely dependent on how the tax law defines the unit of taxation (Alm, Dickert-Conlin, & Whittington, 1999). An income tax system that defines the unit as the family will exhibit the types of changes in tax liabilities that we have calculated here. In contrast, in a tax system that makes the individual the unit of taxation, a couple's tax liability will not change simply because of a change in legal marital status. Indeed, the dominant current practice in income tax systems around the world is to designate the individual rather than the family as the unit of taxation (Alm & Melnik, 2005). Given the enormous, and increasing, range of "family" types in the United States – traditional single-earner households with a stay-at-home spouse, two-earner families, non-marital cohabitation among opposite and same-sex couples, extended families, unrelated individuals living together – it may well be time to recognize that the tax laws of such a diverse society should treat all families the same. The choice to make the individual the unit of taxation would ensure that tax liabilities are independent of legal marital status. The recent legal cases regarding same-sex marriages make it even more pressing that this choice be addressed.

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Table 1. Number and Percent of One- and Two-earner Same-sex Households

State	One-Earner Household Couples		Two-Earner Household Couples		Total Household Couples	
	Weighted Number	Percent	Weighted Number	Percent	Weighted Number	Sample Size
Alabama	876	19%	3,847	81%	4,723	60
Alaska	74	7%	955	93%	1,029	11
Arizona	3,803	29%	9,334	71%	13,137	174
Arkansas	1,491	41%	2,112	59%	3,603	37
California	22,242	28%	57,793	72%	80,035	1,088
Colorado	1,719	15%	9,815	85%	11,534	123
Connecticut	2,127	29%	5,315	71%	7,442	91
Delaware	147	10%	1,277	90%	1,424	31
District of Columbia	243	8%	2,679	92%	2,922	40
Florida	10,931	32%	22,829	68%	33,760	507
Georgia	4,015	27%	10,845	73%	14,860	190
Hawaii	702	29%	1,723	71%	2,425	26
Idaho	349	29%	872	71%	1,221	20
Illinois	4,284	23%	14,206	77%	18,490	229
Indiana	1,674	18%	7,720	82%	9,394	120
Iowa	724	16%	3,727	84%	4,451	42
Kansas	890	24%	2,771	76%	3,661	44
Kentucky	1,125	19%	4,744	81%	5,869	79
Louisiana	1,676	30%	3,922	70%	5,598	75
Maine	659	18%	2,919	82%	3,578	44
Maryland	2,013	21%	7,766	79%	9,779	124
Massachusetts	3,789	19%	15,946	81%	19,735	246
Michigan	3,183	26%	9,199	74%	12,382	145
Minnesota	2,229	20%	9,088	80%	11,317	110
Mississippi	702	32%	1,471	68%	2,173	31
Missouri	1,463	15%	8,613	85%	10,076	98
Montana	186	15%	1,076	85%	1,262	12
Nebraska	582	26%	1,634	74%	2,216	27
Nevada	1,304	23%	4,350	77%	5,654	73
New Hampshire	345	12%	2,563	88%	2,908	32
New Jersey	3,649	26%	10,466	74%	14,115	179
New Mexico	1,192	26%	3,441	74%	4,633	62
New York	9,819	25%	29,214	75%	39,033	476
North Carolina	3,702	23%	12,220	77%	15,922	188
North Dakota	34	5%	717	95%	751	9
Ohio	3,795	24%	12,346	76%	16,141	208
Oklahoma	738	16%	3,929	84%	4,667	50
Oregon	1,712	21%	6,534	79%	8,246	101
Pennsylvania	4,515	23%	15,269	77%	19,784	220
Rhode Island	699	25%	2,058	75%	2,757	40
South Carolina	1,226	27%	3,376	73%	4,602	68
South Dakota	105	20%	414	80%	519	5
Tennessee	2,246	28%	5,771	72%	8,017	107
Texas	7,881	20%	31,351	80%	39,232	501
Utah	464	12%	3,410	88%	3,874	45
Vermont	627	32%	1,318	68%	1,945	24
Virginia	2,183	20%	8,842	80%	11,025	137
Washington	2,708	18%	12,363	82%	15,071	171
West Virginia	379	25%	1,117	75%	1,496	22
Wisconsin	1,154	15%	6,683	85%	7,837	85
Wyoming	28	22%	99	78%	127	3
Nationally	124,403	24%	402,049	76%	526,452	6,630

Table 2. State Mean and Median Annual Personal Earned Income

State	Mean Earned Income (\$)				Median Earned Income (\$)			
	One-Earner Couples	Two-Earner Couples			One-Earner Couples	Two-Earner Couples		
		Unequal Earners		Equal Earners		Unequal Earners		Equal Earners
		High- Earner	Low- Earner			High- Earner	Low- Earner	
Alabama	38,606	53,139	26,825	49,000	9,500	46,000	21,000	49,000
Alaska	100,000	81,405	37,316	0	100,000	60,000	31,400	0
Arizona	39,443	63,847	34,484	13,855	27,100	59,000	31,300	16,000
Arkansas	18,963	50,976	18,357	123,000	19,000	26,200	18,000	123,000
California	70,391	90,167	39,765	33,086	50,000	68,000	31,000	25,000
Colorado	55,875	65,609	32,236	14,580	46,000	60,000	30,000	15,000
Connecticut	65,525	93,419	43,884	0	80,000	75,000	33,700	0
District of Columbia	199,749	113,293	62,523	16,500	100,000	100,000	48,500	16,500
Delaware	6,305	84,565	32,741	31,000	860	68,000	32,000	31,000
Florida	38,262	72,987	29,530	50,407	28,200	52,000	25,000	20,000
Georgia	42,492	71,544	31,833	21,075	35,000	55,000	26,000	20,000
Hawaii	40,321	114,873	77,420	25,000	52,000	70,000	38,900	25,000
Idaho	21,481	36,336	18,370	0	12,100	31,300	17,000	0
Illinois	56,070	91,714	38,846	30,066	40,000	68,000	33,000	20,000
Indiana	49,827	54,211	24,577	19,000	38,900	49,000	23,800	20,000
Iowa	34,569	45,988	29,376	18,000	40,000	42,000	30,000	18,000
Kansas	26,463	51,438	23,019	18,500	23,500	42,000	19,000	18,500
Kentucky	29,877	52,421	27,346	14,716	25,000	42,000	25,000	14,000
Louisiana	43,415	74,279	27,101	15,375	36,900	55,000	21,000	20,000
Maine	123,099	48,282	22,517	19,739	58,000	45,000	23,000	20,000
Maryland	57,078	92,705	42,653	20,000	50,000	83,000	46,000	20,000
Massachusetts	66,756	77,422	36,032	55,196	45,000	70,000	35,000	20,000
Michigan	34,726	73,739	34,121	25,000	16,000	52,000	28,000	25,000
Minnesota	55,574	72,918	37,037	17,321	24,000	60,000	34,000	19,500
Mississippi	65,545	52,262	20,672	15,323	15,000	48,000	17,000	16,500
Missouri	50,391	57,828	27,764	15,783	29,000	50,000	25,900	17,500
Montana	2,932	32,212	19,158	0	900	21,600	3,500	0
Nebraska	7,556	54,932	25,923	25,000	4,000	35,100	17,800	25,000
Nevada	35,941	56,196	33,177	19,000	21,900	42,000	30,000	19,000
New Hampshire	24,000	64,326	36,812	50,000	24,000	50,000	33,200	50,000
New Jersey	106,548	86,006	35,638	23,552	49,000	69,000	35,000	28,500
New Mexico	67,718	50,030	19,594	0	43,900	40,000	10,000	0
New York	77,443	109,257	38,457	36,867	40,000	75,000	30,000	20,500
North Carolina	34,507	59,819	25,492	17,542	30,000	49,000	25,000	23,000
North Dakota	33,500	51,703	21,348	0	33,500	50,000	21,000	0
Ohio	48,090	57,775	27,969	15,534	30,100	50,000	22,900	14,000
Oklahoma	20,258	79,769	32,997	15,499	30,000	43,000	30,000	14,500
Oregon	37,059	70,838	31,674	31,848	30,000	52,000	28,000	37,500
Pennsylvania	52,318	76,615	33,956	15,360	35,000	60,000	30,000	14,500
Rhode Island	66,496	85,140	30,198	33,500	50,000	64,000	22,000	33,500
South Carolina	36,858	56,248	21,408	0	32,000	34,000	14,000	0
South Dakota	9,000	30,181	27,281	0	9,000	25,000	24,000	0
Tennessee	43,989	57,683	27,711	20,000	35,000	55,000	25,000	20,000
Texas	50,692	73,143	34,151	21,269	36,000	59,200	30,000	22,500
Utah	41,474	56,961	25,741	0	25,800	53,000	20,000	0
Vermont	14,716	50,196	22,344	0	12,800	36,500	11,000	0
Virginia	64,796	74,295	36,787	11,387	27,000	65,000	25,000	8,000
Washington	46,048	74,996	33,051	25,093	30,000	58,000	30,000	18,000
West Virginia	30,290	60,295	26,518	17,500	27,000	50,000	22,000	17,500
Wisconsin	34,594	52,084	35,761	4,000	21,700	43,000	28,000	4,000
Wyoming	25,000	24,000	3,278	0	25,000	24,000	3,500	0
National	54,902	75,829	33,962	26,617	35,000	60,000	28,000	19,000

Table 3. State Income Tax Revenue Effects of Same-Sex Marriage

State	One-Earner Households (\$)		Two-Earner Households (\$)		All Households (\$)	
	Minimizing	Standard	Minimizing	Standard	Minimizing	Standard
Alabama	12,352	24,550	222,483	292,585	195,223	277,522
Alaska	0	0	0	0	0	0
Arizona	-525,967	-525,967	429,088	429,088	-486,346	-486,346
Arkansas	-291,124	-320,634	77,572	-19,098	-249,962	-376,142
California	-21,100,000	-21,100,000	-3,643,648	-3,643,648	-28,800,000	-28,800,000
Colorado	-225,012	-421,662	890,800	-206,320	603,156	-690,616
Connecticut	-80,291	-80,291	232,736	232,736	-83,164	-83,164
Delaware	-61,696	-61,696	71,501	71,501	-40,324	-40,324
District of Columbia	3,445	5,370	957,816	950,046	961,260	955,416
Florida	0	0	0	0	0	0
Georgia	-609,512	-759,747	1,464,256	1,898,476	557,100	810,872
Hawaii	-256,576	-256,576	-105,626	-105,626	-1,065,178	-1,065,178
Idaho	-228,579	-228,579	88,509	88,509	-142,175	-142,175
Illinois	-466,711	-466,711	-49,724	-49,724	-607,348	-607,348
Indiana	-127,785	-127,785	197,698	197,698	65,948	65,948
Iowa	-4,186	-43,328	359,605	150,546	309,728	62,986
Kansas	-117,207	-165,189	166,963	-68,275	263,577	-19,643
Kentucky	-182,330	-182,330	71,128	71,128	-200,854	-200,854
Louisiana	-300,152	-397,560	48,247	-360,595	-295,318	-801,569
Maine	-405,758	-459,947	502,697	173,685	-74,390	-455,932
Maryland	-322,100	-398,928	953,484	436,904	569,964	-23,440
Massachusetts	-558,583	-558,583	654,032	654,032	-238,464	-238,464
Michigan	-480,258	-480,258	-277,388	-277,388	-481,736	-481,736
Minnesota	395,067	171,225	3,512,664	1,877,700	3,898,380	2,039,580
Mississippi	-118,521	-126,686	84,301	84,301	-77,298	-85,463
Missouri	-393,825	-466,230	337,458	-366,976	280,680	-496,160
Montana	3,660	3,660	-11,324	-11,324	-227,573	-233,290
Nebraska	-12424.86	-12424.86	358,631	183,190	272,943	97,502
Nevada	0	0	0	0	0	0
New Hampshire	0	0	-3,120	-3,120	-3,120	-3,120
New Jersey	-2,092,298	-2,092,298	1,363,532	1,363,532	-835,240	-835,240
New Mexico	4,937	-92,425	830,166	513,036	745,883	344,481
New York	-4,694,600	-5,538,096	20,700,000	16,600,000	15,800,000	10,800,000
North Carolina	-1,441,207	-1,628,916	1,240,176	-288,264	-513,688	-2,270,992
North Dakota	-3,300	-3,300	-53,502	-53,502	-56,802	-56,802
Ohio	-27,912	-27,912	4,984,254	4,984,254	4,933,772	4,933,772
Oklahoma	-214,865	-214,865	688,340	282,836	509,476	103,972
Oregon	-732,211	-724,992	1,551,124	1,722,856	726,684	905,640
Pennsylvania	-744,449	-744,449	-266,884	-266,884	-1,109,220	-1,109,220
Rhode Island	-133,053	-133,053	563,032	563,032	74,309	74,309
South Carolina	-266,798	-310,093	700,781	337,807	328,461	-77,808
South Dakota	0	0	0	0	0	0
Tennessee	-19,077	-19,077	-25,194	-25,194	-63,738	-63,738
Texas	0	0	0	0	0	0
Utah	84,049	39,204	503,114	113,872	595,347	161,259
Vermont	-115,988	-155,989	385,896	205,969	237,939	36,033
Virginia	-252,261	-478,846	543,440	-397,420	220,460	-946,988
Washington	0	0	0	0	0	0
West Virginia	83,469	83,469	520,562	520,562	569,650	569,650
Wisconsin	-351,396	-303,885	255,220	255,220	281,142	328,654
Wyoming	0	0	0	0	0	0
Total	-37,371,034	-39,781,830	42,074,895	29,111,741	-2,641,152	-18,124,157

Note: State numbers over \$10 million have been rounded to the nearest \$100,000

Table 4. State Income Tax Revenue Effects of Same-sex Marriage Averaged Across Same-Sex Couples

State	One-Earner Households (\$)		Two-Earner Households (\$)		All Households (\$)	
	Minimizing	Standard	Minimizing	Standard	Minimizing	Standard
Alabama	14.1	28.0	40.0	55.3	35.8	50.9
Alaska	0.0	0.0	0.0	0.0	0.0	0.0
Arizona	-138.3	-138.3	3.5	3.5	-32.0	-32.0
Arkansas	-195.3	-215.0	16.6	-22.3	-62.9	-94.6
California	-950.2	-950.2	-114.2	-114.2	-322.9	-322.9
Colorado	-130.9	-245.3	77.5	-25.2	48.6	-55.7
Connecticut	-37.7	-37.7	-0.4	-0.4	-9.4	-9.4
Delaware	-419.7	-419.7	13.0	13.0	-22.5	-22.5
District of Columbia	14.2	22.1	357.5	354.6	329.0	327.0
Florida	0.0	0.0	0.0	0.0	0.0	0.0
Georgia	-151.8	-189.2	95.7	128.9	34.4	50.0
Hawaii	-365.5	-365.5	-386.5	-386.5	-381.2	-381.2
Idaho	-655.0	-655.0	58.6	58.6	-78.0	-78.0
Illinois	-108.9	-108.9	-8.8	-8.8	-30.0	-30.0
Indiana	-76.3	-76.3	21.7	21.7	6.2	6.2
Iowa	-5.8	-59.8	77.7	26.3	65.0	13.2
Kansas	-131.7	-185.6	120.0	45.9	64.9	-4.8
Kentucky	-162.1	-162.1	-2.8	-2.8	-26.2	-26.2
Louisiana	-179.1	-237.2	1.1	-90.3	-48.0	-130.4
Maine	-615.7	-697.9	87.3	1.1	-16.7	-102.4
Maryland	-160.0	-198.2	104.3	43.9	53.9	-2.2
Massachusetts	-147.4	-147.4	18.5	18.5	-11.3	-11.3
Michigan	-150.9	-150.9	-0.1	-0.1	-33.5	-33.5
Minnesota	177.2	76.8	357.6	190.7	324.2	169.6
Mississippi	-168.8	-180.5	23.7	23.7	-31.7	-35.0
Missouri	-269.2	-318.7	73.9	-3.3	26.5	-46.8
Montana	19.7	19.7	-182.4	-186.9	-156.5	-160.4
Nebraska	-21.3	-21.3	132.2	50.9	99.6	35.6
Nevada	0.0	0.0	0.0	0.0	0.0	0.0
New Hampshire	0.0	0.0	-1.1	-1.1	-1.0	-1.0
New Jersey	-573.4	-573.4	104.7	104.7	-53.4	-53.4
New Mexico	4.1	-77.5	168.4	99.3	133.4	61.6
New York	-478.1	-564.0	629.9	503.1	372.8	255.6
North Carolina	-389.3	-440.0	69.3	-48.0	-30.1	-132.9
North Dakota	-97.1	-97.1	-52.9	-52.9	-54.4	-54.4
Ohio	-7.4	-7.4	361.8	361.8	281.8	281.8
Oklahoma	-291.1	-291.1	162.6	71.6	98.1	20.0
Oregon	-427.7	-423.5	201.0	224.7	81.0	101.0
Pennsylvania	-164.9	-164.9	-20.3	-20.3	-49.4	-49.4
Rhode Island	-190.3	-190.3	72.8	72.8	20.9	20.9
South Carolina	-217.6	-252.9	142.7	55.7	60.9	-14.4
South Dakota	0.0	0.0	0.0	0.0	0.0	0.0
Tennessee	-8.5	-8.5	-6.7	-6.7	-7.1	-7.1
Texas	0.0	0.0	0.0	0.0	0.0	0.0
Utah	181.1	84.5	139.4	33.3	144.1	39.0
Vermont	-185.0	-248.8	232.2	126.0	110.6	16.8
Virginia	-115.6	-219.4	48.7	-48.2	18.5	-79.6
Washington	0.0	0.0	0.0	0.0	0.0	0.0
West Virginia	220.2	220.2	351.0	351.0	322.9	322.9
Wisconsin	-304.5	-263.3	86.0	86.0	33.1	38.6
Wyoming	0.0	0.0	0.0	0.0	0.0	0.0
Average	-158	-179	72	41	26	-3

Table 5. Federal Income Tax Revenue Effects of Same-sex Marriage

State	One-Earner Households (\$)		Two-Earner Households (\$)		All Households (\$)	
	Minimizing	Standard	Minimizing	Standard	Minimizing	Standard
Alabama	-1,013,807	-1,257,773	-912,636	-2,314,604	-1,925,428	-3,542,764
Alaska	-674,603	-674,603	556,394	-48,260	-118,206	-722,862
Arizona	-4,340,127	-5,992,932	4,431,928	-1,103,896	-2,427,408	-9,595,008
Arkansas	-251,293	-251,293	547,264	-444,896	164,774	-827,388
California	-47,300,000	-63,000,000	23,700,000	-11,500,000	-32,000,000	-83,000,000
Colorado	-3,605,823	-4,357,294	-168,144	-4,538,648	-4,129,296	-9,251,248
Connecticut	-5,488,960	-6,758,584	3,074,872	768,384	-4,305,520	-7,930,496
Delaware	-72,893	-72,893	787,634	162,998	963,750	324,838
District of Columbia	-737,232	-959,868	3,801,752	1,905,112	3,064,528	945,248
Florida	-16,400,000	-19,600,000	2,480,000	-11,900,000	-17,500,000	-35,500,000
Georgia	-5,646,754	-7,539,712	-852,832	-5,467,952	-8,767,408	-15,200,000
Hawaii	-1,271,141	-1,350,631	3,937,224	3,179,208	173,680	-906,632
Idaho	-505,961	-660,684	-588,048	-824,427	-1,098,504	-1,489,606
Illinois	-8,657,170	-10,900,000	2,863,328	-6,564,192	-6,414,144	-18,100,000
Indiana	-1,910,435	-2,483,473	-536,616	-3,381,624	-2,524,944	-5,942,984
Iowa	-2,262,163	-2,609,551	1,246,942	-143,084	-1,225,226	-2,978,886
Kansas	-770,053	-1,101,616	-441,122	-1,333,598	-1,180,680	-2,404,718
Kentucky	-1,745,991	-1,868,892	396,500	-1,247,704	-2,412,296	-4,179,404
Louisiana	-2,851,427	-3,458,070	-1,018,976	-3,216,152	-4,116,500	-6,920,320
Maine	-1,216,686	-1,800,496	-432,732	-1,769,548	-2,072,496	-3,997,256
Maryland	-3,511,675	-4,702,206	3,522,736	-1,326,848	-205,600	-6,252,256
Massachusetts	-3,108,872	-5,547,940	2,191,648	-8,186,208	-2,928,768	-15,800,000
Michigan	-4,337,233	-4,993,351	3,117,488	-2,234,592	-2,343,104	-8,312,496
Minnesota	-2,080,880	-3,056,864	2,943,552	-1,334,064	658,224	-4,595,376
Mississippi	-1,403,765	-1,561,470	-179,769	-562,715	-1,793,834	-2,334,486
Missouri	-2,289,694	-2,594,563	-773,296	-4,995,488	-3,985,984	-8,513,048
Montana	-12,469	-12,469	-379,333	-474,775	-904,150	-1,089,525
Nebraska	-10,441	-10,441	234,682	25,556	-32,888	-243,682
Nevada	-1,614,054	-2,103,770	811,440	-1,698,792	-1,113,416	-4,115,948
New Hampshire	-475,669	-475,669	1,551,656	99,608	1,022,880	-429,168
New Jersey	-6,474,320	-13,100,000	4,348,768	-3,780,496	-3,582,240	-18,300,000
New Mexico	-2,194,540	-2,743,318	-355,204	-1,666,386	-3,315,892	-5,207,072
New York	-20,600,000	-28,900,000	11,300,000	-8,173,376	-11,400,000	-39,300,000
North Carolina	-4,642,740	-5,477,600	-4,315,144	-10,600,000	-9,638,480	-16,900,000
North Dakota	-37,740	-37,740	-622,702	-622,702	-660,441	-660,441
Ohio	-9,294,116	-10,100,000	27,032	-5,829,360	-10,800,000	-17,700,000
Oklahoma	-455,418	-455,418	103,072	-1,531,364	-359,624	-1,994,060
Oregon	-3,696,378	-4,374,708	-2,129,904	-4,125,488	-6,168,344	-8,806,512
Pennsylvania	-7,473,128	-9,874,642	3,394,368	-7,129,968	-5,311,520	-18,200,000
Rhode Island	-1,319,872	-1,637,549	-236,996	-1,816,104	-2,912,992	-4,796,740
South Carolina	-839,057	-1,175,631	-1,199,896	-2,326,496	-3,211,672	-4,674,848
South Dakota	0	0	-301,292	-415,290	-301,292	-415,290
Tennessee	-3,599,748	-4,182,304	-1,745,600	-4,103,204	-6,858,224	-9,798,384
Texas	-14,800,000	-18,100,000	4,694,944	-13,800,000	-9,945,216	-31,800,000
Utah	-910,478	-1,194,224	-1,602,712	-3,252,420	-2,551,866	-4,485,316
Vermont	-746,905	-770,328	61,708	-735,982	-929,622	-1,669,719
Virginia	-4,735,366	-5,769,244	-1,293,120	-5,619,872	-6,056,560	-11,400,000
Washington	-3,672,090	-4,615,600	760,624	-7,519,248	-4,971,712	-13,900,000
West Virginia	-462,124	-706,259	173,377	-642,062	-449,767	-1,509,341
Wisconsin	-1,024,843	-1,219,515	2,814,864	-11,360	1,919,272	-1,101,624
Wyoming	-42,805	-42,805	-126,341	-130,176	-169,146	-172,981
Total	-212,588,938	-276,233,992	69,663,383	-154,302,554	-187,153,302	-475,697,799

Note: State numbers over \$10 million have been rounded to the nearest \$100,000

Table 6. Federal Income Tax Revenue Effects of Same-sex Marriage Averaged Across Same-Sex Couples

State	One-Earner Households (\$)		Two-Earner Households (\$)		All Households (\$)	
	Minimizing	Standard	Minimizing	Standard	Minimizing	Standard
Alabama	-1,157.3	-1,435.8	-199.2	-499.2	-353.1	-649.7
Alaska	-9,116.3	-9,116.3	500.8	-43.4	-99.8	-610.0
Arizona	-1,141.2	-1,575.8	167.7	-315.8	-159.6	-630.8
Arkansas	-168.5	-168.5	167.4	-231.7	41.4	-208.0
California	-2,127.8	-2,830.3	228.6	-300.1	-359.5	-931.6
Colorado	-2,097.6	-2,534.8	-49.0	-458.1	-333.0	-746.0
Connecticut	-2,580.6	-3,177.5	175.9	-174.2	1,048.8	-895.8
Delaware	-495.9	-495.9	631.3	242.2	-486.3	181.6
District of Columbia	-3,033.9	-3,950.1	1,419.1	711.1	538.7	323.5
Florida	-1,496.4	-1,788.5	-40.0	-543.5	-435.2	-881.4
Georgia	-1,406.4	-1,877.9	-256.1	-630.4	-541.1	-939.5
Hawaii	-1,810.7	-1,924.0	690.6	212.2	62.2	-324.5
Idaho	-1,449.7	-1,893.1	-402.0	-562.4	-602.6	-817.1
Illinois	-2,020.8	-2,551.6	140.4	-450.8	-316.5	-894.9
Indiana	-1,141.2	-1,483.6	-68.8	-387.4	-238.1	-560.4
Iowa	-3,124.5	-3,604.4	256.5	-91.4	-257.1	-625.0
Kansas	-865.2	-1,237.8	-129.4	-410.7	-290.6	-591.9
Kentucky	-1,552.0	-1,661.2	-102.0	-353.7	-315.0	-545.8
Louisiana	-1,701.3	-2,063.3	-282.8	-774.0	-669.5	-1,125.4
Maine	-1,846.3	-2,732.2	-225.5	-578.9	-465.3	-897.5
Maryland	-1,744.5	-2,335.9	386.6	-181.2	-19.5	-591.8
Massachusetts	-820.5	-1,464.2	10.4	-590.1	-138.7	-746.9
Michigan	-1,362.6	-1,568.8	178.3	-296.8	-163.1	-578.6
Minnesota	-933.5	-1,371.4	279.6	-157.1	54.7	-382.2
Mississippi	-1,999.7	-2,224.3	-224.3	-444.5	-734.9	-956.4
Missouri	-1,565.1	-1,773.5	-185.7	-648.0	-376.2	-803.4
Montana	-67.0	-67.0	-703.2	-849.4	-621.8	-749.3
Nebraska	-17.9	-17.9	-10.4	-108.1	-12.0	-88.9
Nevada	-1,237.8	-1,613.3	103.5	-416.1	-181.3	-670.3
New Hampshire	-1,378.8	-1,378.8	525.8	16.3	320.1	-134.3
New Jersey	-1,774.3	-3,600.3	240.9	-433.4	-228.8	-1,171.5
New Mexico	-1,841.1	-2,301.4	-254.8	-559.8	-592.9	-931.0
New York	-2,100.0	-2,948.0	284.8	-317.7	-268.5	-927.9
North Carolina	-1,254.1	-1,479.6	-373.3	-856.6	-564.2	-991.6
North Dakota	-1,110.0	-1,110.0	-615.9	-615.9	-632.0	-632.0
Ohio	-2,449.0	-2,656.3	-111.4	-556.1	-618.1	-1,011.4
Oklahoma	-617.1	-617.1	21.5	-345.3	-69.2	-383.9
Oregon	-2,159.1	-2,555.3	-340.6	-610.6	-687.7	-981.8
Pennsylvania	-1,655.2	-2,187.1	120.4	-465.9	-236.4	-811.8
Rhode Island	-1,888.2	-2,342.7	-559.0	-1,108.5	-820.8	-1,351.6
South Carolina	-684.4	-958.9	-569.0	-839.1	-595.2	-866.4
South Dakota	0.0	0.0	-564.2	-777.7	-471.5	-649.9
Tennessee	-1,602.7	-1,862.1	-486.0	-837.7	-766.3	-1,094.8
Texas	-1,883.0	-2,299.8	140.0	-390.1	-232.1	-741.4
Utah	-1,962.2	-2,573.8	-447.6	-897.5	-617.7	-1,085.8
Vermont	-1,191.2	-1,228.6	-119.9	-590.2	-432.2	-776.3
Virginia	-2,169.2	-2,642.8	-136.0	-581.4	-509.1	-959.7
Washington	-1,356.0	-1,704.4	-94.1	-674.5	-301.1	-843.4
West Virginia	-1,219.3	-1,863.5	8.9	-579.8	-255.0	-855.6
Wisconsin	-888.1	-1,056.8	400.5	16.0	225.7	-129.5
Wyoming	-1,528.8	-1,528.8	-1,276.2	-1,314.9	-1,331.9	-1,362.1
Average	-1,623	-1,989	-34	-444	-316	-718

Table 7. Federal and State Income Tax Revenue Effects of Same-sex Marriage for States that Currently Recognize Same-sex Unions

State	Federal Tax Revenue		State Tax Revenue	
	Minimizing	Standard	Minimizing	Standard
California	-32,000,000	-83,000,000	-28,800,000	-28,800,000
Colorado	-4,129,296	-9,251,248	603,156	-690,616
Connecticut	-4,305,520	-7,930,496	-83,164	-83,164
Delaware	963,750	324,838	-40,324	-40,324
Hawaii	173,680	-906,632	-1,065,178	-1,065,178
Illinois	-6,414,144	-18,100,000	-607,348	-607,348
Iowa	-1,225,226	-2,978,886	309,728	62,986
Maine	-2,072,496	-3,997,256	-74,390	-455,932
Maryland	-205,600	-6,252,256	569,964	-23,440
Massachusetts	-2,928,768	-15,800,000	-238,464	-238,464
Minnesota	658,224	-4,595,376	3,898,380	2,039,580
New Hampshire	1,022,880	-429,168	-3,120	-3,120
New Jersey	-3,582,240	-18,300,000	-835,240	-835,240
New York	-11,400,000	-39,300,000	15,800,000	10,800,000
Rhode Island	-2,912,992	-4,796,740	74,309	74,309
Vermont	-929,622	-1,669,719	237,939	36,033
Washington	-4,971,712	-13,900,000	0	0
Total	-74,259,082	-230,882,939	-10,253,753	-19,829,919

Table 8. State Income Tax Revenue Effects of Same-sex Marriage under Different Assumptions on Allocation of Children/Dependents

State	Claiming Own Children		Highest Earner Claims		Lowest Earner Claims	
	Minimizing	Standard	Minimizing	Standard	Minimizing	Standard
Alabama	195,223	277,522	176,112	248,390	158,421	244,589
Alaska	0	0	0	0	0	0
Arizona	-486,346	-486,346	-292,644	-292,644	-671,044	-671,044
Arkansas	-249,962	-376,142	-191,887	-318,068	-340,859	-467,039
California	-28,800,000	-28,800,000	-25,800,000	-25,800,000	-33,400,000	-33,400,000
Colorado	603,156	-690,616	604,676	-651,220	651,300	-802,992
Connecticut	-83,164	-83,164	-33,904	-33,904	95,180	95,180
Delaware	-40,324	-40,324	-40,324	-40,324	-40,550	-40,550
District of Columbia	961,260	955,416	961,260	955,416	884,228	878,380
Florida	0	0	0	0	0	0
Georgia	557,100	810,872	688,416	994,016	161,316	361,752
Hawaii	-1,065,178	-1,065,178	-1,047,788	-1,047,788	-1,060,412	-1,060,412
Idaho	-142,175	-142,175	-105,242	-105,242	-187,648	-187,648
Illinois	-607,348	-607,348	-576,060	-576,060	-650,876	-650,876
Indiana	65,948	65,948	-18,566	-18,566	91,122	91,122
Iowa	309,728	62,986	183,492	9,846	314,671	55,698
Kansas	263,577	-19,643	271,179	-3,237	557,080	234,554
Kentucky	-200,854	-200,854	-191,814	-191,814	-189,232	-189,232
Louisiana	-295,318	-801,569	-383,061	-850,178	-292,955	-808,877
Maine	-74,390	-455,932	-74,390	-455,932	-289,048	-738,768
Maryland	569,964	-23,440	387,612	-94,556	612,944	-51,712
Massachusetts	-238,464	-238,464	-287,808	-287,808	-744,528	-744,528
Michigan	-481,736	-481,736	-517,748	-517,748	-389,636	-389,636
Minnesota	3,898,380	2,039,580	3,801,680	1,968,364	3,628,100	1,648,024
Mississippi	-77,298	-85,463	-54,796	-62,961	-118,043	-126,958
Missouri	280,680	-496,160	226,652	-467,330	214,390	-595,488
Montana	-227,573	-233,290	-227,573	-233,290	-227,573	-233,290
Nebraska	272,943	97,502	271,702	130,668	347,845	79,452
Nevada	0	0	0	0	0	0
New Hampshire	-3,120	-3,120	-3,120	-3,120	-3,120	-3,120
New Jersey	-835,240	-835,240	-503,240	-503,240	-2,161,616	-2,161,616
New Mexico	745,883	344,481	801,825	415,770	655,430	184,056
New York	15,800,000	10,800,000	16,700,000	12,000,000	16,200,000	11,600,000
North Carolina	-513,688	-2,270,992	-125,816	-1,744,664	-823,592	-2,724,888
North Dakota	-56,802	-56,802	-42,161	-42,161	-80,731	-81,103
Ohio	4,933,772	4,933,772	5,044,704	5,044,704	4,836,852	4,836,852
Oklahoma	509,476	103,972	536,996	185,312	412,308	-48,650
Oregon	726,684	905,640	721,904	919,416	546,128	750,084
Pennsylvania	-1,109,220	-1,109,220	-472,500	-472,500	-1,063,332	-1,063,332
Rhode Island	74,309	74,309	47,813	47,813	31,166	31,166
South Carolina	328,461	-77,808	389,533	-16,736	78,852	-343,621
South Dakota	0	0	0	0	0	0
Tennessee	-63,738	-63,738	-63,738	-63,738	-63,738	-63,738
Texas	0	0	0	0	0	0
Utah	595,347	161,259	621,176	161,259	641,716	222,564
Vermont	237,939	36,033	199,083	58,730	237,939	36,033
Virginia	220,460	-946,988	220,128	-947,312	296,756	-891,804
Washington	0	0	0	0	0	0
West Virginia	569,650	569,650	569,650	569,650	597,893	597,893
Wisconsin	281,142	328,654	343,888	391,400	208,606	256,118
Wyoming	0	0	0	0	0	0
Total	-2,641,152	-18,124,157	2,719,616	-11,741,387	-10,300,000	-26,337,406

Table 9. Federal Income Tax Revenue Effects of Same-sex Marriage under Different Assumptions Regarding Allocation of Children/Dependents

State	Claiming Own Children		Highest Earner Claims Dependents		Lowest Earner Claims Dependents	
	Minimizing	Standard	Minimizing	Standard	Minimizing	Standard
Alabama	-1,925,428	-3,542,764	-1,771,828	-3,188,728	-2,318,088	-4,012,808
Alaska	-118,206	-722,862	116,280	-488,374	-118,206	-722,862
Arizona	-2,427,408	-9,595,008	-1,070,112	-7,812,176	-3,806,800	-11,400,000
Arkansas	164,774	-827,388	208,956	-719,424	-455,072	-1,441,352
California	-32,000,000	-83,000,000	-30,000,000	-73,900,000	-40,100,000	-97,600,000
Colorado	-4,129,296	-9,251,248	-3,840,576	-8,775,872	-5,873,200	-11,900,000
Connecticut	-4,305,520	-7,930,496	-2,802,960	-5,757,792	-4,780,544	-9,643,392
Delaware	963,750	324,838	850,040	311,138	1,337,874	573,202
District of Columbia	3,064,528	945,248	2,961,288	895,672	3,064,528	945,248
Florida	-17,500,000	-35,500,000	-14,500,000	-31,000,000	-22,200,000	-41,200,000
Georgia	-8,767,408	-15,200,000	-7,148,448	-12,800,000	-11,600,000	-18,900,000
Hawaii	173,680	-906,632	470,520	-345,896	-6,560	-1,086,872
Idaho	-1,098,504	-1,489,606	-979,219	-1,291,072	-1,252,199	-1,643,301
Illinois	-6,414,144	-18,100,000	-6,018,464	-16,500,000	-8,934,272	-21,500,000
Indiana	-2,524,944	-5,942,984	-1,437,792	-4,274,928	-4,029,848	-8,226,672
Iowa	-1,225,226	-2,978,886	-1,106,894	-2,161,714	-1,624,210	-3,378,814
Kansas	-1,180,680	-2,404,718	-1,116,284	-2,232,502	-2,876,266	-4,255,318
Kentucky	-2,412,296	-4,179,404	-2,536,344	-4,263,764	-4,040,588	-6,354,832
Louisiana	-4,116,500	-6,920,320	-3,263,772	-5,814,080	-4,874,452	-7,756,256
Maine	-2,072,496	-3,997,256	-2,072,496	-3,997,256	-2,790,728	-5,776,404
Maryland	-205,600	-6,252,256	-258,336	-5,103,296	-3,335,056	-10,100,000
Massachusetts	-2,928,768	-15,800,000	-1,622,176	-13,200,000	-5,227,328	-20,700,000
Michigan	-2,343,104	-8,312,496	-2,193,280	-6,448,512	278,848	-6,235,888
Minnesota	658,224	-4,595,376	748,688	-4,440,080	1,104,112	-4,823,056
Mississippi	-1,793,834	-2,334,486	-1,605,544	-2,126,666	-2,990,526	-3,587,040
Missouri	-3,985,984	-8,513,048	-3,476,272	-7,319,616	-5,483,456	-10,100,000
Montana	-904,150	-1,089,525	-904,150	-1,089,525	-904,150	-1,089,525
Nebraska	-32,888	-243,682	16,122	-51,726	400,636	-205,328
Nevada	-1,113,416	-4,115,948	-231,728	-3,085,232	-1,884,716	-5,114,272
New Hampshire	1,022,880	-429,168	1,132,436	-313,692	880,524	-748,412
New Jersey	-3,582,240	-18,300,000	-2,313,184	-15,900,000	-5,837,488	-22,400,000
New Mexico	-3,315,892	-5,207,072	-2,980,720	-4,761,484	-4,156,032	-6,704,376
New York	-11,400,000	-39,300,000	-7,707,136	-33,400,000	-14,200,000	-47,300,000
North Carolina	-9,638,480	-16,900,000	-7,016,640	-13,600,000	-12,400,000	-20,600,000
North Dakota	-660,441	-660,441	-323,086	-323,086	-962,519	-965,233
Ohio	-10,800,000	-17,700,000	-8,873,632	-15,300,000	-12,400,000	-19,900,000
Oklahoma	-359,624	-1,994,060	172,044	-1,226,460	-551,100	-2,528,588
Oregon	-6,168,344	-8,806,512	-5,940,256	-8,428,344	-6,036,264	-9,709,648
Pennsylvania	-5,311,520	-18,200,000	-3,079,072	-15,400,000	-7,382,848	-21,100,000
Rhode Island	-2,912,992	-4,796,740	-2,937,592	-4,706,168	-2,881,184	-5,004,568
South Carolina	-3,211,672	-4,674,848	-2,858,000	-4,321,180	-4,136,660	-5,703,008
South Dakota	-301,292	-415,290	-282,070	-278,942	-341,942	-455,940
Tennessee	-6,858,224	-9,798,384	-5,322,936	-8,159,512	-9,091,024	-12,500,000
Texas	-9,945,216	-31,800,000	-7,108,608	-27,100,000	-18,000,000	-42,300,000
Utah	-2,551,866	-4,485,316	-1,940,782	-3,738,600	-3,572,504	-6,169,084
Vermont	-929,622	-1,669,719	-413,921	-942,105	-929,622	-1,669,719
Virginia	-6,056,560	-11,400,000	-5,736,656	-10,900,000	-9,587,552	-16,000,000
Washington	-4,971,712	-13,900,000	-2,676,656	-11,000,000	-8,060,016	-17,600,000
West Virginia	-449,767	-1,509,341	-491,732	-1,454,341	-488,761	-1,568,971
Wisconsin	1,919,272	-1,101,624	2,455,448	-240,496	1,538,824	-1,579,512
Wyoming	-169,146	-172,981	-169,146	-172,981	-169,146	-172,981
Total	-187,153,302	-475,697,799	-149,041,152	-408,601,088	-254,085,581	-579,915,582

Table 10. Summary Statistics of Federal and State Marriage Tax/Subsidy

State	Federal Marriage Tax/Subsidy by State				State Marriage Tax/Subsidy by State			
	Weighted Mean	Standard Deviation	Minimum	Maximum	Weighted Mean	Standard Deviation	Minimum	Maximum
Alabama	-353.1	1,314.7	-7,468.4	2,994.8	35.8	125.0	-252.8	388.5
Alaska	-99.8	2,622.7	-9,116.3	3,830.2	0.0	0.0	0.0	0.0
Arizona	-159.6	1,970.0	-8,670.0	9,135.9	-32.0	201.6	-1,204.8	427.8
Arkansas	41.4	2,434.0	-4,790.0	12,643.0	-62.9	209.5	-479.5	371.7
California	-359.5	3,069.7	-12,906.6	13,745.4	-322.9	903.6	-4,161.4	2,004.7
Colorado	-333.0	1,867.6	-7,335.0	9,272.1	48.6	247.0	-1,549.9	388.9
Connecticut	1,048.8	4,163.8	-7,533.3	14,115.0	-9.4	576.2	-3,035.0	1,050.0
Delaware	-486.3	3,744.4	-18,963.6	11,892.3	-22.5	279.6	-787.7	271.1
District of Columbia	538.7	1,597.0	-2,981.0	4,286.1	329.0	200.8	-258.8	990.0
Florida	-435.2	2,248.4	-11,745.4	12,904.5	0.0	0.0	0.0	0.0
Georgia	-541.1	2,001.8	-12,930.0	5,308.0	34.4	330.3	-3,384.0	522.3
Hawaii	62.2	5,470.3	-17,830.6	10,489.5	-381.2	1,122.1	-5,724.1	359.5
Idaho	-602.6	1,378.9	-5,624.5	431.3	-78.0	469.6	-1,942.5	386.1
Illinois	-316.5	2,456.1	-9,495.7	9,300.8	-30.0	124.6	-1,200.0	182.8
Indiana	-238.1	1,890.6	-6,890.0	6,167.6	6.2	106.9	-428.7	453.2
Iowa	-257.1	2,051.4	-7,682.5	3,956.1	65.0	208.1	-1,343.9	490.9
Kansas	-290.6	885.1	-3,084.0	2,668.6	64.9	385.1	-816.6	954.6
Kentucky	-315.0	1,766.0	-11,486.5	4,432.6	-26.2	345.1	-3,075.8	418.8
Louisiana	-669.5	2,426.8	-8,925.0	6,283.8	-48.0	187.0	-845.7	237.0
Maine	-465.3	1,317.9	-5,824.9	2,908.1	-16.7	496.2	-1,531.0	994.5
Maryland	-19.5	2,870.5	-9,493.8	12,152.5	53.9	311.1	-1,714.8	1,304.2
Massachusetts	-138.7	2,617.7	-12,687.2	15,020.5	-11.3	242.6	-1,584.7	665.0
Michigan	-163.1	2,190.4	-9,625.0	8,984.7	-33.5	266.5	-1,735.7	1,152.0
Minnesota	54.7	1,879.8	-5,358.6	9,908.5	324.2	509.2	-924.7	2,355.0
Mississippi	-734.9	2,398.4	-9,016.0	5,775.3	-31.7	188.6	-519.0	215.0
Missouri	-376.2	1,935.9	-9,625.0	10,932.6	26.5	332.0	-1,245.0	1,859.0
Montana	-621.8	1,798.7	-11,142.9	844.6	-156.5	624.9	-3,750.7	174.3
Nebraska	-12.0	1,894.4	-3,522.0	6,693.7	99.6	393.8	-763.0	1,145.7
Nevada	-181.3	1,768.6	-8,403.8	3,832.1	0.0	0.0	0.0	0.0
New Hampshire	320.1	1,991.3	-9,817.0	8,595.1	-1.0	10.8	-120.0	0.0
New Jersey	-228.8	2,577.0	-13,168.8	8,236.3	-53.4	614.8	-2,339.0	1,492.5
New Mexico	-592.9	1,986.2	-8,971.1	4,850.9	133.4	320.4	-799.0	703.2
New York	-268.5	3,202.5	-17,864.6	14,178.5	372.8	1,515.1	-4,589.5	12,579.0
North Carolina	-564.2	2,062.9	-6,090.7	9,483.9	-30.1	387.6	-2,197.5	749.5
North Dakota	-632.0	1,006.2	-3,147.5	0.0	-54.4	63.0	-164.7	0.0
Ohio	-618.1	2,374.9	-16,842.8	4,331.3	281.8	446.2	-1,708.3	1,676.0
Oklahoma	-69.2	1,072.1	-3,386.3	1,931.3	98.1	299.9	-749.0	902.5
Oregon	-687.7	2,127.2	-10,065.0	4,106.4	81.0	630.4	-4,313.6	1,458.4
Pennsylvania	-236.4	1,934.5	-8,275.5	8,836.3	-49.4	193.8	-1,074.5	184.2
Rhode Island	-820.8	1,972.4	-9,625.0	2,424.6	20.9	512.4	-1,266.0	1,145.8
South Carolina	-595.2	1,743.0	-6,132.7	4,431.3	60.9	355.2	-654.5	713.6
South Dakota	-471.5	801.4	-1,378.8	505.9	0.0	0.0	0.0	0.0
Tennessee	-766.3	2,019.7	-10,263.8	3,135.2	-7.1	20.7	-75.0	0.0
Texas	-232.1	2,302.0	-14,438.1	11,056.0	0.0	0.0	0.0	0.0
Utah	-617.7	2,109.4	-8,420.2	5,221.9	144.1	310.2	-669.2	892.5
Vermont	-432.2	2,182.7	-9,408.7	9,555.1	110.6	530.2	-2,136.5	1,408.1
Virginia	-509.1	2,099.5	-6,919.1	9,915.6	18.5	215.2	-1,249.5	477.6
Washington	-301.1	1,967.9	-9,499.4	4,269.3	0.0	0.0	0.0	0.0
West Virginia	-255.0	1,638.1	-4,291.5	4,431.3	322.9	541.8	-1,111.5	1,125.0
Wisconsin	225.7	1,611.2	-4,294.8	7,532.0	33.1	403.2	-1,235.9	1,709.7
Wyoming	-1,331.9	112.4	-1,528.8	-1,187.0	0.0	0.0	0.0	0.0

Table 11. Income Tax Revenue Effects of Same-sex Marriage Assuming that Couples with Marriage Tax Greater than \$5,000 Do Not Marry

State	Federal Marriage Tax for 95th Percentile	Federal Revenue Increase/Decrease	State Revenue Increase/Decrease
Alabama	1,138	-1,925,427	195,223
Alaska	3,830	-118,207	0
Arizona	1,992	-4,256,205	-471,370
Arkansas	1,931	-1,327,106	-249,961
California	4,194	-68,400,000	-30,800,000
Colorado	1,257	-5,375,852	587,851
Connecticut	3,119	-7,451,403	63,310
Delaware	4,286	963,749	-40,324
District of Columbia	11,296	-852,308	799,331
Florida	2,044	-23,400,000	0
Georgia	1,502	-9,192,033	548,000
Hawaii	10,489	-4,014,969	-1,074,058
Idaho	256	-1,098,504	-142,175
Illinois	3,258	-9,864,439	-607,349
Indiana	2,038	-4,031,914	65,949
Iowa	3,744	-1,225,228	309,728
Kansas	773	-1,180,680	263,577
Kentucky	1,042	-2,412,298	-200,854
Louisiana	1,524	-4,594,065	-276,207
Maine	675	-2,072,495	-74,390
Maryland	4,678	-4,055,935	335,664
Massachusetts	2,639	-8,095,727	-228,518
Michigan	4,131	-4,357,306	-481,736
Minnesota	2,265	-897,425	3,828,098
Mississippi	600	-2,140,350	-86,598
Missouri	895	-5,144,843	300,057
Montana	845	-904,150	-227,573
Nebraska	6,694	-1,130,660	85,053
Nevada	2,155	-1,113,419	0
New Hampshire	2,359	300,888	-3,120
New Jersey	3,728	-5,712,219	-946,291
New Mexico	1,501	-3,315,889	745,883
New York	5,601	-31,300,000	5,355,809
North Carolina	972	-12,500,000	-679,842
North Dakota	0	-660,441	-56,802
Ohio	989	-10,800,000	4,933,772
Oklahoma	1,931	-359,622	509,476
Oregon	2,494	-6,168,349	726,684
Pennsylvania	1,733	-6,559,777	-1,109,222
Rhode Island	757	-2,912,993	74,309
South Carolina	1,684	-3,211,670	328,461
South Dakota	506	-301,292	0
Tennessee	1,487	-6,858,221	-63,738
Texas	2,276	-16,400,000	0
Utah	1,190	-2,880,848	589,323
Vermont	1,829	-1,388,267	170,350
Virginia	1,158	-7,987,146	208,759
Washington	2,305	-4,971,709	0
West Virginia	3,086	-449,767	569,650
Wisconsin	2,368	721,685	440,397
Wyoming	-1,187	-169,146	0
Total		-303,508,672	-15,785,414

Table 12. Estimated Number of Same-Sex Couple Households from Different Data Sources

State	Census 2010 Corrected Totals	ACS 2010 Weighted Totals ^(a)	ACS 2010 Weighted without Allocated Status ^(b)
Alabama	6,582	5,453	2,906
Alaska	1,228	1,185	705
Arizona	15,817	15,210	11,800
Arkansas	4,226	3,977	2,226
California	98,153	89,115	56,121
Colorado	12,424	12,401	9,159
Connecticut	7,852	8,853	4,966
Delaware	2,646	1,789	1,103
District of Columbia	4,822	2,922	2,707
Florida	48,496	40,281	29,428
Georgia	21,318	16,202	11,227
Hawaii	3,239	2,794	1,417
Idaho	2,042	1,823	1,090
Illinois	23,049	20,265	13,804
Indiana	11,074	10,604	8,543
Iowa	4,093	4,766	2,816
Kansas	4,009	4,063	3,352
Kentucky	7,195	7,657	5,276
Louisiana	8,076	6,149	4,468
Maine	3,958	4,454	3,334
Maryland	12,538	10,565	7,302
Massachusetts	20,256	21,123	10,524
Michigan	14,598	14,367	10,311
Minnesota	10,207	12,025	9,045
Mississippi	3,484	2,441	1,442
Missouri	10,557	10,596	8,549
Montana	1,348	1,454	529
Nebraska	2,356	2,740	1,776
Nevada	7,140	6,140	4,417
New Hampshire	3,260	3,195	1,464
New Jersey	16,875	15,655	10,267
New Mexico	5,825	5,593	4,528
New York	48,932	42,326	29,421
North Carolina	18,309	17,083	11,808
North Dakota	559	1,045	564
Ohio	19,684	17,508	13,806
Oklahoma	6,134	5,194	3,887
Oregon	11,773	8,970	6,492
Pennsylvania	22,336	22,466	14,520
Rhode Island	2,785	3,549	2,718
South Carolina	7,214	5,396	3,794
South Dakota	714	639	185
Tennessee	10,898	8,950	6,921
Texas	46,401	42,843	32,469
Utah	3,909	4,131	2,893
Vermont	2,143	2,151	1,176
Virginia	14,243	11,897	7,462
Washington	19,003	16,514	12,817
West Virginia	2,848	1,764	1,160
Wisconsin	9,179	8,505	6,343
Wyoming	657	127	99
United States	646,464	586,915	405,137

Notes: (a) Estimated using the household weights provided by the ACS 2010. These numbers are comparable to those estimated for the ACS 2010 by the Census Bureau, and fall within its estimated margin of error. (b) These are obtained by dropping all those couples for whom the Census has allocated their marital status, and using household weights

Table 13. Estimated Income Tax Revenue Effects Using Each State's Average Marriage Tax/Subsidy and Number of Same-Sex Couples from Different Sources

State	Federal Revenue			State Revenue		
	Census 2010 Corrected Totals	ACS 2010 Household Weights	ACS 2010 Weighted without Allocated Status ^(a)	Census 2010 Corrected Totals	ACS 2010 Household Weights	ACS 2010 Weighted without Allocated Status ^(a)
Alabama	-2,324,071	-1,925,428	-1,026,094	235,643	195,223	104,038
Alaska	-122,497	-118,206	-70,326	0	0	0
Arizona	-2,524,275	-2,427,408	-1,883,192	-505,756	-486,346	-377,310
Arkansas	175,089	164,774	92,226	-265,612	-249,962	-139,908
California	-35,288,713	-32,000,000	-20,177,048	-31,688,706	-28,800,000	-18,118,670
Colorado	-4,136,944	-4,129,296	-3,049,764	604,277	603,156	445,474
Connecticut	8,234,981	-4,305,520	5,208,217	-73,761	-83,164	-46,650
Delaware	-1,286,842	963,750	-536,428	-59,641	-40,324	-24,862
District of Columbia	2,597,651	3,064,528	1,458,283	1,586,312	961,260	890,532
Florida	-21,107,549	-17,500,000	-12,808,334	0	0	0
Georgia	-11,535,820	-8,767,408	-6,075,272	733,009	557,100	386,035
Hawaii	201,341	173,680	88,083	-1,234,829	-1,065,178	-540,214
Idaho	-1,230,469	-1,098,504	-656,813	-159,255	-142,175	-85,009
Illinois	-7,295,320	-6,414,144	-4,369,152	-690,786	-607,348	-413,711
Indiana	-2,636,861	-2,524,944	-2,034,198	68,872	65,948	53,131
Iowa	-1,052,215	-1,225,226	-723,928	265,992	309,728	183,003
Kansas	-1,164,988	-1,180,680	-974,068	260,074	263,577	217,453
Kentucky	-2,266,747	-2,412,296	-1,662,176	-188,735	-200,854	-138,397
Louisiana	-5,406,546	-4,116,500	-2,991,140	-387,866	-295,318	-214,585
Maine	-1,841,701	-2,072,496	-1,551,347	-66,106	-74,390	-55,684
Maryland	-244,010	-205,600	-142,109	676,406	569,964	393,932
Massachusetts	-2,808,549	-2,928,768	-1,459,181	-228,674	-238,464	-118,807
Michigan	-2,380,786	-2,343,104	-1,681,620	-489,481	-481,736	-345,735
Minnesota	558,701	658,224	495,097	3,309,005	3,898,380	2,932,297
Mississippi	-2,560,311	-1,793,834	-1,059,693	-110,326	-77,298	-45,663
Missouri	-3,971,317	-3,985,984	-3,215,951	279,647	280,680	226,456
Montana	-838,236	-904,150	-328,952	-210,983	-227,573	-82,797
Nebraska	-28,280	-32,888	-21,318	234,691	272,943	176,915
Nevada	-1,294,758	-1,113,416	-800,973	0	0	0
New Hampshire	1,043,687	1,022,880	468,699	-3,183	-3,120	-1,430
New Jersey	-3,861,395	-3,582,240	-2,349,330	-900,331	-835,240	-547,775
New Mexico	-3,453,433	-3,315,892	-2,684,489	776,823	745,883	603,855
New York	-13,137,293	-11,400,000	-7,898,968	18,243,420	15,800,000	10,969,093
North Carolina	-10,330,214	-9,638,480	-6,662,252	-550,559	-513,688	-355,072
North Dakota	-353,289	-660,441	-356,449	-30,385	-56,802	-30,657
Ohio	-12,167,306	-10,800,000	-8,533,928	5,546,971	4,933,772	3,890,545
Oklahoma	-424,705	-359,624	-269,128	601,680	509,476	381,273
Oregon	-8,095,872	-6,168,344	-4,464,317	953,763	726,684	525,935
Pennsylvania	-5,280,787	-5,311,520	-3,432,890	-1,102,804	-1,109,220	-716,901
Rhode Island	-2,285,907	-2,912,992	-2,230,914	58,312	74,309	56,910
South Carolina	-4,293,734	-3,211,672	-2,258,168	439,125	328,461	230,945
South Dakota	-336,655	-301,292	-87,228	0	0	0
Tennessee	-8,350,938	-6,858,224	-5,303,436	-77,611	-63,738	-49,288
Texas	-10,771,180	-9,945,216	-7,537,110	0	0	0
Utah	-2,414,729	-2,551,866	-1,787,110	563,353	595,347	416,930
Vermont	-926,164	-929,622	-508,245	237,053	237,939	130,086
Virginia	-7,250,868	-6,056,560	-3,798,777	263,933	220,460	138,276
Washington	-5,721,047	-4,971,712	-3,858,689	0	0	0
West Virginia	-726,155	-449,767	-295,765	919,707	569,650	374,600
Wisconsin	2,071,371	1,919,272	1,431,387	303,422	281,142	209,675
Wyoming	-875,032	-169,146	-131,854	0	0	0
United States	-201,521,685	-187,153,302	-124,506,127	-1,863,901	-2,641,152	1,488,264

Notes: (a) These are obtained by dropping all those couples for whom the Census has allocated their marital status, and using household weights

Figure 1. State Income Tax Revenue Effects of Same-sex Marriage Assuming Individuals Claim their Own Children and Minimize their Tax Liabilities

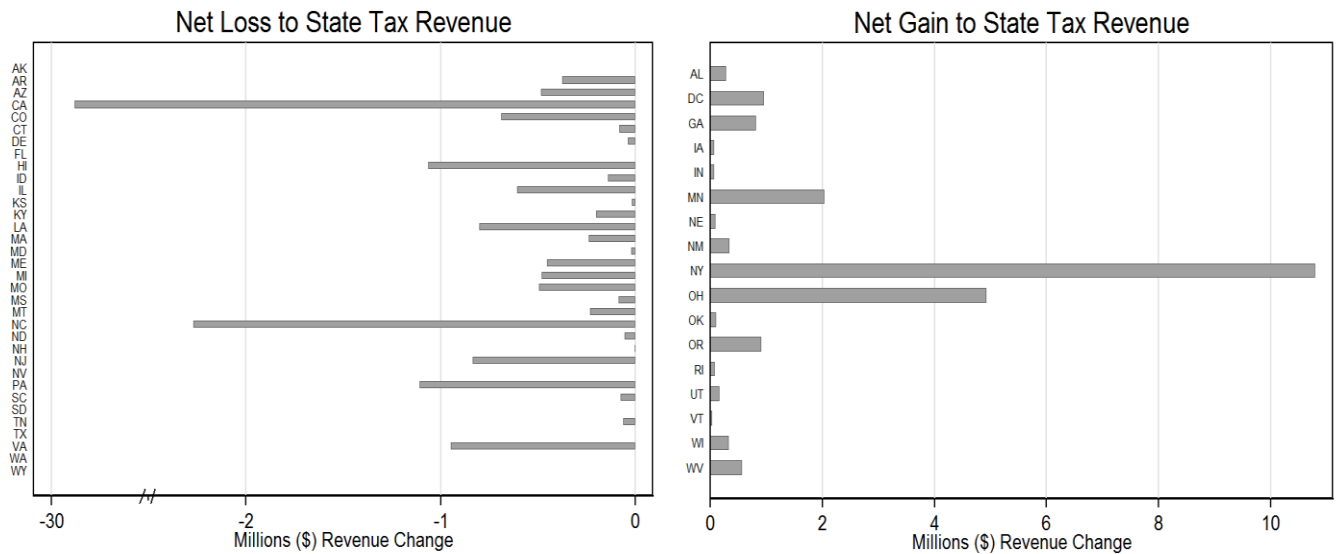


Figure 2. Federal Income Tax Revenue Effects of Same-sex Marriage Assuming Individuals Claim their Own Children and Minimize their Tax Liabilities

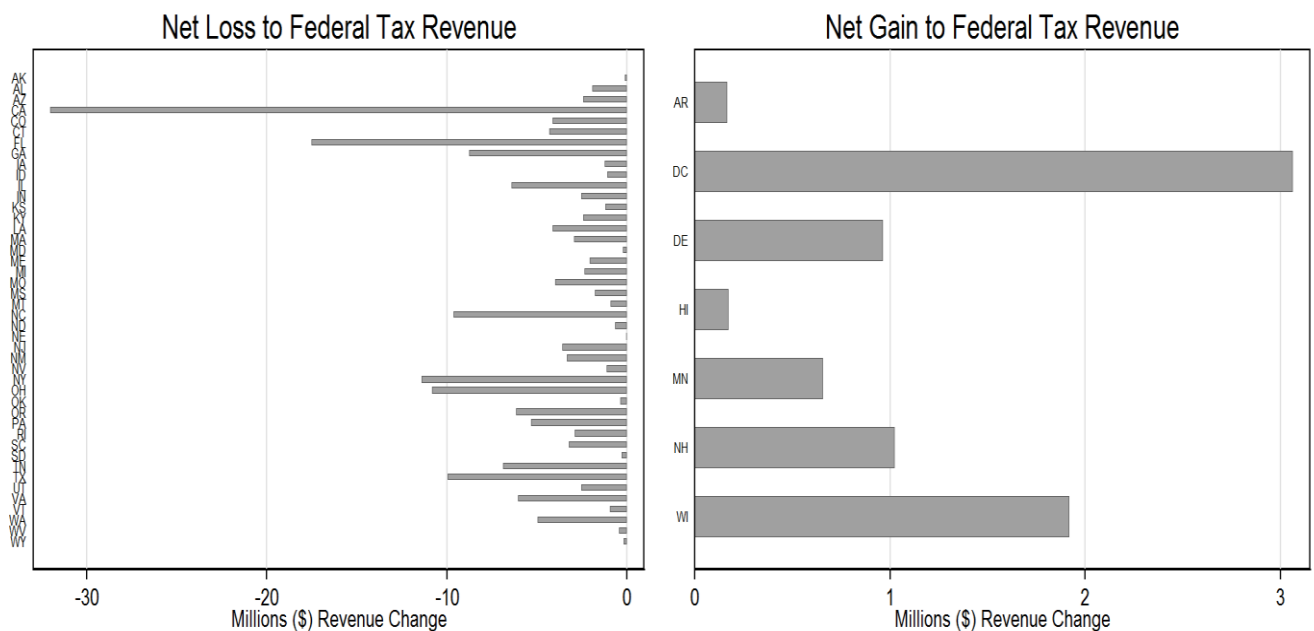


Figure 3. State Income Tax Revenue Effects of Same-sex Marriage Averaged Across Same-sex Couples

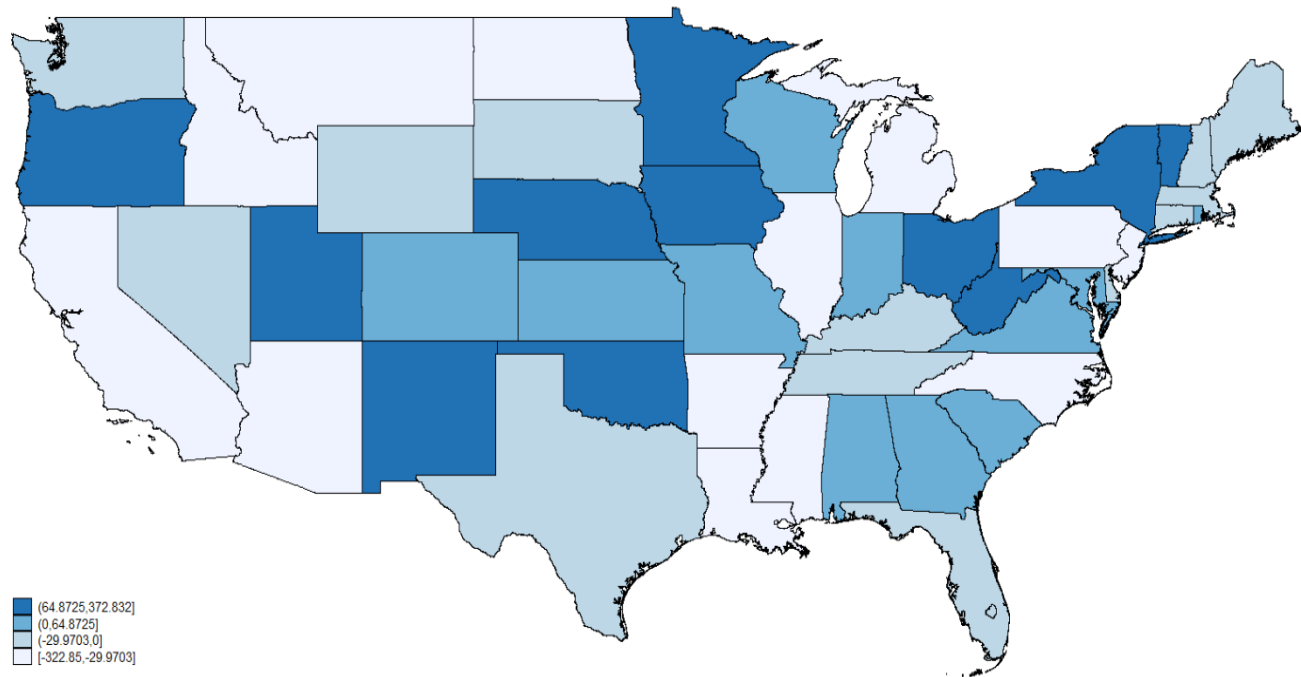


Figure 4. Federal Income Tax Revenue Effects of Same-sex Marriage Averaged Across Same-sex Couples

