

Second Amendment to Pre-Analysis Plan:

Revision to Table 7.3 (Omitted from Registered Second Amendment)

Positive vs. Negative Incentives for Compliance: Evaluating a
Randomized Tax Holiday

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December 14

Table 0.1: Revision to Table 7.3 in pre-analysis plan:
Hypotheses, Outcomes, and Tests

Hypotheses	Data Sources	Outcomes	Comparisons	Tests
Hypotheses 1A, 1B, 1C (Winning lottery)	Natural Exp. (Admin. data)	$t + \dots$ 1. Compliance (0-1) 2. Missed Payments 3. Total Debt	Winners vs. Non-Winners (Eligibles)	1. K-S test 2. Diff-in-Diff 3. Persistence of effects
Mechanism 1A.1 (<i>Informational</i>)	Field Exp. (Admin data) (Eligibles and Ineligibles)	$t + 1$ & $t + 4$: 1. Compliance (0-1) 2. Web bill request	Existence of Lottery vs. Control	1. Diff.-in-Diff 2. IV
	Field Exp. vs. Nat. Exp. (Admin data)	$t + 4$: 1. Compliance (0-1) 2. Web bill request	Effect of Info. vs. Effect of Winning	1. Diff. of Diff.-in-Diffs
	Survey exp. (Survey data)	1. Worth it to pay	Ex. of Lottery vs. Discretion	1. Diff. of Means
Mechanism 1A.2 (<i>Attitudinal</i>)	Field Exp (Survey data) (Eligibles + Ineligibles)	$t + 1$ 1. Trust in municipality 2. Trust in civil servants 3. Eval. of Mayor 4. Fairness Taxes 5. Fairness Prop. Taxes 6. Support Amnesties	Existence of Lottery vs. Control	1. Diff. of Means 2 and 3. Diff. of Means (Het. effects)
	Nat. Exp (Survey data)	$t + \dots$ 1. Trust in municipality 2. Trust in civil servants 3. Eval. of Mayor 4. Fairness Taxes 5. Fairness Spec. Tax 6. Opinion of lottery (Version 1 of survey)	Winners vs. Losers	1. Diff. of Means 2. Diff. of Means Het. effects – recent vs. old winners)
	Survey Exp (Survey data)	t 1. Lotteries are waste of money 2. Eval. of City Hall 3. Benefits go to “same as always” 4. Taxes are fair	Lottery treatments vs. non-lottery (discretion) treatment	1. Diff. of Means 2. Diff. of Means Het. effects
Mechanism 1B.1 (<i>Income effects</i>)	Nat. Exp. (Admin. Data)	$t + \dots$ 1. Compliance 2. Missed Payments 3. Total Debt	Winners vs. Losers	1. Heter. effects by cost of payment (property value)

Table 0.2: Revision to Table 7.3 in pre-analysis plan:
Hypotheses, Outcomes, and Tests (Cont.)

Mechanism 1B.2. (<i>Habit effects</i>)	Nat. Exp. (Admin. Data)	$t + \dots$ 1. Compliance 2. Missed Payments 3. Total Debt	Winners vs. Losers	1. Het. effects by time since winning
Mechanism 1C.1. (<i>Erroneous beliefs</i>)	Nat. Exp. (Admin./Survey Data)	$t + \dots$ 1. Compliance (0-1) 2. Missed Payments 3. Total Debt	Winners vs. Losers	1. Het. effects by beliefs about non-indep. of winning
Hypothesis 2A (<i>Punishments</i>)	Field Exp. (Admin. Data)	$t + 1$ 1. Compliance (0-1)	Existence of Fines vs. Control	1. Diff. of Means
	Survey Exp (Survey data)	t 1. Worth it to pay 2. Eval. of City Hall 4. Taxes are fair	Fines treatment vs. lotteries treatment	1. Diff. of Means
Mechanism 2A.1 (<i>Prob. punishment</i>)	Field Exp. (Survey Data)	$t + 1$ 1. Belief in Prob. of Fine	Existence of Fines vs. vs. Control	1. Diff. of Means
Hypothesis 2B (<i>Rewards vs. Punishments</i>)	Field Exp. (Admin. Data)	$t + 1$ 1. Compliance (0-1)	Existence of Fines vs. Control	1. Diff.-in- Diff
Hypothesis 2C (<i>Marginal taxpayers I</i>)	Field Exp (Admin. Data)	$t + 1$	Benefit vs. Sanction	1. Het. effects by payment history
Hypothesis 2D (<i>Marginal taxpayers II</i>)	Field Exp. (Admin./Survey)	$t + 1$ 1. Compliance (0-1)	Benefit vs. Sanction	1. Het. effects by payment cost
Hypothesis 3A (<i>Social benefits</i>)	Field Exp. (Admin. Data)	$t + 1$	Social Ben. vs. Indiv. Ben.	1. Diff. of Means
Hypothesis 3B (<i>Social sanction</i>)	Field Exp. (Admin. Data)	$t + 1$	Social Sanc. vs. Indiv. Sanc.	1. Diff. of Means
Hypothesis 3A-B (<i>Social benefits vs. social sanctions</i>)	Field Exp. (Admin. Data)	$t + 1$	Effect of vs. Social Sanc. vs. effect of Indiv. Sanc.	1. Diff. of Diff. of Means
Hypothesis 3A-B (<i>Ind. benefits vs. social bens</i>)	Survey Exp. (Survey data)	t Rewards waste of money Benefits to same as always	Social Sanc. vs. effect of Indiv. Sanc.	Diff. of Means

In the table, t refers to tax payment periods, of which there are 3-6 per year, depending on the tax. Thus, for winners of the lottery, $t = 0$ is the period in which they won the lottery; $t = 1$ is the following tax payment period; and because they win a year free of tax payments $t + 4$ is the next payment period in which they owe taxes. Property taxes are paid three times per year.