

**The Tax Treatment of Marriage and its Impact on Family Formation and Labor Supply**  
(Dissertation)

I study how taxation influences marriage, divorce, and labor supply. The first chapter of my dissertation investigates how joint taxation affects the labor supply of married couples. Same-sex married couples were required to file as single for federal purposes through 2013, but their filing status changed to married after the *United States v. Windsor* Supreme Court ruling. I leverage this unique variation in federal tax rates and household income among same-sex married couples to estimate the overall effects of joint taxation on labor force participation and annual hours of work, to separate the income and substitution effects, and examine how much deadweight loss is created by joint taxation. I use the 2012-2015 waves of the American Community Survey, which are the first U.S. Census Bureau surveys to explicitly identify same-sex married couples, and quantify the substitution and income effects to estimate a generalized difference-in-differences model of extensive and intensive margin labor supply responses. I find that secondary earners were less likely to work in response to higher taxes, while primary earners generally increased hours of work in response to lower taxes. Finally, I extend my estimates to calculate how deadweight loss changes under systems of joint taxation. My findings suggest that joint taxation creates larger labor supply distortions, leading to greater efficiency losses, compared to individual taxation. It may be possible, therefore, to improve efficiency by decreasing tax rates for secondary earners.

The second chapter examines how taxes and welfare generosity affect family formation. I use tax and welfare variation from the Earned Income Tax Credit expansion and from welfare reform in the 1990s to estimate the effects on marrying and divorcing. I examine flows into and out of marriage among respondents in the 1991-1998 waves of the National Longitudinal Survey of Youth 1979, and use test scores to predict who is most likely to be affected by the policy changes. I find that low-earning single parents were more likely to marry due to the EITC expansion and lower welfare generosity. I also find that mid-earning married parents were less likely to divorce and high-earning married parents were more likely to divorce due to the EITC expansion. These estimates are consistent with the impact of these policies on the gains to marriage and divorce and are counter to much of the literature, which finds little effect of the tax and transfer system on family formation.

The third chapter examines the effects of parental marriage on children born to unmarried mothers by building on the work from the second chapter. Much of the previous research in this field focuses on the effects of parental divorce or death on children from intact families, but with increasing birth rates to unmarried mothers, the impact of parental marriage on children born to unmarried mothers is equally important to understand. I use tax and welfare incentives to marry as an instrument for parental marriage in order to identify its effect on children's overall behavior, math and reading scores, and other educational outcomes.

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