

Marriage Penalties in Means-Tested Programs: *Are They Too Expensive to Fix?*

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Building an Agenda to Reduce the Number of Children in Poverty by Half in 10 Years
June 20, 2017

Or,

The Social Welfare State Meets the Sexual Revolution

The Sexual Revolution (and More)

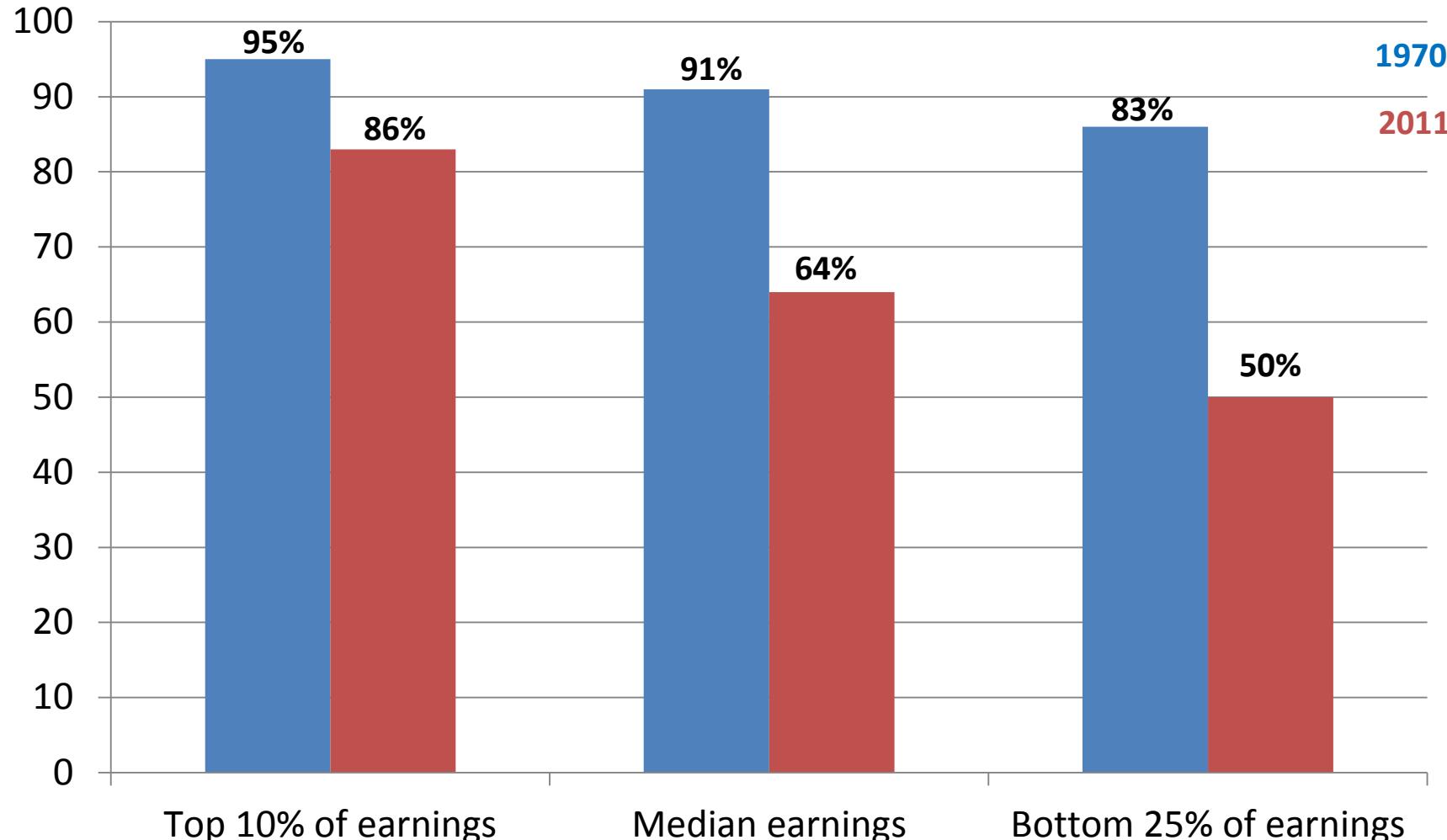
- Less stigma
- Later marriage
- Fewer children
- More divorce
- More nonmarital sex
- More cohabitation
- More (visible) same-sex unions

US Marriage Rates for Men by Earnings Level

Why Does Low Income Correlate with Marriage Declines?

1970 and 2011

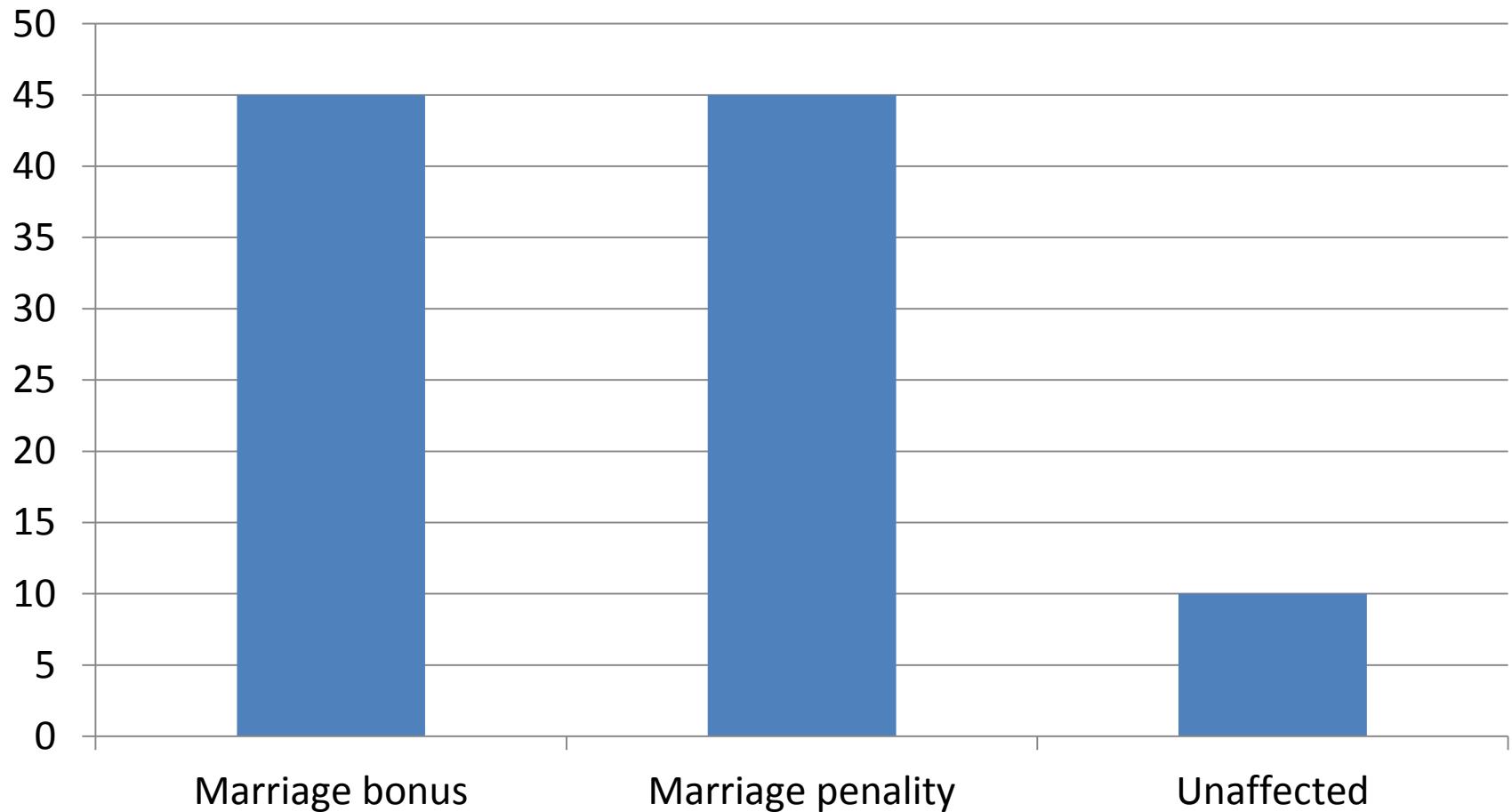
% of men married
(ages 30-50)



Tax Code Winners and Losers

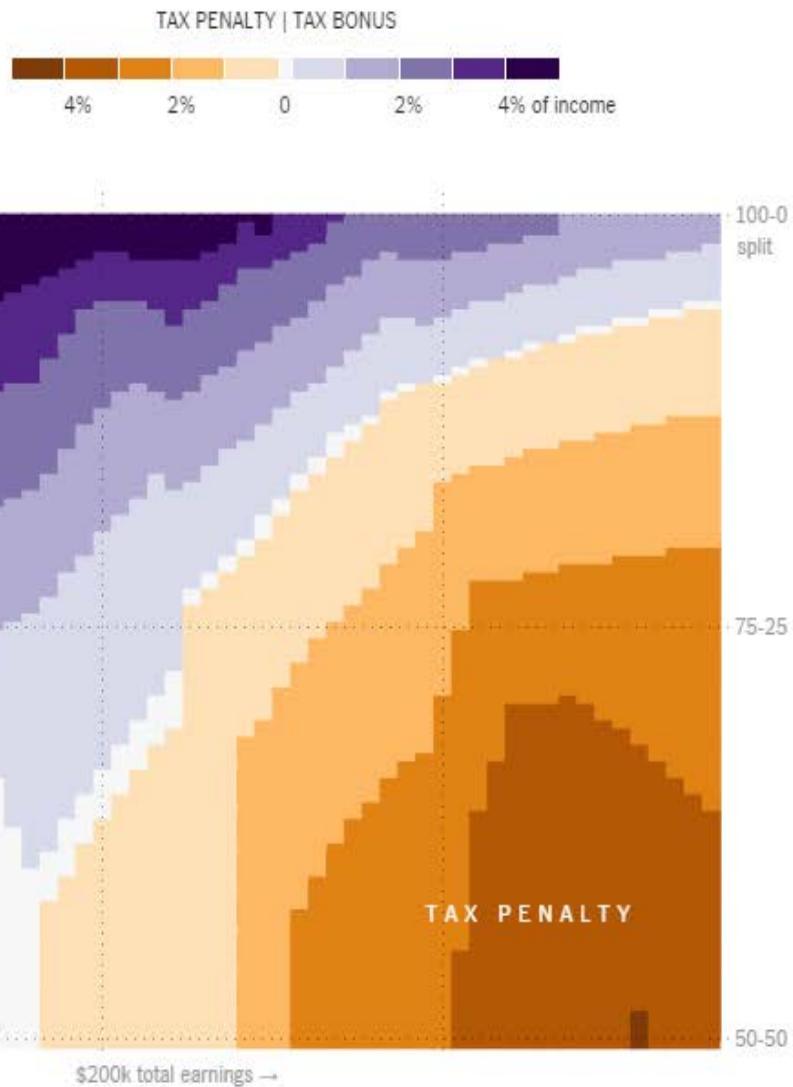
(Roberts and Blankenhorn 2006)

Percent

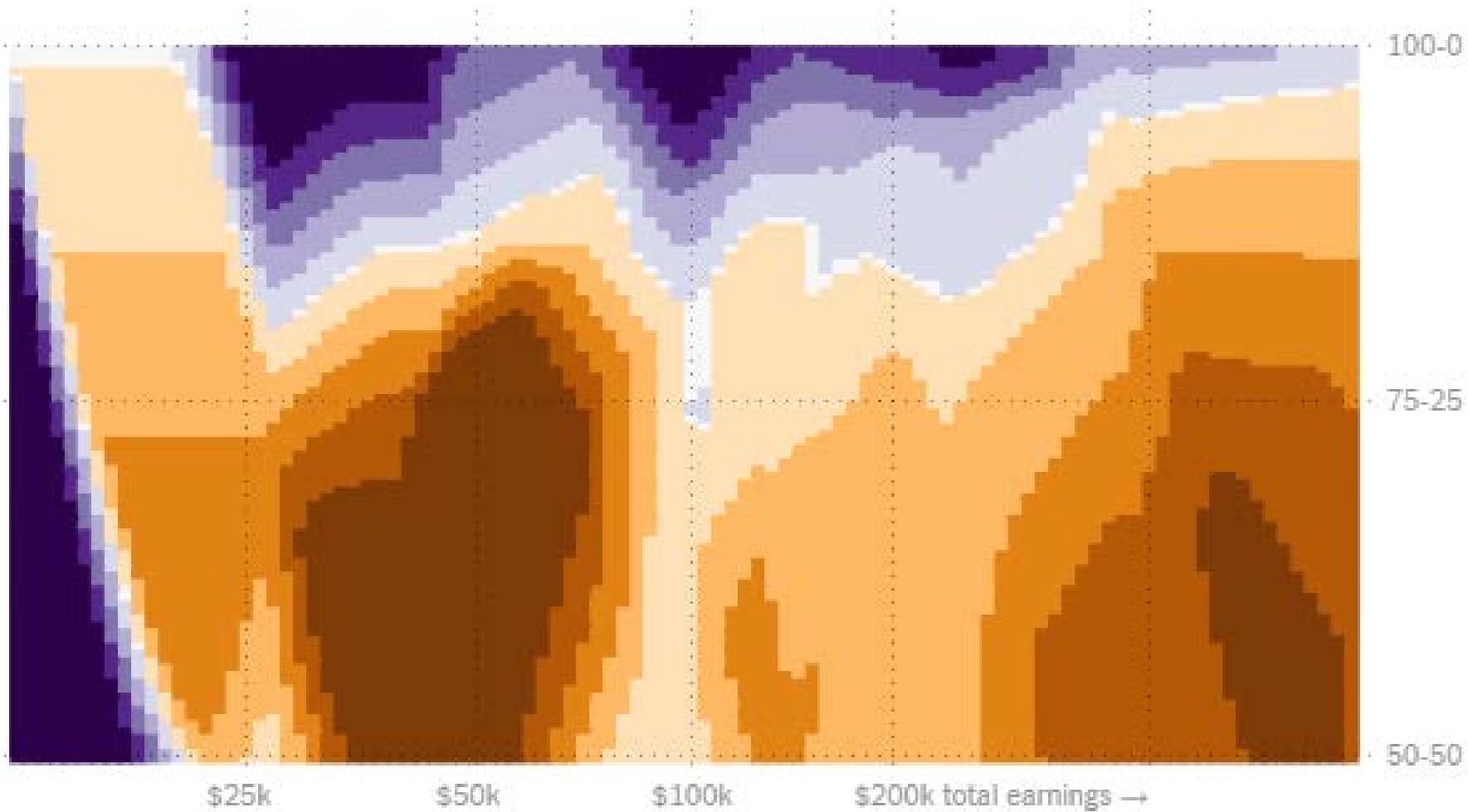


Couples Without Children

Married couples pay more or less in taxes than they would if they were allowed to file like single individuals. The penalty or bonus depends on how much couples make in total, and how evenly their income is divided.



Couples With One Child



Growing Cohabitation in the U.S.

1982-2013

Percent of Women and Men Currently Cohabiting

	1982	1995	2002	2010	2013
Women	3.0%	7.0%	9.0%	11.2%	15.0%
Men	n/a	n/a	9.2%	12.2%	13.5%

Outcome of First Premarital Cohabitation, 2010

	By 1 year	By 3 years
Remain Intact	67.0%	32.2%
Transition to Marriage	19.4%	40.3%
Break Up	13.6%	27.4%

Source: Centers for Disease Control and Prevention, "Key Statistics from the National Survey of Family Growth - C Listing," https://www.cdc.gov/nchs/nsfg/key_statistics/c.htm#currentcohab (accessed June 19, 2017).

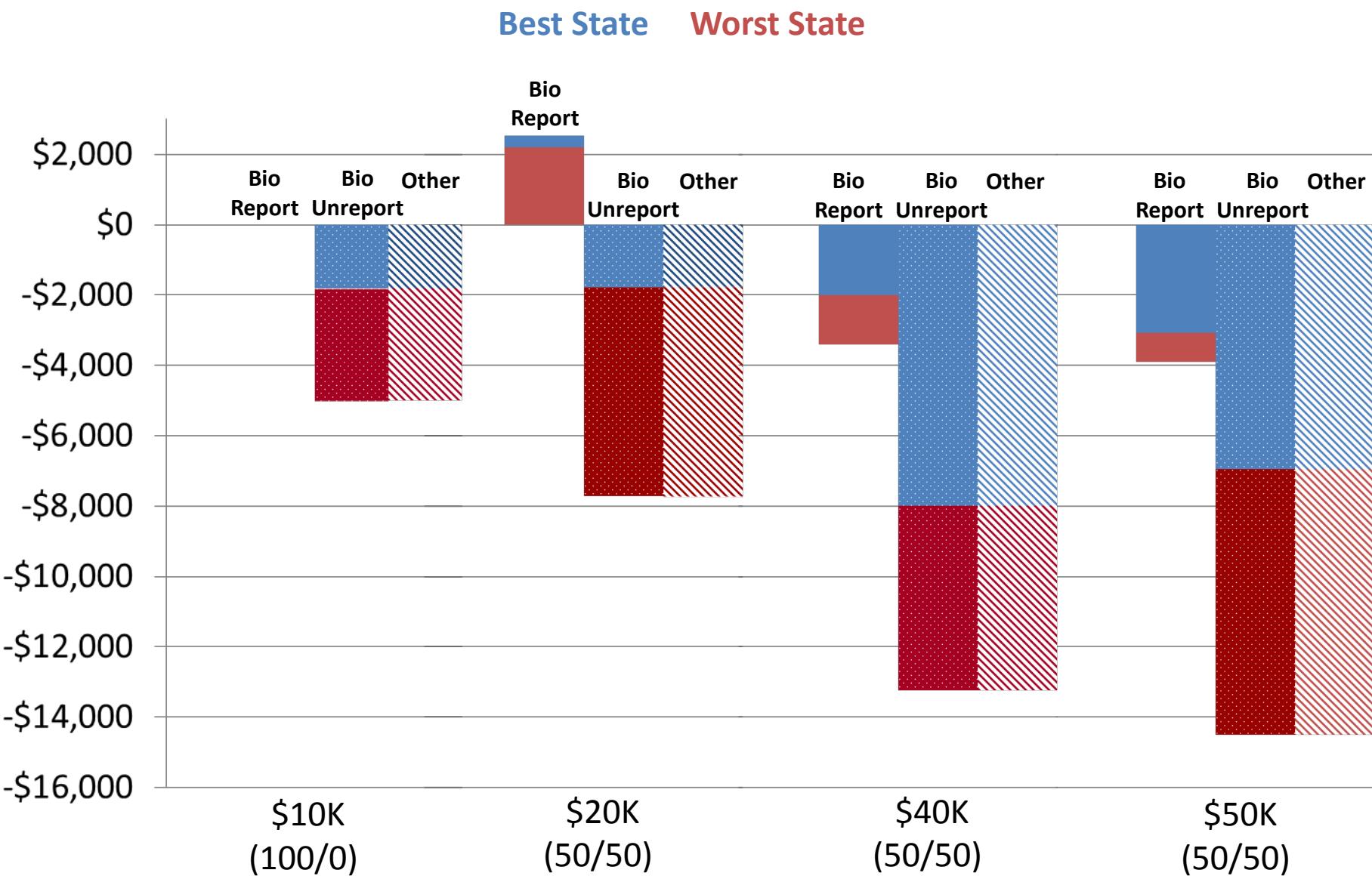
Means-Tested Programs Included in Besharov/Gilbert

Program	Maximum income	Maximum benefit*	Total spending	Phase-out or cliff
ACTC	15% tax bracket (up to \$37,950 if filing singly, up to \$75,900 if filing jointly)	\$2,000	\$20.6 billion	Phase-out
CCDF	85% of state median income	\$17,160	\$6.6 billion	Cliff
EITC	If filing singly, between \$14,880 and \$47,955, depending on # of children	\$5,572	\$70 billion	Phase-out
Section 8 vouchers	50% of median income of metro area or county	\$20,200 (SF metro area)	\$28.9 billion	Cliff
SNAP	130% of FPL	\$6,132	\$77.5 billion	Phase-out
TANF	Between 16% and 100% of FPL, depending on state	\$9,468 (NY State)	\$31.9 billion	Phase-out
WIC	185% of FPL	\$2,610	\$6.2 billion	Cliff

*Family of three (one adult, two children)

Marriage Reduces Means-Tested Benefits

If mother marries biological father of children vs. someone else



Tax/Benefit Treatment of Marriage/Cohabitation

	Taxation			Child Benefit	Means-tested benefits		
	Filing singly	Filing married	Filing cohabiting	Single, Married, or Cohabiting*	Married	Registered cohabiting	Surveillance cohabiting
Austria	X			S, M	X		X
Belgium	X			S, M	X	X	X
Denmark	X			S, M, C	X		X
Finland	X			S, M	X		X
France		X	X	S, M, C	X	X	X
Germany	X	X		S, M	X	SS	X
Greece	X			S, M	X		
Italy	X			S, M	X		
Netherlands	X			S, M	X	X	X
Norway				S, M	X	SS	X
Spain				S, M	X	X	X
Sweden	X			S, M	X	SS	X
Switzerland		X	X	S, M	X		X
UK	X			S, M	X	SS	X
US	X	X		S, M	X		

*Preliminary determinations