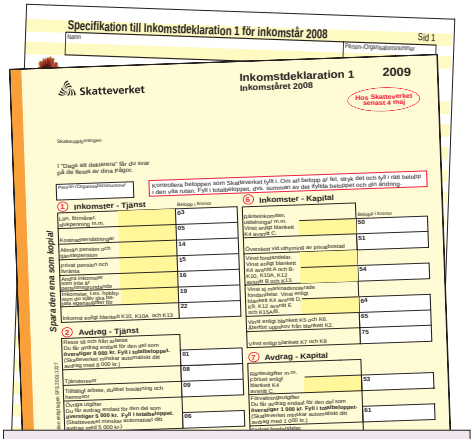
Online Appendix A More on the institutional framework

The Tax Agency provides a lot of information to taxpayers. The information is very detailed as is clear from this excerpt from SKV (2009).



Filing an income tax return


Specifikation till Inkomstdeklaration 1 för inkomstår 2008

Skatteverket

Inkomstdeklaration 1 2009
Inkomståret 2008

Hos Skatteverket senast 4 maj

Spara den ena som kopia!

1 Inkomster - Tjänst

2 Avdrag - Tjänst

6 Inkomster - Kapital

7 Avdrag - Kapital

Declare your income on the Internet or by phone

Most taxpayers can file their tax returns on the Internet. Visit **www.skatteverket.se** to find out who can use this service and how to proceed it.

To file your tax return on the Internet you go into **www.skatteverket.se (E-tjänster→ Inkomstdeklaration).**

If you don't need to make any changes, you can approve your income tax return by telephone (020-567 100) or via sms (711 44).

Everyone receiving an income is required to file a tax return (self assessment) the year after the income year. The income year is the year in which the income (e.g. wages or pensions) is paid out and your employer – or whoever pays out your pension – makes a tax deduction for it.

At the beginning of April, the Tax Agency will send you:

- **A tax return form**

Everyone required to declare income will receive a tax return form, 'Inkomstdeklaration'. Many particulars on the form have already been filled in by the Tax Agency (Skatteverket).

- **An income specification**

This is a list itemising the income statements (kontrolluppgifter) sent to both you and the Tax Agency.

- **A preliminary tax estimate**

You will also get a preliminary estimate of your tax. It will be based on the information the Tax Agency has filled in on your tax return.

- **Payment slips**

In addition, you will be sent tax payment slips that you can use if you need to pay more tax.

Last day! 2 May by 24.00

If 2 May is a Saturday or Sunday, tax returns must be submitted by Monday at the latest.

Income year	Assessment year (the year after the income year)	
January–December	January	May
All the income you have received during this year must be declared in the following year's income tax return.	**In January**, you will be sent income statements for your earnings the previous year. Your employer sends the income statement both to you and to the Tax Agency. You will be sent your tax return form in April.	**By 2 May** at the latest the Tax Agency must have received your income tax return.



How to fill out the form:

Check that all income statements are included in the specification sent to you and that the amounts are correct. Most of the information in the specification is also filled in on your tax return form.

Are the amounts filled in on the tax return form correct and is all the information included?

NO → Correct what is not correct! Add any missing information! You can do this on the Internet with electronic legitimation or on the form.

Sign (electronically or on the form) and send it in!

DONE!

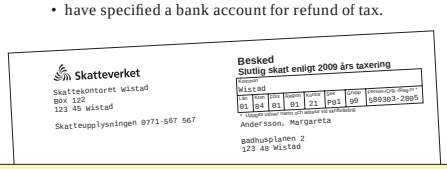
YES → File your tax return via the Internet with security code, by phone, by sms – or sign the form and send it in!

DONE!

Tax refund

If you are salaried or a pensioner you can receive your tax refund by June. But to do this you must

- file your tax return via the Internet, phone or sms and
- have specified a bank account for refund of tax.



Everyone has a tax account

The tax account provided by the Tax Agency shows your preliminary tax figure based on income statements as well as your own tax payments, your final tax figure and other details.



June

In June a final tax statement (slutskattebesked) and a statement of account (kontoutdrag) are sent out to most employees and pensioners who have filed a tax return, via the Internet, by phone or by sms and who are due to get a refund. This applies only to those who have specified a bank account.

August – September

By September at the latest, final tax statements and statements of account are sent out to most people who have sent in an income tax return and who have not received a final tax statement in June. Those who have paid too much tax will now get their money back.

December

By mid-December at the latest, final statements and statements of account are sent out to those who did not get them before. Those who have paid too much will now get their money back.

The tax account: interest rates

The taxpayer's tax account is interest bearing. During the assessment year 2007, a surplus on the tax account earned a tax exempt interest of 1.35 percent from 13 February 2007. This interest rate was increased to 1.8 percent from 1 July 2007. The increase was decided 25 June 2007. Interest was earned until the surplus was refunded.

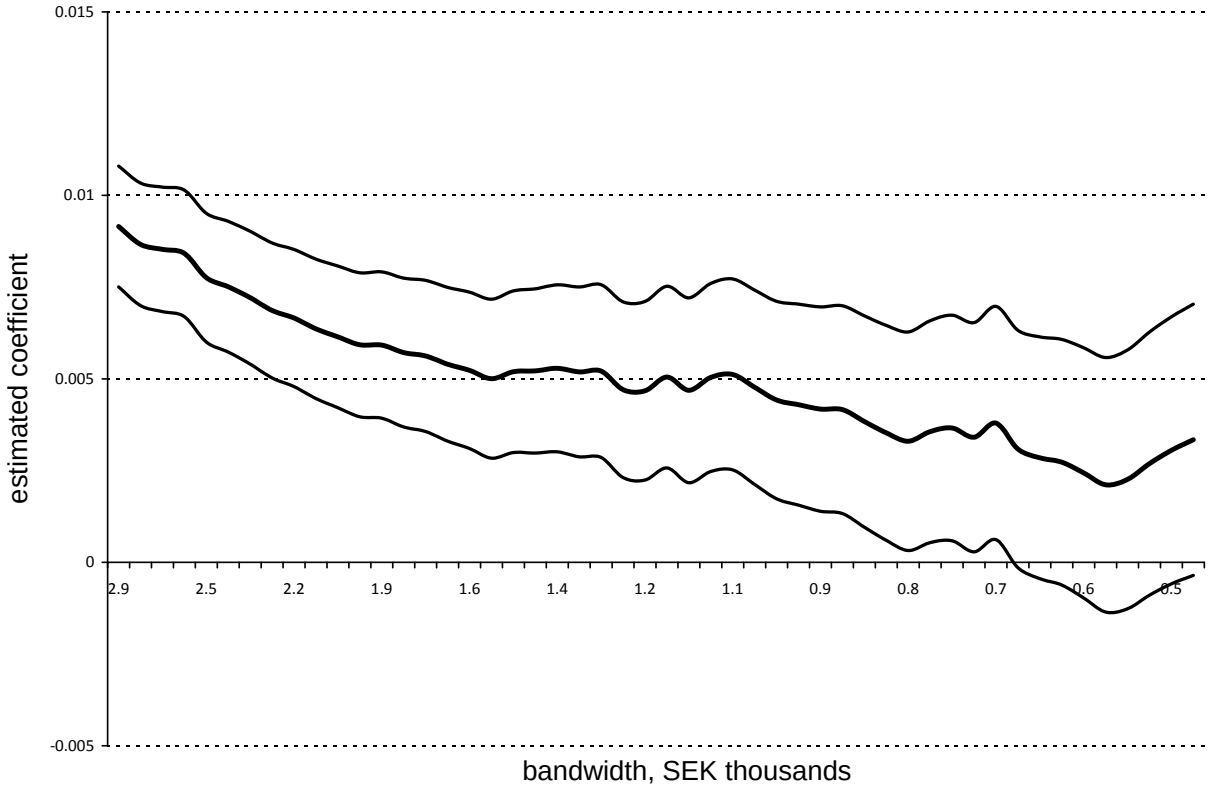
The taxpayer has to pay interest on tax account deficits. This interest is non-deductible. The interest rates were as follows for 2007:

from	deficit	interest rate, percent
13 February	<=20000	0
	20001-30000	3
	>30001	3.75
4 May	<=30000	3
	>30000	3.75
1 July	<=30000	4
(rate increase)	>30000	5
due date	<=10000	4
	>10000	19

Preliminary employment income taxes at source

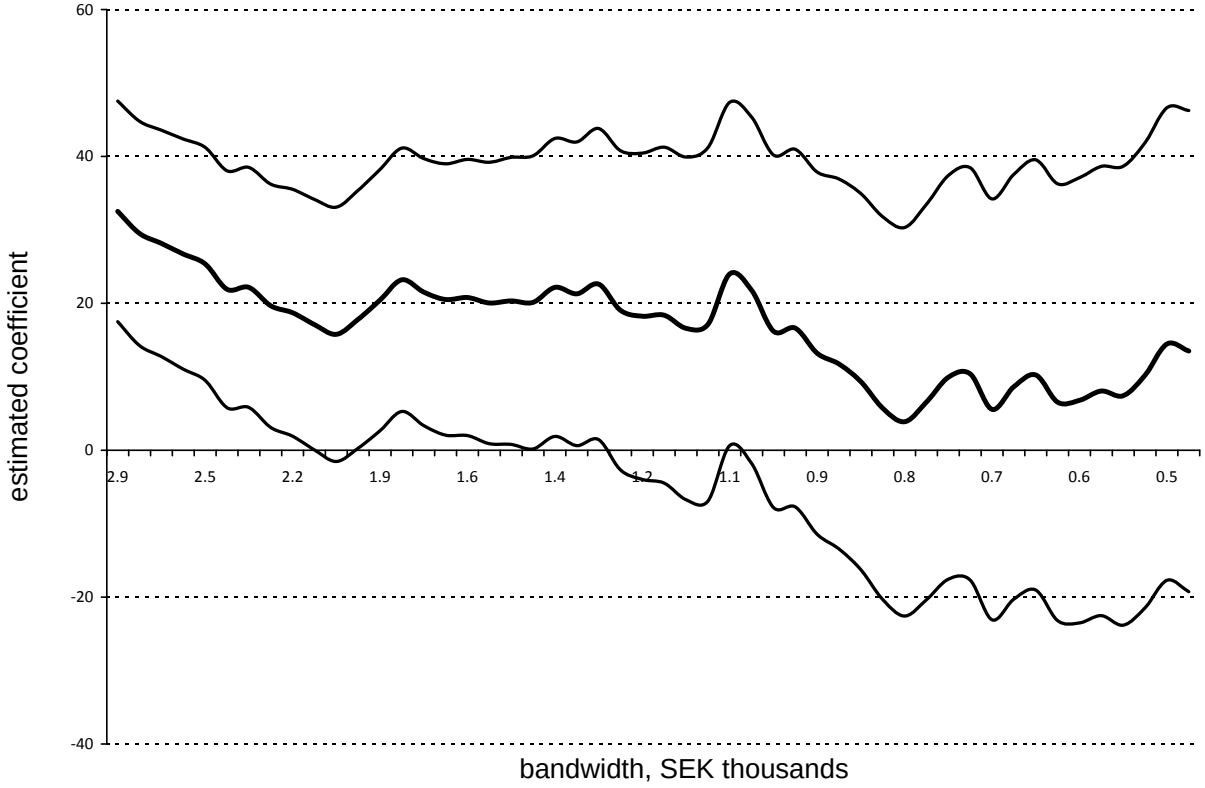
Taxes at source are withheld according to the Tax Agency's tables. There was one table for each integer local income tax rate from 29 percent to 37 percent in 2006. Taxpayers facing local income tax rates with decimals of a percentage $\leq .50$ pay preliminary income taxes according to the closest downward integer percentage table, while taxpayers facing local income tax rates with decimals of a percentage $> .50$ pay preliminary income taxes according to the closest upward integer percentage table.

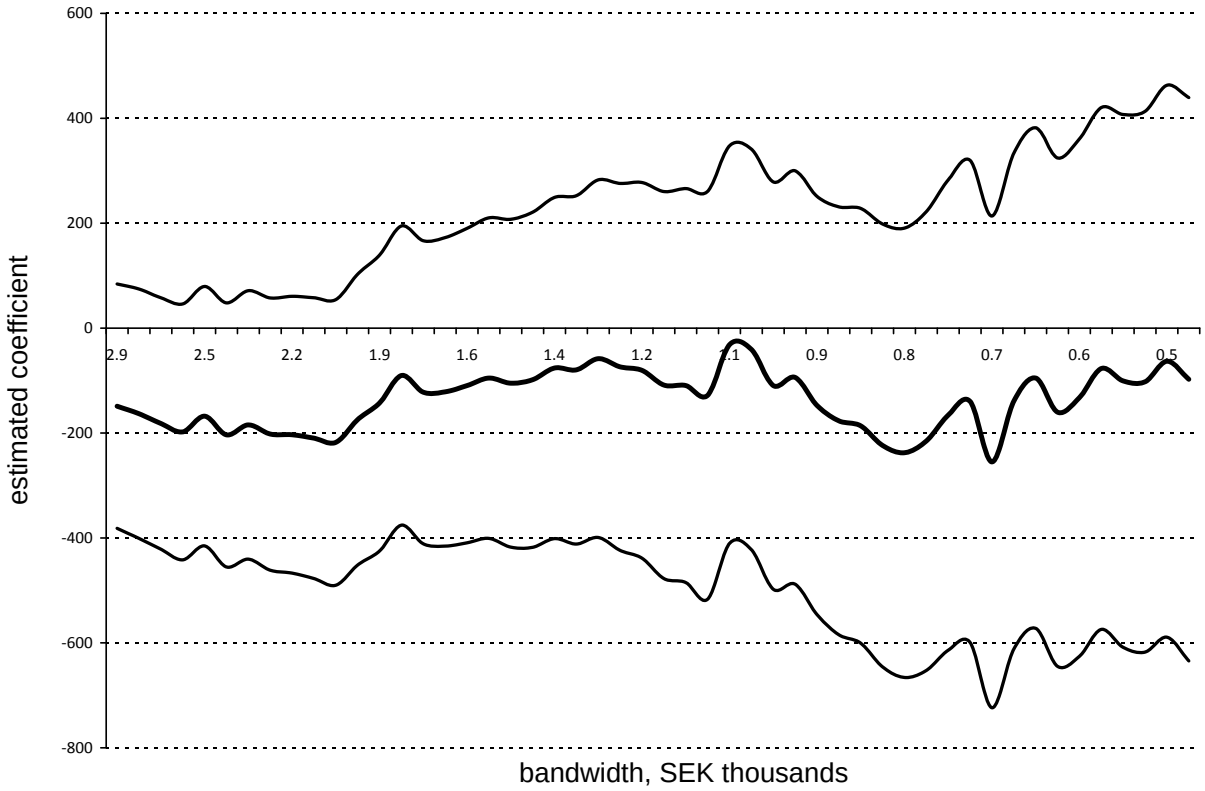
Online Appendix B Discontinuity estimates



Appendix Fig. 1: Discontinuity—estimates of β_0 for the deduction probability.

Appendix Fig. 2: Discontinuity—estimates of β_0 for the unconditional amount deducted.

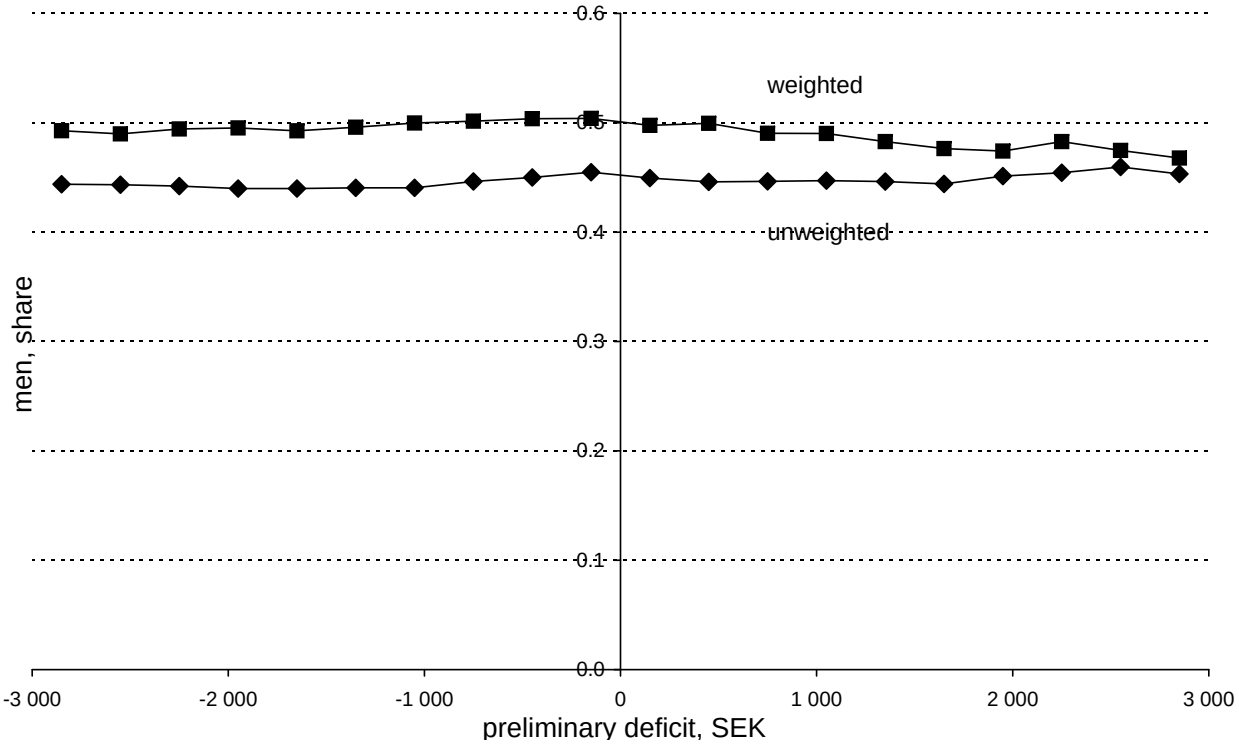


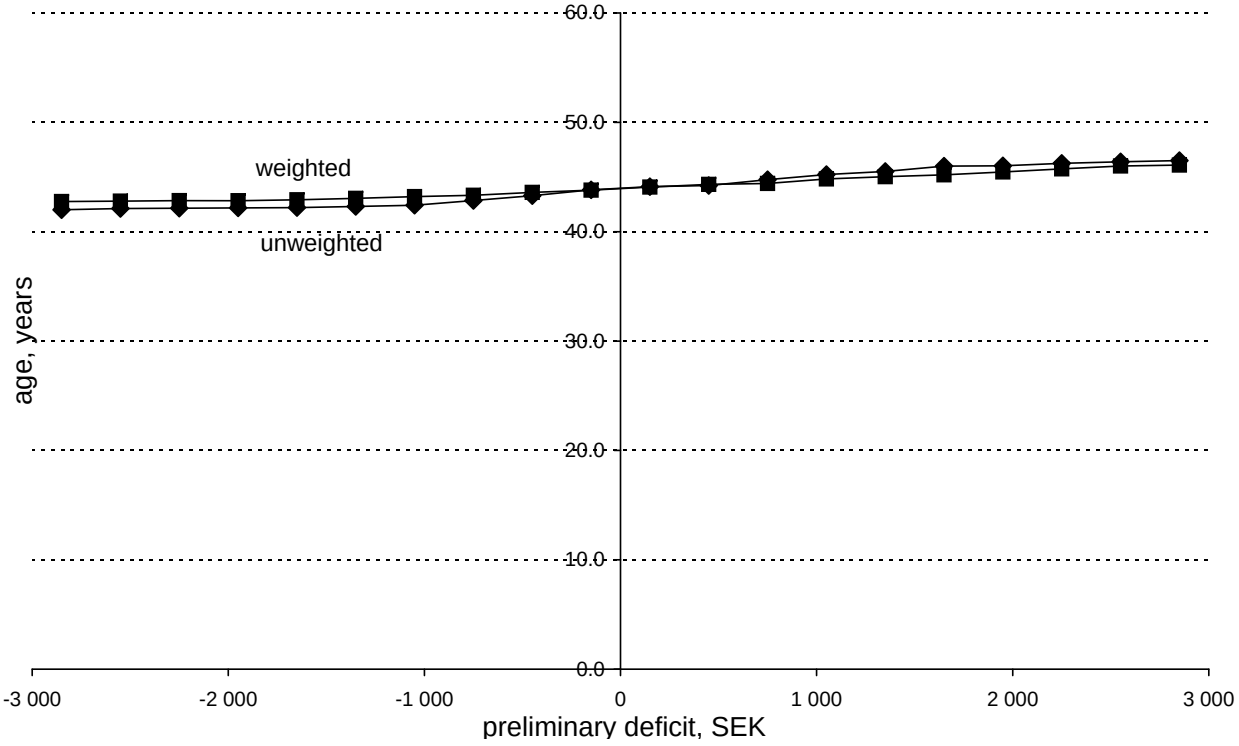


Appendix Fig. 3: Discontinuity—estimates of β_0 for the conditional amount deducted.

Online Appendix C Estimates for covariates

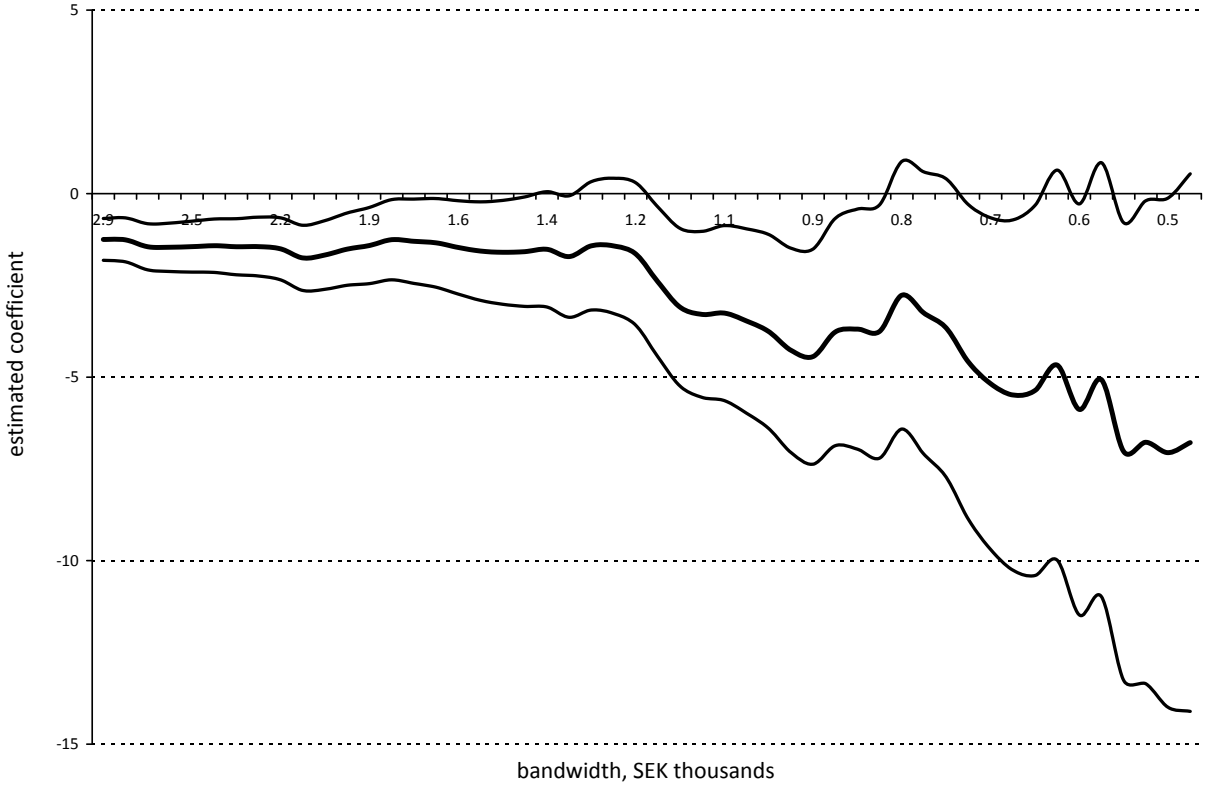
Appendix Fig. 4: Gender as a function of the preliminary deficit.





Appendix Fig. 5: Age as a function of the preliminary deficit.

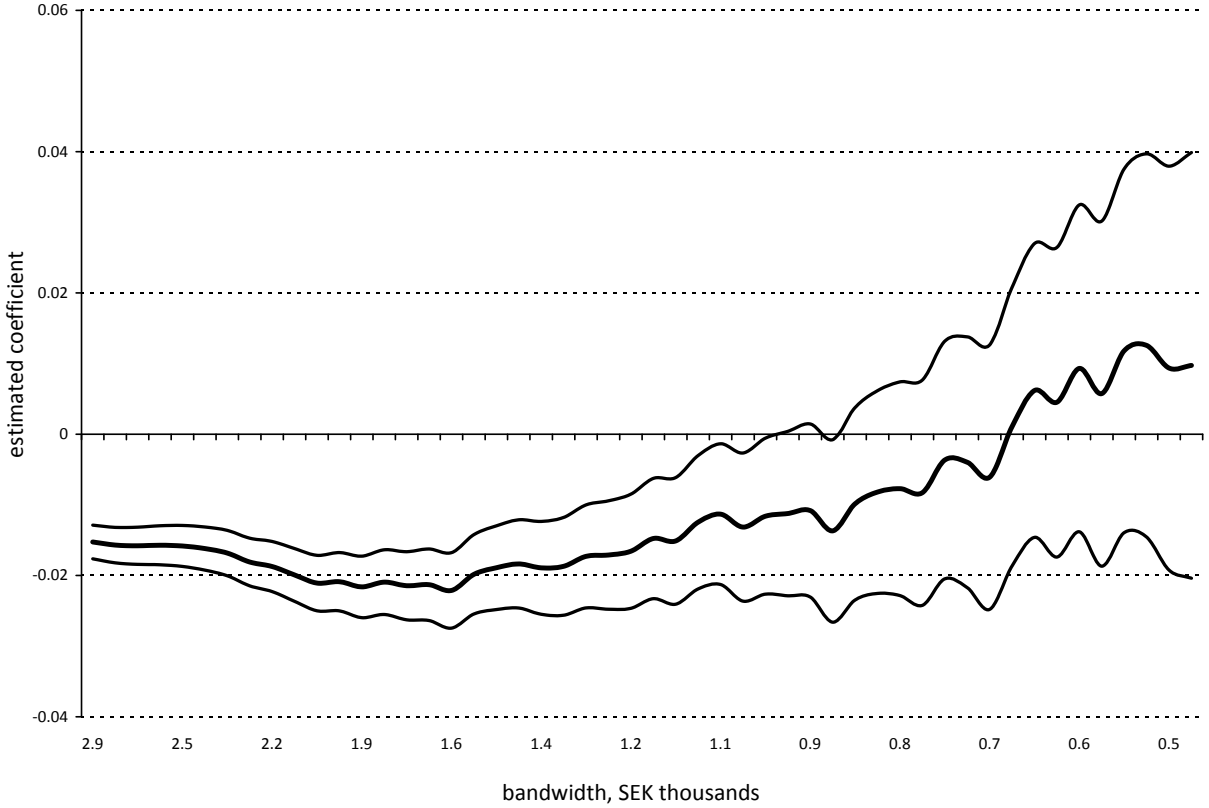
Appendix Fig. 6: Kink estimates for employment income.

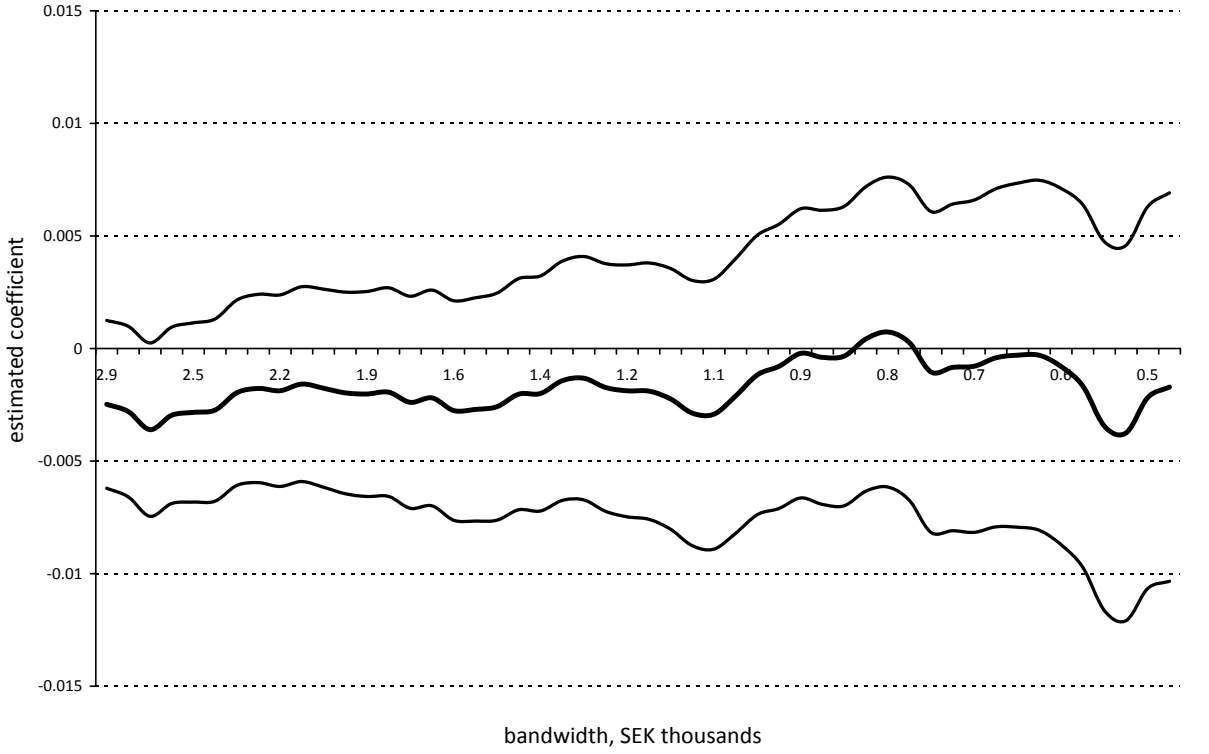




Appendix Fig. 7: Discontinuity estimates for employment income.

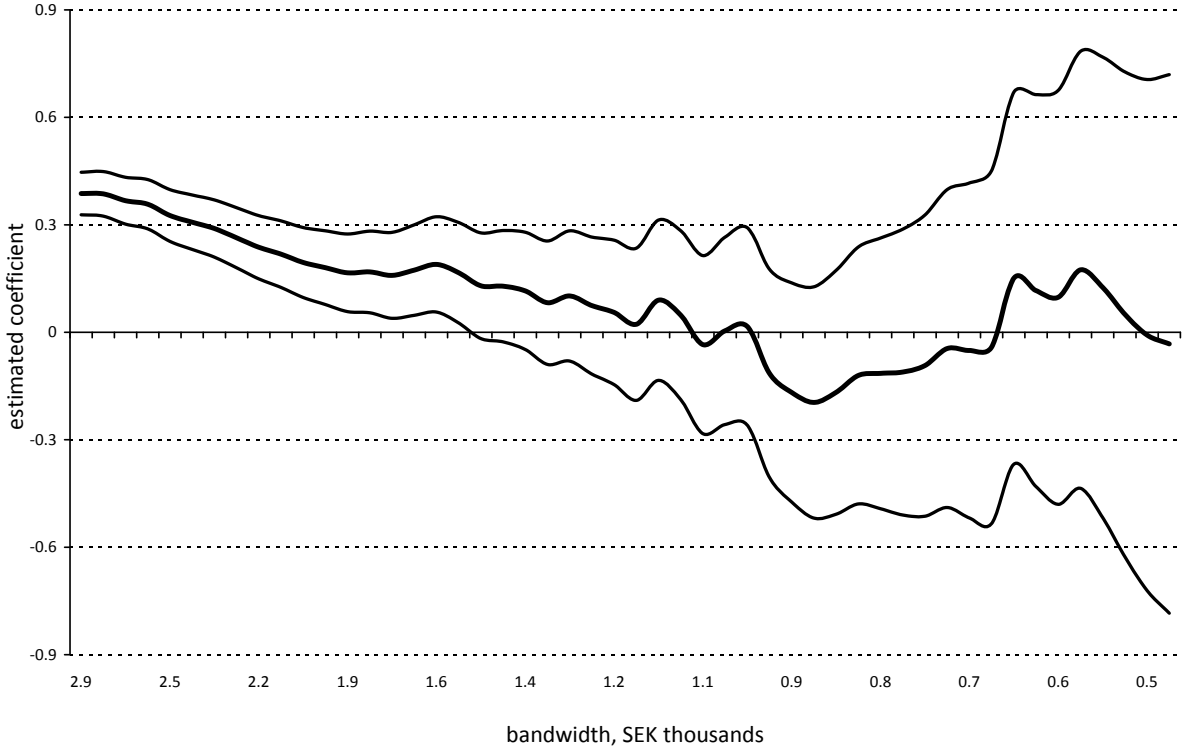
Appendix Fig. 8: Kink estimates for gender.

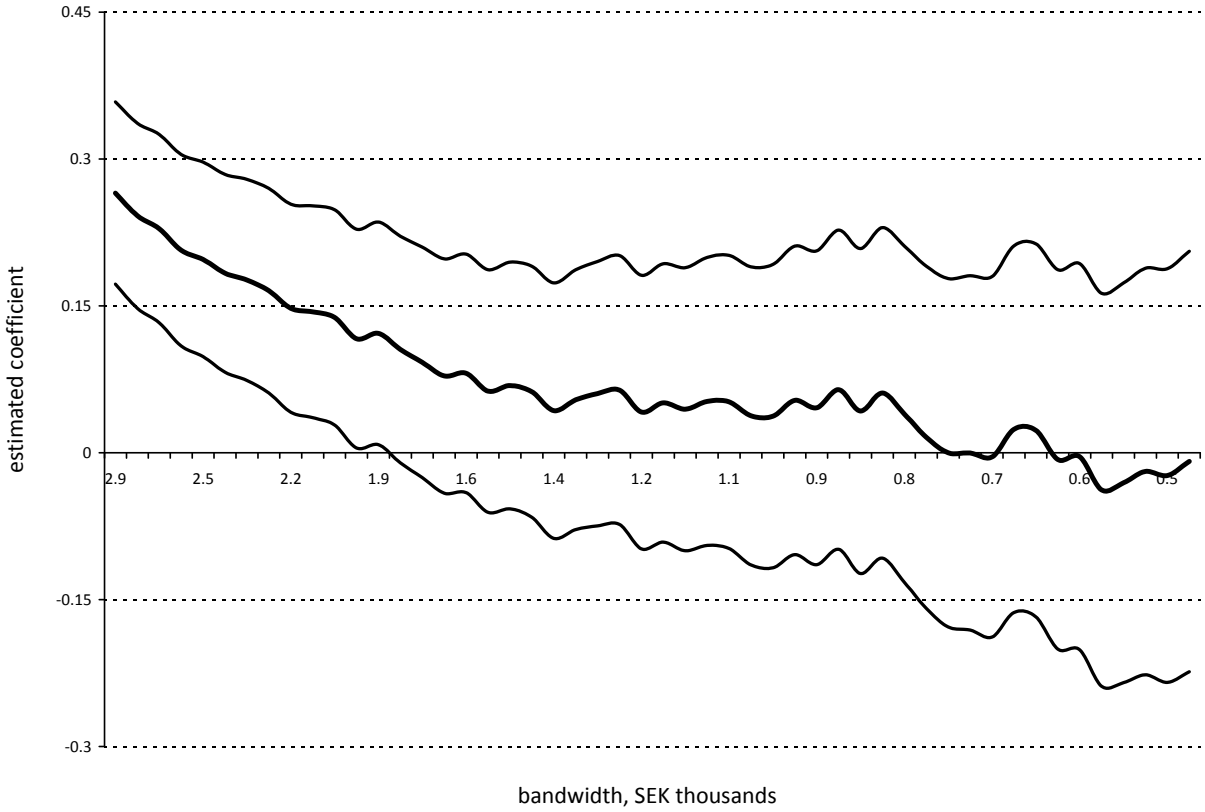




Appendix Fig. 9: Discontinuity estimates for gender.

Appendix Fig. 10: Kink estimates for age.

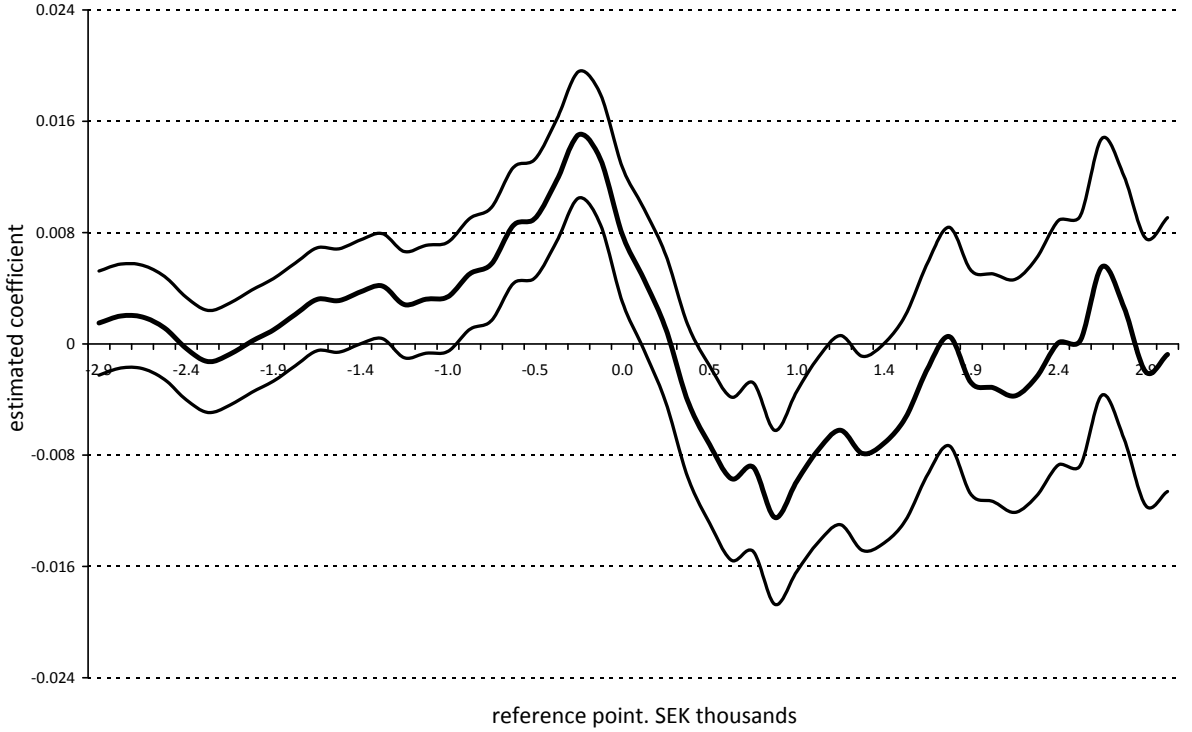


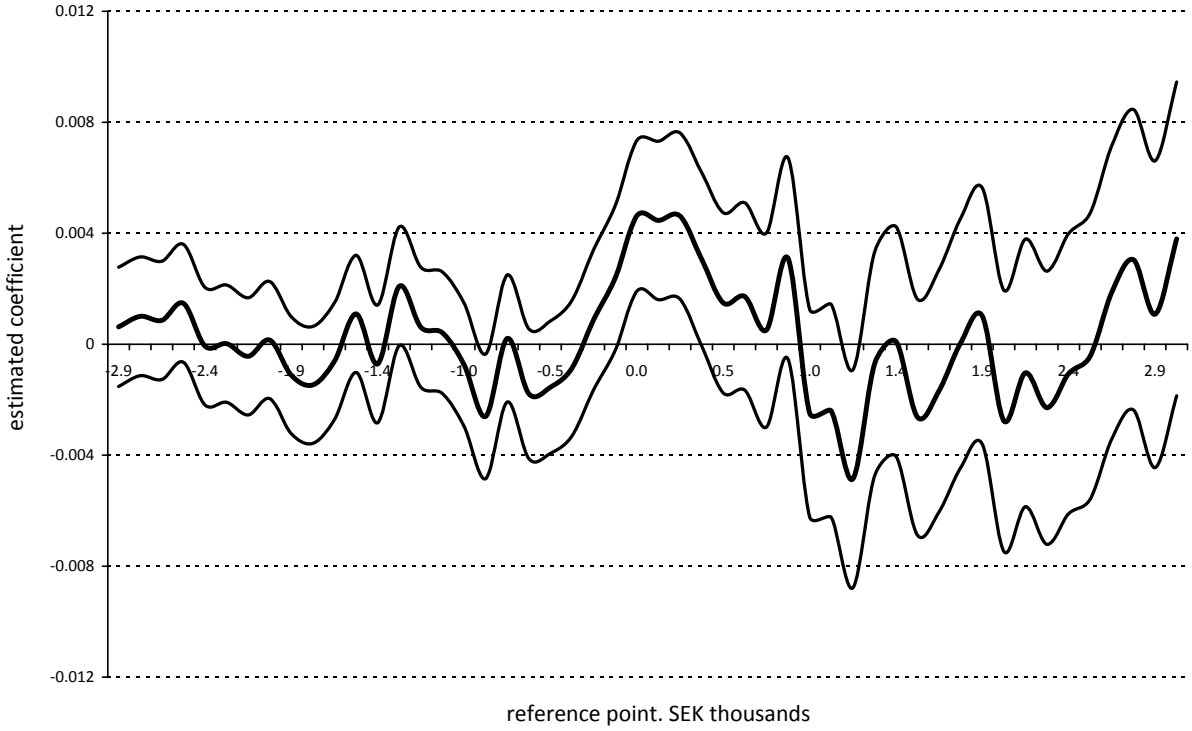


Appendix Fig. 11: Discontinuity estimates for age.

Online Appendix D Placebo estimates

Appendix Fig. 12: Kinks—placebo estimates of β_1 for the deduction probability.

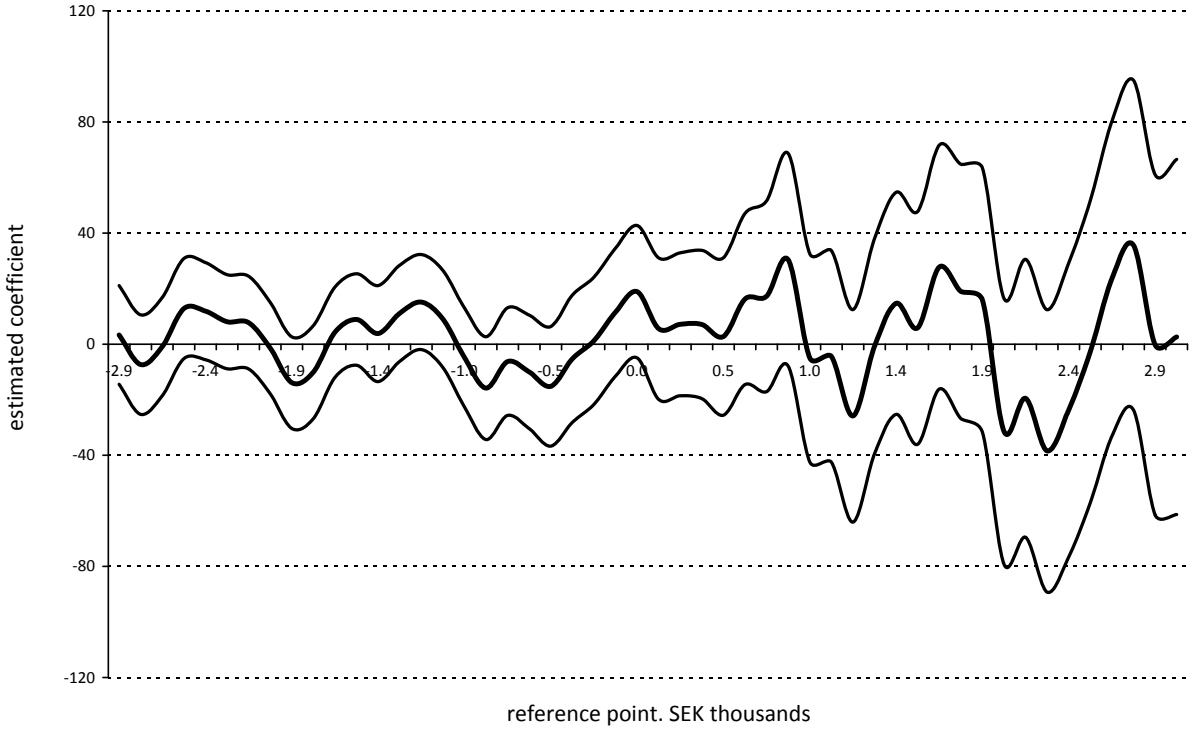




Appendix Fig. 13: Discontinuities—placebo estimates of α_1 for the deduction probability.

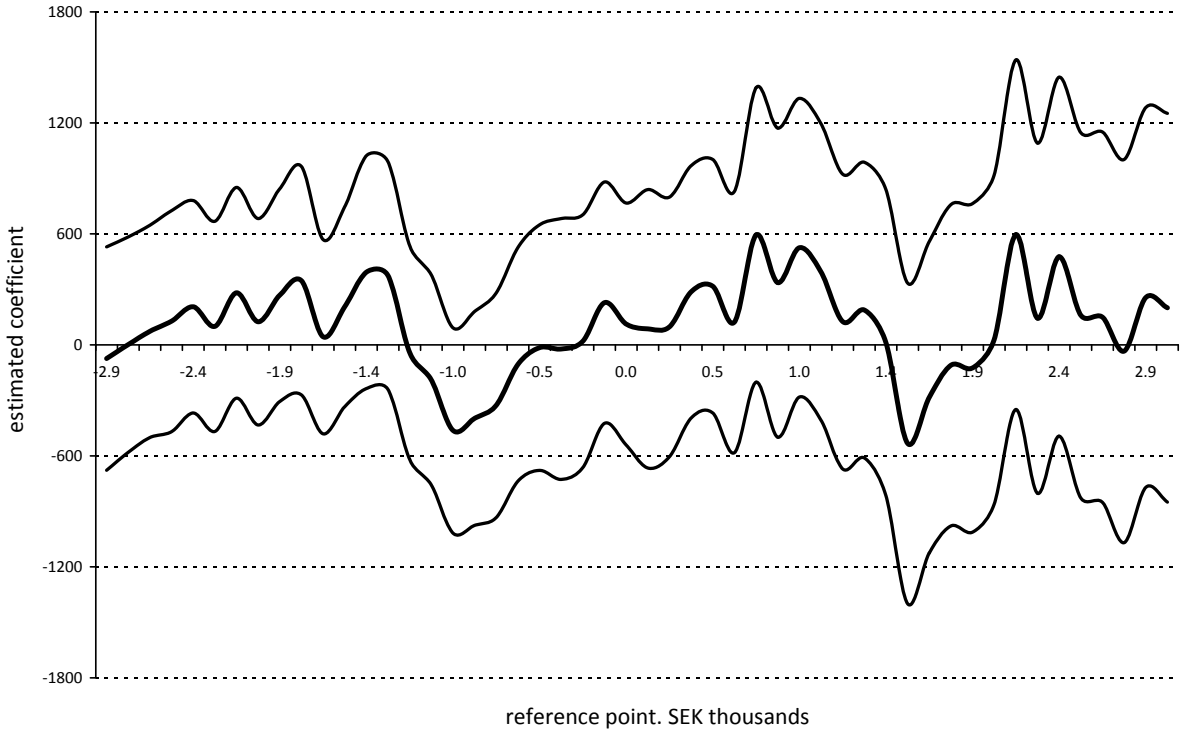
Appendix Fig. 14: Kinks—placebo estimates of β_1 for the unconditional amount deducted.

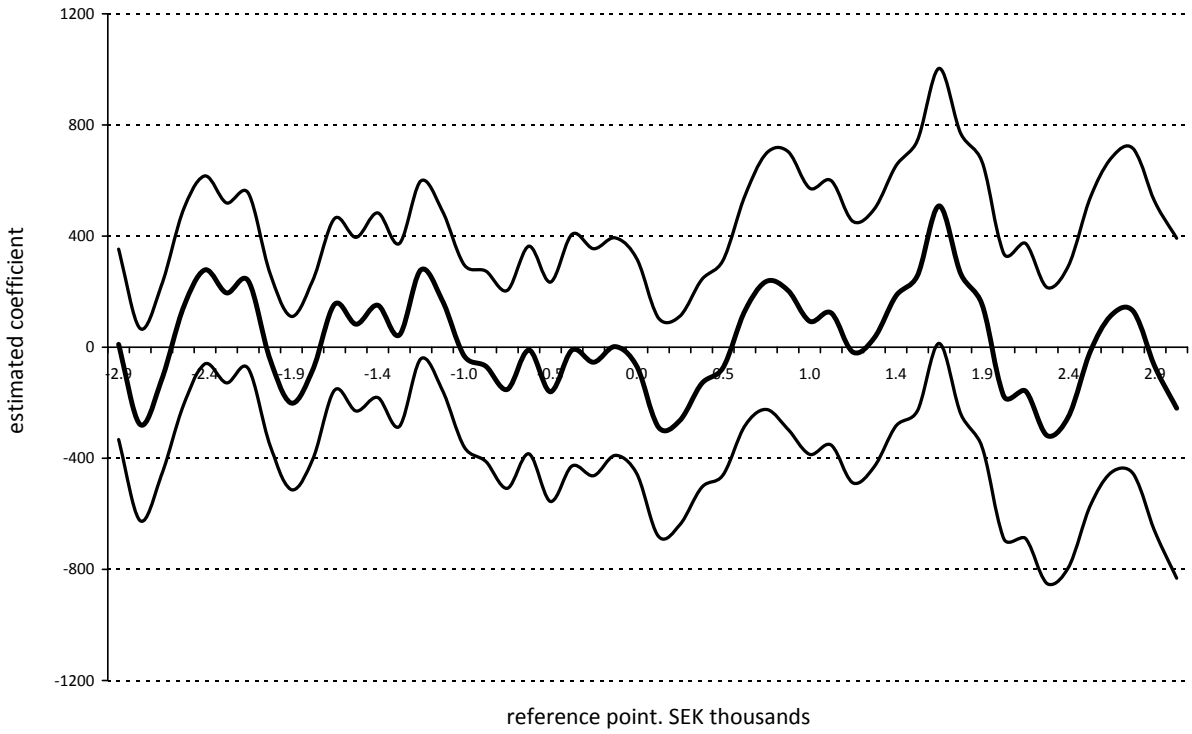




Appendix Fig. 15: Discontinuities—placebo estimates of α_1 for the unconditional amount deducted.

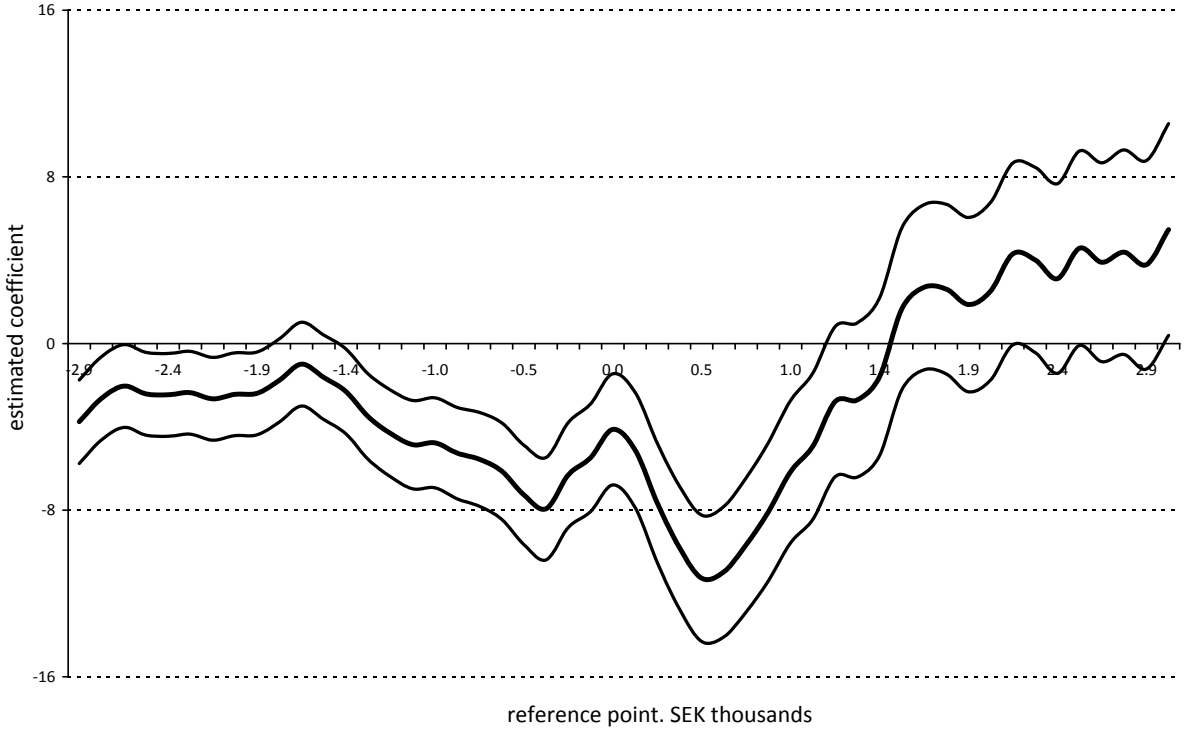
Appendix Fig. 16: Kinks—placebo estimates of β_1 for the conditional amount deducted.





Appendix Fig. 17: Discontinuities—placebo estimates of α_1 for the conditional amount deducted.

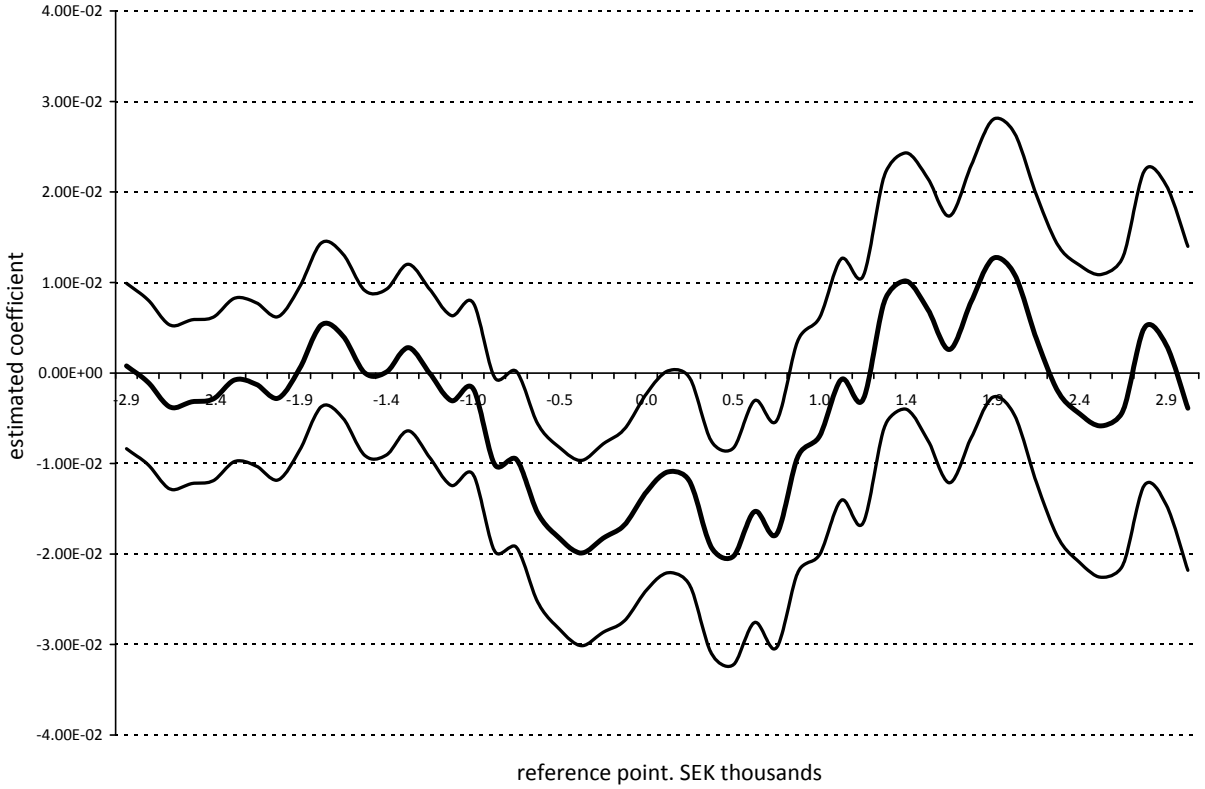
Appendix Fig. 18: Kinks—placebo estimates for employment income.





Appendix Fig. 19: Discontinuities—placebo estimates for employment income.

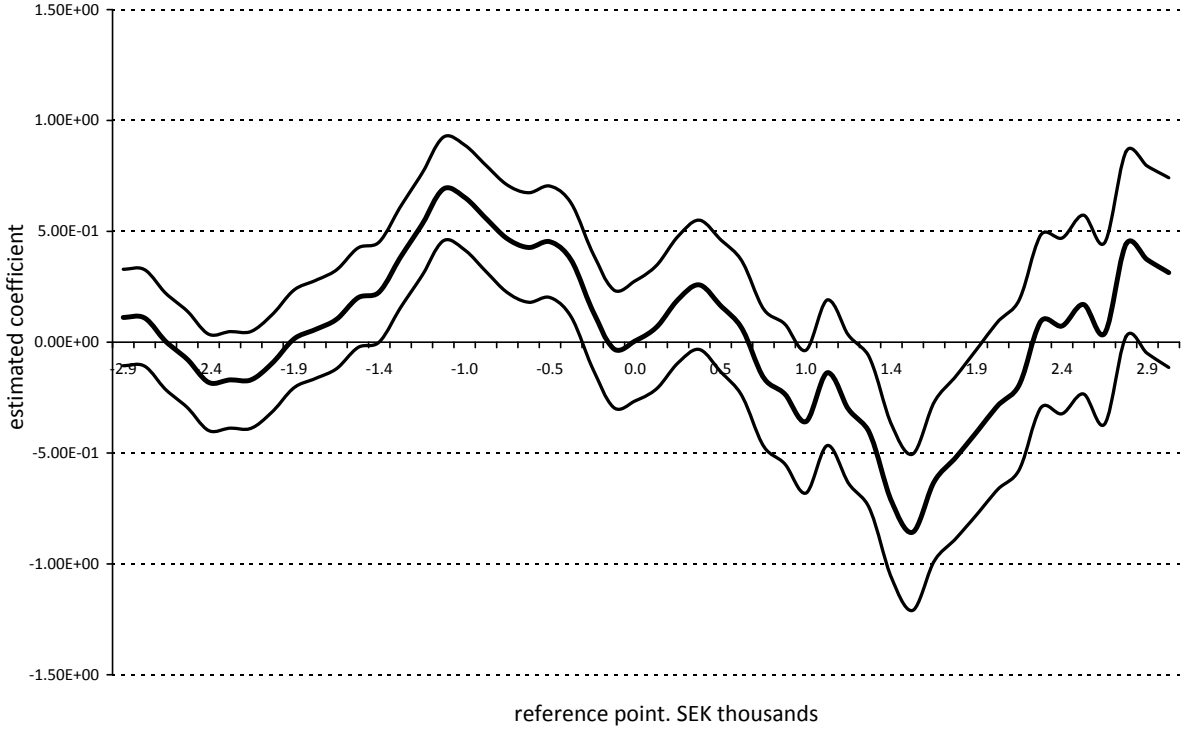
Appendix Fig. 20: Kinks—placebo estimates for gender.

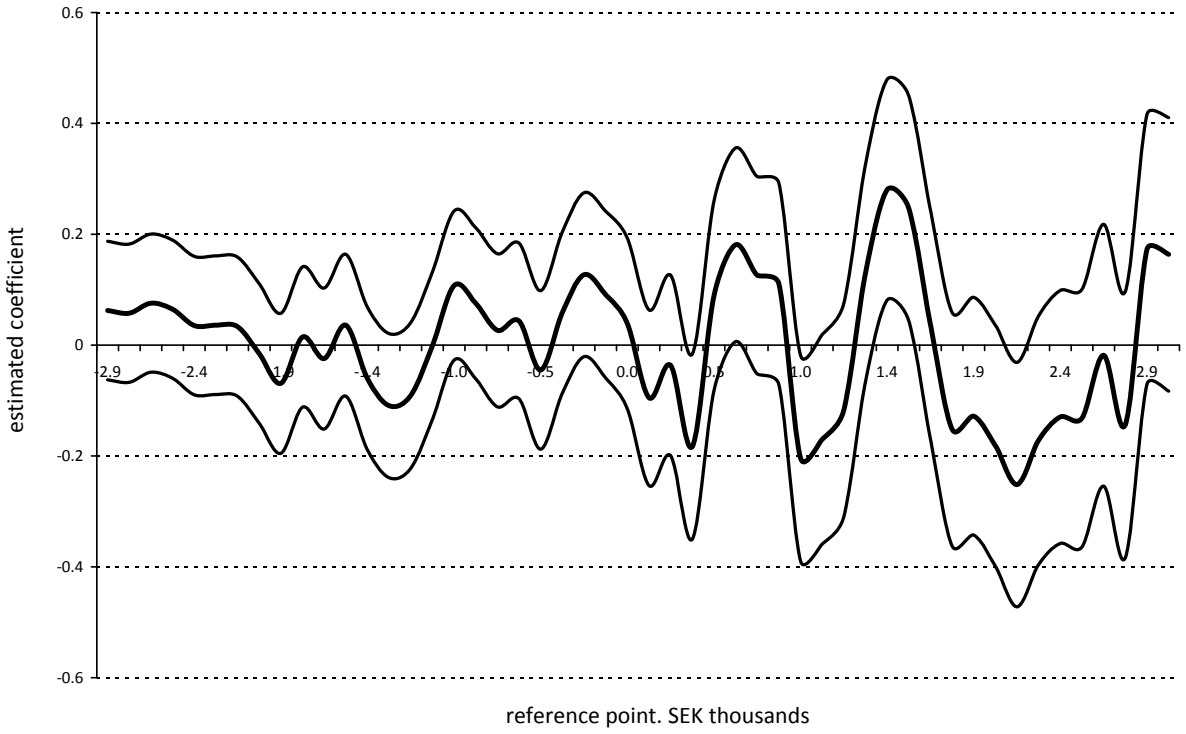




Appendix Fig. 21: Discontinuities—placebo estimates for gender.

Appendix Fig. 22: Kinks—placebo estimates for age.





Appendix Fig. 23: Discontinuities—placebo estimates for age.