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This paper, like the others at this session, presents some preliminary results from the 1973 CPS-IRS-SSA Exact Match Study. The thrust of the analysis here will be to evaluate the Current Population Survey (CPS) data using Internal Revenue Service (IRS) information as the standard or "truth." The data elements that will be examined are wages and salaries, self-employment, interest and dividend income. Although there are cases in which persons can legitimately report the receipt of these income types in the CPS and not report this income to IRS, such cases are relatively few and will be generally ignored.

Before going into the details of the analysis, it might be well to reiterate some of the points made in the general session introduction and in the Sailer-Vogel paper about the content of the IRS portion of the study. The IRS information provided to the Census Bureau for the project was extremely limited. The only amount items that were available for linkage were adjusted gross income, wages, dividends, and interest. 1/ Codes, however, were provided to indicate the type of return filed, the types of schedules used, and the number of exemptions claimed.

### DETERMINATION OF UNIT FOR ANALYSIS

In order to evaluate CPS income reporting using the IRS information, one must first arrange the data into comparable units. Two possible choices for the unit of analysis were considered: families and tax units. Tax units were chosen for this preliminary analysis because they were fairly easy to construct and interpret. Families will be used in our final analyses when we have resolved the problems which arise because of the existence of mismatches and erroneous nonmatches. 2/

Two types of tax units were used, husband-wife units where a joint return was filed and other units:

- 1. <u>Husband-Wife</u> <u>Units.--Husband-wife</u> units were formed for married men, with wife present, filing a joint return. In these cases the wife's CPS income information has been combined with that for her husband. The survey data for the couple can then be compared directly with the information on their joint return.
- Other Units.--All other persons filing returns were put in this group. This includes married persons who are living together but filing separately, married persons who are living apart (whether or not they were filing jointly), and unmarried persons filing a single, head of household, or surviving spouse return.

There were 101,287 sampled persons in the March 1973 CPS. Of this group, 67,756 were matched to a

Federal tax return. Of these persons, 49,214 were husband-wife couples filing joint returns (24,607 filing units). Of the 18,542 remaining filing persons, 822 filed joint returns and 17,720 filed other returns. 3/

In total there were 33,531 persons age 14 or more for whom no tax return was available. For better than two-thirds of these individuals (24,707), it is probable that no return was filed.4/ In the remaining 8,824 cases the matching procedures used were such that we were unable to determine filing status. This latter group should be kept in mind when reading the subsequent sections since it represents an important limitation on these preliminary results.

### RECIPIENCY

The presence of "yes-no" indicators for each person for income types in the CPS makes the determination of recipiency of the various types straightforward in the survey data. In determining CPS recipiency status for husband-wife units, the couple was determined to have a particular type of income if either party indicated that they had such income; they did not have such income only if both parties indicated that they had none.

Determination of IRS recipiency for wages and interest was also straightforward because of the presence of actual amounts on the abstract used in the study. IRS recipiency status for dividends was not determinable because the IRS information consisted just of the amount of dividends after the dividend exclusion (\$100 for single returns and \$200 for joint returns). Because a large number of persons receiving dividends receive less than this amount, one cannot determine from the IRS data whether a person had no dividends or had an amount less than the exclusion.

IRS recipiency status with regard to self-employment income was determined by the presence or absence of Schedules SE, C or F. 5/ If any of these schedules were indicated, the unit was considered to have self-employment earnings. Units were considered to have IRS nonfarm selfemployment earnings if a Schedule C was present.

<u>Salaries and Wages.--</u> CPS and IRS recipiency status for wages are compared in table 1 at the end of this paper. Before commenting on the results shown there, something needs to be said about how to read the tabulation. The top half of the table shows the CPS data for filing units (husband-wife couples filing joint returns and other persons filing individual returns). For these filing units the reporting and allocation of recipiency in the CPS can be evaluated by comparing it to the information on the tax return. The bottom half of the table shows the CPS recipiency status for that portion of the sample where the IRS status was not determinable.

Of the 24,607 husband-wife couples who filed joint returns, about 92 percent (22,617) responded to the wage and salary question in the survey. Of these units, 96.3 percent (21,785) responded correctly. There was, however, a considerable difference in the percentage of units responding correctly between those who reported that either the husband or wife were recipients (98.5 percent correct) and those responding that neither of them was a recipient (79.0 percent correct). For other units, the proportion reporting correctly was somewhat less than for husband-wife units (91.7 percent). This was due mainly to the fact that the percentage of persons correctly reporting no wages fell to only 57.3 percent. In any case, the data indicate that, for reported CPS wages, the lion's share of the errors made were situations in which IRS wages exist but no wages were reported in the CPS. This is consistent with the observed short-fall of the survey aggregates compared to (For income year 1972, the CPS benchmarks. aggregate was 98 percent of the benchmark figure.)

The overall correctness of allocated recipiency for filing units who did not respond to the question in the survey was only slightly poorer than for respondents. Furthermore, they had the same overall pattern. There does, however, appear to be a tendency to overassign nonrecipiency for wages. Only about one-half of such assignments are correct.

Self-Employment Earnings.-- Tables 2 and 3 show recipiency information for total self-employment and nonfarm self-employment earnings, respectively. Overall, the accuracy of recipiency reporting for self-employment was not as good as for wages. Of the filing units responding to the questions on self-employment earnings in the survey, CPS and IRS recipiency status agreed over 90 percent of the time. (90.0 percent of the husband-wife units and 96.2 percent of the other units responded correctly in the survey.) The reporting of recipiency status was much less accurate for units reporting they had selfemployment than for those who did not (76.9 vs. 92.3 percent for joint units and 62.9 vs. 97.8 percent for other units). However, because of the much larger number of nonrecipient cases, the majority of incorrectly reported cases are false nonrecipients.

For the relatively small number of filing units which did not respond to the self-employment earnings questions in the survey, the CPS allocation procedures assigned recipiency correctly to 76.9 percent of the joint units and 88.6 percent of the other units. This is not as good as for wages but is in line with the overall reporting of self-employment income. As with wages, it might be added, there is a tendency to overassign nonrecipiency to husband-wife couples.

Nonfarm self-employment recipiency information is tabulated separately in table 3. The same overall results indicated for total self-employment in table 2 are also seen to hold for the nonfarm self-employed. This, of course, is not surprising since the vast majority of all self-employed persons have nonfarm businesses.

Interest. -- Table 4 shows the recipiency data for interest income. Only slightly over three-fourths of the filing units reported correctly as to their receipt of interest income in the survey (77.6 percent for husband-wife units and 79.4 percent for other units). By far the most serious error in misreporting was those units incorrectly answering that they did not receive any interest. These false nonrecipients accounted for 77.4 percent of the incorrect responses for husband-wife units and 75.0 percent for the other units. Since we do not allocate recipiency for individual types of property income in the CPS, we cannot make an evaluation of these cases. It is highly likely, however, that the allocation procedures produce a serious underestimate of property income recipients. Unless interest nonrespondents have very different characteristics than interest respondents, the recipiency pattern for interest nonrespondents, will tend to reflect that of the respondents and these people have been shown to have a high proportion of false nonrecipients.

Of those persons for whom we do not have a return, about 4,383 reported in the survey that they received interest and another 26,935 indicated that they did not. At present we have no way to evaluate these responses; however, we will be producing tabulations to determine their characteristics.

### DETERMINATION OF INCOME AMOUNTS

Determination of amounts of wage or salary income for both CPS and IRS was straightforward. Incomes of husbands and wives in the CPS were combined according to rules similar to those for combining recipiency. However, it should be noted that the counts of husband-wife units reporting wages are slightly less than the counts in the recipiency section. This is because recipiency can be determined if only one of the partners reported the receipt of wages or salaries. However, to determine amounts, both partners had to be respondents.

Determination of amounts for dividends and interest is problematic in both the CPS and IRS. In the CPS, dividends, interest, and rental income were collected as one combined amount for each person. However, recipiency status for each of these 3 types was collected separately. Therefore, determination of the amount of interest and dividends was possible only if "No" were the response for rental income. For husband-wife units this problem is exacerbated because of the necessity for both partners to report "no" on rental income in order to determine the amount for interest and dividends. Although interest income is not a problem in the IRS data, IRS dividend information is incomplete as already mentioned. Because of the complexities resulting from these problems, no analysis will be made here of the reporting of amounts for interest and dividends.

### REPORTING OF CPS WAGE AND SALARY AMOUNTS

Tables 5 and 6 show reported CPS wage and salary amounts cross-classified by IRS wages and salaries for units not needing an allocation. Of these units, about 9.3 percent were true nonrecipients.

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Another 4.5 percent of the units were false nonrecipients, and about 1.2 percent were false recipients. The true recipients constituted about 85 percent of the units.

The mean CPS wage income for the true recipients was quite close (about 98 percent) to the average IRS wage of \$9,366. Taken together, the false reporting of nonrecipiency and the underreporting of amounts produces a slight downward bias in the CPS statistics on the number of units with wages and on the mean amount of those wages.

When we look at the true recipients by IRS wage classes in table 5, we find that generally the average CPS amount is a good approximation of the expected average for the group; alternatively, when the CPS amounts are used to form wage and salary classes, we find that, on the average, the CPS ranking is verified by the average amounts in the various classes.

When we look at the distributions within the rows and columns on the table, however, we find considerable dispersion. Only about 65 percent of the units are located on the main diagonal. Twenty-two percent were above (CPS < IRS) and 13 percent below (CPS > IRS). The table also shows the number and percent of units who are 1, 2,... intervals above and below the main diagonal. About 12 percent of the total number of units were one interval above the main diagonal, and about 8 percent were one interval below it. Thus, about 85 percent of the units were either on the diagonal or one interval above or below it.

The results from table 5 are affected substantially by sizes of the income classes. In an effort to bypass this problem, table 6 was constructed. Table 6 shows that about 52 percent of the units with wages or salaries in CPS had an IRS amount within 5 percent of the CPS figure. (Seventy-two percent having CPS wages had IRS wages within 15 percent of the CPS amount.) As would be suspected, most of the divergence greater than 5 percent is in the lower income intervals. The proportion of units with more than a 5 percent difference is largest for the \$1 to \$499 interval and continues to decrease, with only minor breaks, until the upper tail of the distribution is reached. The proportion of units with differences of 5 percent or less is 28 percent for recipients with less than \$500 in wages, 63 percent for wages or salaries between \$27,500 and \$37,000, and drops to 37 percent for persons with wages or salaries greater than \$37,500. This reporting pattern indicates that errors in reporting amounts are not strictly proportional to one's income level.

## ALLOCATION OF WAGES TO NONRESPONDENTS

Table 7 shows that the proportion of units with allocated CPS wage or salary income information in the same income interval as they filed with IRS is only 17 percent, compared to 65 percent for reported cases. The proportion of units allocated income in CPS that was in a lower interval than they reported to IRS is about 45 percent, while the proportion in a higher interval is about 38 percent. The ratio of mean CPS allocated wages and salaries to IRS wages and salaries for CPS nonrespondents is 0.91 compared to 0.98 for units reporting wages in the CPS.

In short, there definitely seems to be an overall downward bias in the CPS allocation procedures for wages and salaries. There are two main reasons why this could occur: because of improper selection of characteristics for assigning responses in the allocation procedures or because of the incorrectness of the assumption of similarity of incomes of respondents and nonrespondents within the assignment categories used. It should be noted, however, that even though the allocation procedure tends to have a downward bias, it does better than not explicitly allocating nonresponses at all. If no assignments were made, the analyst would be implicitly assuming that the mean incomes for respondents and nonrespondents were the same. Hence, the allocated mean would be \$9,191 (the mean for respondents) which is only 85 percent of the IRS mean for nonrespondents. The mean from the CPS allocation procedures is 91 percent of the IRS mean for nonrespondents.

### FURTHER RESEARCH

In this paper we have classified and measured many of the more important "errors" in earnings recipiency and wage or salary reporting in the CPS. While this represents an important first step in the evaluation of the CPS data, additional work needs to be done to examine the characteristics of those persons who gave incorrect responses and to assess the effects of such errors on the overall income size distribution. These results will be forthcoming as this research continues.

- 1/ As has been said, the linkage itself was carried out by Census Bureau personnel under procedures set forth in the session appendix on confidentiality. Neither IRS nor SSA had access to identified records from each other's files or from those of the Bureau.
- 2/ The match rule used in this paper differs from that for the other papers at this session. Here the rule employed is basically the so-called "potentially usable rule." The other papers employ the "CPS-SER rule" which has more stringent procedures for determining a match. Both these rules are described in a contributed paper included elsewhere in these proceedings by Fritz Scheuren and H. Lock Oh, entitled "Fiddling Around with Nonmatches and Mismatches."
- 3/ For the joint returns among the other units, the IRS-CPS comparison may in some cases have been misleading because the taxpayer's spouse, who was not available to CPS, could have had income which would be shown on the return.
- 4/ Nearly all of these individuals were not required to file since they had no income or income below the filing limit.
- sole proprietorships is from Income 5/ reportable on Schedule C and F for nonfarm and farm businesses, respectively. Selfemployment income received from a partnership is reportable on Schedule E and, unless social security self-employment taxes (Schedule SE) had to be paid on this partnership income, it was impossible to properly classify such persons. We were able, however, to bound the possible error, since a Schedule E indicator was present. In all, as can be seen from table 2, 10 percent of the units had a Schedule E without also having a Schedule C, F, or SE. These cases probably are largely ones in which the schedule was being used to report such miscellaneous sources of income as pensions, income from rental property, or income from estates and trusts.

	Т	OTAL CPS		CPS	RESPONDE	NTS	CPS NONRESPONDENTS							
It	em			Total	Recip- ients	Non recip- ients	Total	Recip- ients	Non recip- ients	Total	Recip- ients	Non recip- ients		
	Hugi	band <b>-Vif</b> e					NUMBE	R (Unit	Count)					
		ouples	Т	23 <b>, 5</b> 78	21,502	2,076	21,785	19,810	1,975	1,793	1,692	101		
	<u>ן</u>	Joint	F	1,029	422	607	832	307	525	197	115	82		
		te cui na	Total	24,607	21,924	2,683	22,617	20,117	2,500	1,990	1,807	183		
		Other	T	17,020	15,305	1,715	15,547	13,877	1,670	1,473	1,428	45		
	F	Person <b>s</b> Filing	F	1,522	227	1,295	1,410	165	1,245	112	62	50		
	F	leturns	Total	18,542	15,532	3,010	16,957	14,042	2,915	1,585	1,490	95		
RECIPIENCY		band Wife				PERC	ENT DIS	TRIBUTIO	N (Verti	.cal)				
DETERMINABLE	nus (	ouples	T	95.8	98.1	77.4	96.3	98.5	79.0	<b>9</b> 0.1	93.6	55.2		
FROM		Joint	F	4.2	1.9	22.6	3.7	1.5	21.0	9.9	6.4	44.8		
FEDERAL		turns	Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0		
INCOME TAX	Γ	Other	T	91.8	98.5	57.0	91.7	98.8	57.3	92.9	95.8	47.4		
RETURNS	F	Persons Filing	F	8.2	1.5	43.0	8.3	1.2	42.7	7.1	4.2	52.6		
	F	Returns	Total	100.0	1:00.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0		
				PERCENT DISTRIBUTION (Horizontal)										
	Husband-Wife Couples Filing Joint Returns		T	100.0	91.2	8.8	100.0	90.9	9.1	100.0	94.4	5.6		
			F	100.0	41.0	59.0	100.0	36.9	63.1	100.0	58.4	41.6		
			Total	100.0	89.1	10.9	100.0	88.9	11.1	100.0	90.8	9.2		
	Other Persons Filing	Other	T	100.0	89.9	10.1	100.0	89.3	10.7	100.0	96.9	3.1		
		F	100.0	14.9	85.1	100.0	11.7	88.3	100.0	55.4	44.6			
	1	Returns	Total	100.0	83.8	16.2	100.0	82.8	17.2	100.0	94.0	6.0		
	FI	Husband-	-Wife	NUMBER (Unit Count)										
	E R	Joint Re	turns	-	1		-	-	-	-	-	-		
RECIPIENCY	F I L E R	Other Pe Filing I	ersons leturns	-	-	-	-	-	-	-	-	-		
NOT DETERMINABLE		Returns I Availab	Not Le	33,531 <sup>1</sup>	11,736	21,789	31,398	9,821	21,577	2,127	1,915	212		
FROM		Tota	ı	33,531 <sup>1</sup>	11,736	21,789	31,398	9,821	21,577	2,127	1,915	212		
FEDERAL	FI	Husband	-Wife			PERCI	ent dist	RIBUTIO	N (Horizo	on <b>tal)</b>				
INCOME TAX	ER	Joint Re	turns	-	-	-		-	-	-	<b>-</b> 2	-		
	F I Other P E Filing		ersons Returns	-	-	-	× _	-	-	-	-	-		
		Returns Availab	Not le	100.0	35.0	65.0	100.0	31.3	68.7	100.0	90.0	10.0		
		Tota	1	100.0	35.0	65.0	100.0	313	68.7	1 <b>00.</b> 0	90.0	10.0		
GRAND		Numbe	r	76,6801	49,192	27,482	70,972	43,980	26,992	5,702	5,212	490		
TOTAL		Perce	nt	100.0	64.2	35.8	100.0	62.0	38.0	100.0	91.4	8.6		

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### Table 1.--Wage or Salary Income Comparison of Recipiency Status Between 1972 Data from the Internal Revenue Service (IRS) and March 1973 Current Population Survey (CPS)--Sample Count of Filing Units by Type of Tax Return and CPS Response Status

See notes at end of tables.

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Table 2.--Self-employment Income Comparison of Recipiency Status Between 1972 Data from the Internal Revenue Service (IRS) and March 1973 Current Population Survey (CPS)--Sample Count of Filing Units by Type of Tax Return and CPS Response Status

	T	OTAL CPS	3	CPS	RESPOND	ents	CPS NONRESPONDENTS								
It	em			Total	Recip- ients	Non recip- ients	Total	Recip- ients	Non recip- ients	Total	Recip- ients	Non recip- ients			
	Hus	band-Wife	·				NUMBE	R (Unit	Count)	<u>.</u>					
		Couples	T	19,468	2,774	16,694	18,513	2,338	16,175	955	436	519			
		Joint	F	2,347	794	1,553	2,060	704	1,356	287	90	197			
	Ľ		Total	21,815	3,568	18,247	20,573	3,042	17,531	1,242	526	716			
		Other	T	16,483	552	15,931	15,833	465	15,368	650	87	563			
		Persons Filing	F	710	321	389	626	274	352	84	47	37			
		leturns	Total	17,193	873	16,320	16 <b>,</b> 459	739	15,720	734	134	600			
RECIPIENCY	Hua	band_Wife				PERC	ENT DIS	STRI BUTI	DN (Verti	ical)					
DETERMINABLE		Couples	T	89.2	77.7	91.5	90.0	76.9	92.3	76.9	82.9	72.5			
FROM		Joint	F	10.8	22.3	8.5	10.0	23.1	7.7	23,1	17.1	27.5			
FEDERAL.	Ľ		Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0			
INCOME TAX		Other	T	95.9	63.2	97.6	96.2	62.9	97.8	88.6	64.9	93.8			
RETURNS		Persons Filing	F	4.1	36.8	2.4	3.8	37.1	2.2	11.4	35.1	6.2			
	F	Returns	Total	100.0	100.0	100.0	100.0	100.0	1 <b>0</b> 0.0	100.0	10 <b>0.</b> 0	100.0			
	Hug	band_Wife		PERCENT DISTRIBUTION (Horizontal)											
	Couples Filing Joint Returns Other		T	100.0	14.2	85.8	100.0	12.6	87.4	100.0	45.7	54.3			
			F	100.0	33.8	66.2	100.0	34.2	65.8	100.0	31.4	68.6			
			Total	100.0	16.4	83.6	100.0	14.8	85.2	100.0	42.4	57.6			
			Т	100.0	3.3	96.7	100.0	2.9	97.1	100.0	13.4	86.6			
	E E	Person <b>s</b> Filing	F	100.0	45.2	54.8	100.0	43.8	56.2	100.0	56.0	44.0			
	F	leturn <b>s</b>	Total	100.0	5.1	94.9	100.0	4.5	95.5	100.0	18.3	81.7			
	F	Husband-	Wife	NUMBER (Unit Count)											
	Ĺ	Couples I	iling									l			
	R			2,792	400	2,392	2,602	349	2,253	190	51	139			
ECIPIENCY	F I L E R	Other Pe Filing H	ersons leturns	1,349	139	1,210	1,292	1 <i>3</i> 0	1,162	57	9	48			
DETERMINABLE		Returns M Availab	lot Le	33,531 <b>1</b>	1,550	31,975	32,127	1,225	30,902	1,398	325	1,073			
FROM		Total	L	37,672	2,089	35,577	36,021	1,704	34,317	1,645	385	1,260			
FEDERAL	FI	Husband-	-Wife			PERCH	ent dist	RIBUTION	(Horizo	on <b>tal)</b>					
INCOME TAX RETURNS	ER	Joint Ret	turns	100.0	14.3	85.7	100.0	13.4	86.6	100.0	26.8	73.2			
	F I L R R	Other Pe Filing H	ersons leturns	100.0	10.3	89.7	100.0	10.1	89.9	100.0	15.8	84.2			
		Returns h Availab	lot Le	100.0	4.6	95.4	100.0	3.8	96.2	100.0	23.2	76.8			
		Tota	L	100.0	5.5	94.5	100.0	4.7	95.3	100.0	23.4	76.6			
GRAND		Number	•	76,680	6,530	70,144	73,053	5,485	67,568	3,621	1,045	2,576			
TOTAL		Percer	ıt	100 <b>.</b> C	8.5	91.5	100.0	7.5	92.5	100.0	28.9	71.1			

See notes at end of tables.

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Table 3. --Nonfarm Self-employment Income Comparison of Recipiency Status Between 1972 Data From the International Revenue Service (IRS) and March 1973 Current Population Survey (CPS)--Sample Count of Filing Unit by Type of Tax Return and CPS Response Status

				Т	OTAL CPS		CPS	RESPONDE	NTS	CPS NONRESPONDENTS							
It	em			Total	Recip- ients	Non recip- ients	Total	Recip- ients	Non recip- ients	Total	Recip- ients	Non recip- ients					
							NUMBE	R (Unit	Count)								
·	Hust	ouples	T	19,086	2,146	16,940	18,166	1,783	16,383	920	363	557					
	F	iling Joint	F	1.737	548	1,189	1.501	470	1.031	236	78	158					
	R	eturns	Total	20,823	2.694	18,129	19,667	2,253	17.414	1,156	441	715					
		0	т	16,368	351	16.017	15,755	285	15.470	613	66	547					
	Р	ersons	F	5/3	235	308	/79	196	283	64		25					
	R	iling eturns	Total	16 011	£96	16 225	417	/#1	15 752	6777	105	£70					
RECIPTENCY			10021	10,711	980	PERC	ENT DIS	TRIBUTIO	N (Verti	 cal)	105	212					
DEPERMENT	Husl	band-Wife	-		<b>70 7</b>					,							
DETERMINADLE	F	iling		91.7	79.7	93.4	92.4	79.1	94.1	79.6	82.3	77.9					
FROM	R	Joint eturns	F	8.3	20.3	6.6	7.6	20.9	5.9	20.4	17.7	22.1					
FEDERAL			Total	100.0	100.0	100.0	100.0	100.0	100.0	1 <b>90.</b> 0	100.0	100.0					
INCOME TAX		Other	T	96.8	59.9	98.1	97.0	59.3	98.2	90.5	62.9	95.6					
RETURNS	F	iling	F	3.2	40.1	1.9	3.0	40.7	1.8	9.5	37.1	4.4					
		eturns	Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0					
	Hus	band-Wife		PERCENT DISTRIBUTION (Horizontal)													
	Couples Filing			100.0	11.2	88.8	100.0	9.8	90.2	100.0	39.5	60.5					
	Joint Returns Other Persons Filing		F	100.0	31.5	68.5	100.0	31.3	68.7	100.0	33.1	66.9					
			Total	100.0	12.9	87.1	100.0	11.5	88.5	100.0	38.1	61.9					
			Т	100.0	2.1	97.9	100.0	1.8	98.2	100.0	10.8	89.2					
			F	100.0	43.3	56.7	100.0	40.9	59.1	100.0	60.9	39.1					
	F	leturns	Total	100.0	3.5	96.5	100.0	3.0	97.0	100.0	15.5	84.5					
	F			NUMBER (Unit Count)													
	I	Husband-	-Wife Filing			r	NUMBR	K (Unit	Count)		r						
	E	Joint Re	Joint Returns		500	3,284	3,492	399	3,093	292	101	191					
- -	F				-												
	I L	Other Persons Filing Returns		1,631	107	1,524	1,552	90	1,462	79	17	62					
RECIPIENCY	ER	Filing	Returns														
NOT	<u>ٿ</u>	Returns	Not	33 524	1.121	32,101	32 179	\$52	31.326	1.3/7	269	1.078					
DETERMINABLE		Availab	1e	-100,00	1,121		52,110		51,520								
FROM	L	Tota	1	33,946	1,728	37,212	37,222	1,341	35,881	1,718	387	1,331					
FEDERAL	F	Husband	-Wife			PERC	ent dist	RI BUTIO	N (Horiz	ontal)							
INCOME TAX	L E	Couples Joint Re	Filing turns	100.0	12.2	06.0	100.0	11 /	99.6	100.0	21.6	65 /					
RETURNS	R			100.0	13.2		100.0				,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	0).4					
	ļ	Other P	ersons	100.0			100.0			100.0	21 5	70 #					
	ER	Filing	Returns	100.0	0.0	75.4	100.0	5.0	74.04	100.0	\$1.7	10.7					
	Γ	Retums Availab	Not	100.0	3.3	96.7	100.0	2.6	97.4	100.0	20.0	80.0					
		Tota	1	100-0	4.4	95.6	100.0	3.6	96.4	100.0	22.5	77.5					
GRAND	Γ	Numbe	r	76.680	5,008	71.666	73.123	4,075	69,048	3,551	933	2,618					
TOTAL		Perce	ent .	100.0	6.5	93.5	100.0	5.6	94.4	100.0	26.3	73.7					
s	ee r	notes at e	end of	tables.	<b>.</b>												
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 Table 4. --Interest Comparison of Recipiency Status Between 1972 Data from the Internal Revenue Service (IRS) and March 1973 Current Population Survey (CPS)--Sample Count of Filing Units by Type of Tax Return and CPS Response Status

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				1	COTAL CPS	3	CPS	RESPONDE	ents	CPS N	IONRESPON	DENTS1/					
	T			Total	Recip- ients	Non recip- ients	Total	CPS Recip- ients	CPS Non- recip- ients	Total	IRS Recip- ients	IRS Non- recip- ients					
	Hue	band-Wife			·		NUMBE	CR (Unit	Count)								
		Couples	Т	(NA)	(NA)	(NA)	18,233	9,125	9,108	(NA)	(NA)	(NA)					
		Joint	F	(NA)	(NA)	(NA)	5,274	1,190	4,084	(NA)	(NA)	(NA)					
	Ľ		Total	24,607	(NA)	(NA)	23,507	10,315	13,192	1,100	757	343					
		Other	Т	(NA)	(NA)	(NA)	13,975	3,877	10,098	(NA)	(NA)	(NA)					
	I I	Persons Filing	F	(NA)	(NA)	(NA)	3,622	904	2,718	(NA)	(NA)	(NA)					
	F	leturns	Total	18,542	(NA)	(NA)	17,597	4,781	12,816	945	4 <b>2</b> 5	520					
RECIPIENCY	Hug	bend-Wife			PERCENT DISTRIBUTION (Vertical)												
DETERMINABLE	1008 (	ouples	T	(NA)	(NA)	(NA)	77.6	88.5	69.0	(NA)	(NA)	(NA)					
FROM		Joint	F	(NA)	(NA)	(NA)	22.4	11.5	31.0	(NA)	(NA)	(NA)					
FEDERAL	Ľ	e curns	Total	(NA)	(NA)	(NA)	100.0	100.0	100.0	(NA)	(NA)	(NA)					
INCOME TAX		Other	T	(NA)	(NA)	(NA)	79.4	81.1	78.8	(NA)	(NA)	(NA)					
RETURNS	F	Persons Viling	F	(NA)	(NA)	(NA)	20.6	18.9	21-2	(NA)	(NA)	(NA)					
	Returns		Total	(NA)	(NA)	(NA)	100.0	100.0	100.0	(NA)	(NA)	(NA)					
		hand Vifa				(Horizo	ontal)										
	nus C	Couples	Т	(NA)	(NA)	(NA)	100.0	50.0	50.0	(NA)	(NA)	(NA)					
	Joint Returns		F	(NA)	(NA)	(NA)	100.0	22.6	77.4	(NA)	(NA)	(NA)					
			Total	100.0	(NA)	(NA)	100.0	43.9	56.1	100.0	68.8	31.2					
		Other	T	(NA)	(NA)	(NA)	100.0	27.7	72.3	(NA)	(NA)	(NA)					
	F	ersons Tiling	F	(NA)	(NA)	(NA)	100.0	25.0	75.0	(NA)	(NA)	(NA)					
	F	leturns	Total	100.0	(NA)	(NA)	100.0	27.2	72.8	100.0	45.0	55.0					
	FI	Husband-	Wife	NUMBER (Unit Count)													
	L E R	Couples Filing Joint Returns		-	-	-	-	-	-	-	-	-					
RECIPIENCY	F I L R	Other Pe Filing H	ersons leturns	-	-	-	-	-	-	-	-	-					
NOT DETERMINABLE		Returns M Availab	iot Le	33 <b>,5</b> 31	V (NA)	(NA)	31,318	4,383	26,935	2,207	(NA)	(NA)					
FROM	L	Total	L	33,531	1/ (NA)	(NA)	31,318	4 <b>, 38</b> 3	26,935	2,207	(NA)	(NA)					
FEDERAL	FI	Husband-	-Wife			PERCH	ent dist	RIBUTION	(Horizo	on <b>tal)</b>							
INCOME TAX RETURNS	L E R	Couples I Joint Ref	filing turns	-	-	-	-	-	-	-	-	-					
	F I L R	Other Pe Filing H	ersons leturns	-	-	-	-	-	-	-	-	-					
		Returns M Availab	iot Le	(NA)	(NA)	(NA)	100.0	14.0	86.0	100.0	(NA)	(NA)					
		Total	L	(NA)	(NA)	(NA)	100.0	14.0	86.0	100.0	(NA)	(NA)					
GRAND		Number	•	76,680	1/ <sub>(NA)</sub>	(NA)	72,422	19,479	52,943	4,252	(NA)	(NA)					
TOTAL		Percer	it .	(NA)	(NA)	(NA)	100.0	26.9	73.1	100.0	(NA)	(NA)					

See notes at end of tables.

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										(Not	allocat	ted)											
									IR	S Wage o	or Salar	y Inco	ne								On	or	Income
GPS Wage or Salary Income	Total	None	\$1 to \$499	\$500 to \$1,499	\$1,500 to \$2,499	\$2,500 to \$3,499	\$3,500 to \$4,499	\$4,500 to \$5,499	\$5,500 \$6,499	\$6,500 to \$7,499	\$7,500 \$8,499	\$8,500 to \$9,499	\$9,500 to \$10,499	\$10,500 to \$13,499	\$13,500 to \$17,499	\$17,500 to \$22,499	\$22,500 to \$27,499	\$27,500 to \$37,499	\$37,500 and over	Mean <u>3</u> income	dia Number	gonal % of Total	intervals above main diagonal
Total. None. \$1 to \$499. \$500 to \$1,499. \$2,500 to \$2,499. \$4,500 to \$3,499. \$3,500 to \$4,499. \$4,500 to \$5,499. \$5,500 to \$7,499. \$7,500 to \$10,499. \$6,500 to \$10,499. \$7,500 to \$10,499. \$10,500 to \$10,499. \$13,500 to \$10,499. \$13,500 to \$13,499. \$13,500 to \$13,499. \$13,500 to \$17,499. \$12,500 to \$22,499. \$22,500 to \$37,499. \$27,500 to \$37,499. \$37,500 and over.	39,273 5,340 2,707 2,182 1,779 2,014 1,789 2,014 1,920 1,921 1,836 2,022 1,921 1,836 2,022 1,921 1,836 2,022 1,921 1,836 2,105 2,185 2,185 2,195 2,195 2,195 2,195 2,195 2,195 2,195 2,195 2,195 2,195 2,195 2,195 2,195 2,195 2,195 2,195 2,195 2,195 2,195 2,195 2,195 2,195 2,195 2,195 2,195 2,195 2,195 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915 2,915	4,112 3,649 56 42 28 32 28 32 21 19 26 24 15 10 12 9	1,549 3878 151 151 108 7 4 2 3 5 2 3 1 1	3,019 419 1,0919 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,0903 1,	2,388 220 41 320 1,207 63 42 24 16 7 67 13 75 1 3	1,939 129 23 271 1,046 1977 68 352 12 11 9 13 8 4 6 - 2	1,893 9 30 230 1,066 220 59 31 227 12 14 8 5 6 1 3	1,941 68 68 31 2377 2139 263 34 251 16 13 2 2 1	1,824 57 6 14 30 71 2053 1,053 12053 12053 12053 12053 12053 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12054 12055 12054 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 12055 120555 12055 120555 120555 120555 120555 120555 120555 120555 120	2,010 49 10 25 38 988 <u>1,142</u> 209 64 31 11 11 1 2 1 3	1,866 46 1 10 7 9 18 437 290 1,026 102 59 27 10 2 3 6	1,861 25 7 48 9 328 89 2777 1,018 89 2777 1,018 2777 18 5 2 4 4	<b>1,853</b> 38 32 4 5 99 263 263 259 263 110 22 31 11 1 2 2 31 11 2 2 31 2 10 2 2 31 2 10 2 2 5 31 2 5 9 5 2 6 3 5 2 2 5 9 5 2 6 3 1 2 2 4 5 9 5 2 6 8 5 2 2 4 5 9 5 2 2 6 9 5 2 2 6 9 5 2 2 6 9 5 2 2 6 9 5 2 2 6 9 5 2 2 6 9 5 2 2 6 9 5 2 2 6 9 5 2 2 6 9 5 2 2 6 9 5 2 6 9 5 2 6 9 5 2 6 9 5 2 6 9 5 2 6 9 5 2 6 9 5 2 2 6 9 5 2 2 6 9 5 2 6 9 5 2 2 6 9 5 2 2 6 9 5 2 6 9 5 2 6 9 5 2 6 9 5 2 2 6 9 5 2 2 6 9 5 2 2 6 9 5 2 2 5 9 5 2 6 9 5 2 6 9 5 2 2 5 9 5 2 6 9 5 2 5 9 1 2 2 2 5 9 5 2 6 3 1 1 2 2 2 5 9 5 5 2 6 3 1 2 2 5 9 5 2 6 3 1 2 2 5 2 5 5 2 5 5 2 5 5 2 5 5 2 5 3 1 2 2 5 5 2 5 5 2 5 5 2 5 2 5 5 2 5 5 2 5 5 5 5 5 2 5 5 5 5 5 5 2 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	4,936 84 3 11 10 15 24 50 57 106 173 3,4977 363 4977 363 40 13 40 13 40 13 40 2	4,231 39 6 11 8 7 30 17 10 27 10 26 3.093 15 5093 15 8 8 8 8 8	2, 324 32 4 4 3 10 8 9 15 16 80 339 1,648 126 80 339 339 339 3	782 7 1 3 - 1 1 1 5 3 23 7 47 526 7 47 3	480 13 - 2 - 1 1 2 1 - 3 - 1 7 10 30 2 - 13 72 4 13	194 7 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1	\$9,091 3,911 1,393 2,344 3,357 4,299 5,356 6,229 9,146 10,077 15,175 19,042 29,046 29,077 15,175 19,042 29,046 29,076	34,047 7 13 8 35 44 100 54 73 89 126 233 384 707 1,552 23,618	86.7 (Z) (Z) (C) (C) (C) (C) (C) (C) (C) (C) (C) (C	Total 17 intervals 16 intervals 13 intervals 14 intervals 13 intervals 11 intervals 10 intervals 9 intervals 6 intervals 3 intervals 3 intervals 3 intervals 4 intervals 3 intervals 4 intervals 3 intervals 4 intervals 3 intervals 4 intervals 1 intervals 3 intervals 1 in
Mean income <sup>3</sup>	<b>\$9,</b> 163	<b>\$</b> 7,116	\$700	\$1,302	\$2,354	<b>\$3,</b> 386	\$4,223	<b>\$5,</b> 183	<b>\$</b> 6,159	<b>\$</b> 7,056	<b>\$8,</b> 189	<b>\$8,98</b> 0	\$9,782	<b>\$</b> 11,574	\$14,699	\$18,567	\$23,459	<b>\$</b> 28,481	\$45,262				
Number on or below diagonal	30,844	9	13	12	18	31	33	50	46	60	59	81	121	148	248	381	771	3,145	25,618				
Percent of total	· 78.5	(Z)	(Z)	(Z)	(Z)	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.3	0.4	0.6	1.0	2.0	8.0	65.2				
In <b>some intervals</b> below main diagonal	Total Total	17 inter- vals	16 inter- vals	15 inter- vals	14 inter- vals	13 inter- vals	12 inter- vals	11 inter- vals	10 inter- vals	9 inter- vals	8 inter- vals	7 inter- vals	6 inter- vals	5 inter- vals	4 inter- vals	3 inter- vals	2 inter- vals	1 inter- val	None				Diagonal classifier
Total Diagonal Above diagonal Below diagonal	39,273 25,618 8,429 <b>5</b> ,226	100.0 65.2 <b>21.5</b> 13.3																		Γ	÷		

Table 5.--Reported Wage or Salary Income-Sample Count of Filing Units by Size of Wage or Salary Income in 1972 as Reported in Internal Revenue Service (IRS) and Current Population Survey (CPS)

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See notes at end of tables.

# Table 6.--Ratio of CPS Wage or Salary Income to IRS Wage or Salary Income--Sample Count of Filing Units by Size of Wage or Salary Income in 1972 as Reported in Internal Revenue Service (IRS) and Current Population Survey (CPS)

(Not Allocated)

		IRS Wage or Salary Income												
				•	With Wa	ge or Sala	ry Income	)						
CPS Wage or Salary Income	Total	NO Wage or	Motol with		Ra	tio of IRS	to CPS				CPS intervals			
		salary income	wage or salary income	Less than 0.50	0.50 to 0.84	0.85 to 0.94	0.95 to 1.04	1.05 to 1.14	1.15 to 1.49	1.50 and over	+ or - 0.15			
Total. No wage or salary income. With wage or salary income. \$1 to $$499$ . \$500 to $$1,499$ . \$1,500 to $$2,499$ . \$2,500 to $$3,499$ . \$3,500 to $$5,499$ . \$4,500 to $$5,499$ . \$5,500 to $$5,499$ . \$5,500 to $$5,499$ . \$6,500 to $$7,499$ . \$7,500 to $$3,499$ . \$3,500 to $$7,499$ . \$7,500 to $$13,499$ . \$13,500 to $$17,499$ . \$13,500 to $$17,499$ . \$17,500 to $$17,499$ . \$22,500 to $$17,499$ . \$22,500 to $$22,499$ . \$22,500 to $$37,499$ . \$37,500 and over. Mean income $\frac{3}{2}$ .	39,273 5,420 33,853 1,340 2,707 2,182 1,751 1,789 2,014 1,920 2,022 1,921 1,921 1,836 2,030 4,727 3,995 2,185 793 442 199 <b>\$9,163</b>	4,112 3,649 463 89 56 42 28 32 20 13 21 19 25 26 24 15 10 12 9 <b>\$7,116</b>	35, 161 1, 771 33, 390 1, 251 2, 651 2, 140 1, 723 1, 757 1, 992 1, 900 2, 009 1, 900 2, 009 1, 900 1, 817 2, 005 4, 701 3, 971 2, 170 783 430 190 \$9, 191	(X) (X) 907 92 98 68 44 68 54 53 36 57 26 57 26 24 40 \$10,426	(X) (X) 2,343 98 201 201 172 157 170 145 138 125 126 96 236 228 140 62 34 140 62 34 140	(X) (X) 2,558 58 150 120 122 127 151 151 155 167 128 159 384 354 200 88 31 15 159 384 354 200 88 31 15	21,170 3,549 17,621 373 1,014 993 765 839 941 956 1,034 1,004 1,010 1,010 1,010 1,386 479 2,79 74 \$10,091	<pre>(X) (Y) 4,018 75 291 171 164 221 229 229 298 260 280 280 280 280 280 280 280 244 71 34 16</pre>	(X) (X) 3,635 143 372 281 265 237 268 240 242 228 187 260 428 279 121 43 21 20 \$7,576	(X) (X) 2,308 477 531 276 167 132 145 127 89 80 47 64 86 33 22 14 7 11 <b>\$</b> 3,873	27,846 $\frac{4}{4}$ 3,649 $\frac{4}{4}$ 24,197 506 1,455 1,284 1,051 1,341 1,341 1,341 1,487 1,431 1,448 1,543 3,878 3,365 1,530 638 344 105 \$9,966			
PERCENT DISTRIBUTION Total No wage or salary income %1 to \$499 \$10 to \$1,499 \$1,500 to \$1,499 \$2,500 to \$3,499 \$3,500 to \$3,499 \$3,500 to \$3,499 \$3,500 to \$5,499 \$5,500 to \$5,499 \$6,500 to \$7,499 \$7,500 to \$8,499 \$6,500 to \$7,499 \$7,500 to \$8,499 \$10,500 to \$10,499 \$10,500 to \$13,499 \$13,500 to \$13,499 \$13,500 to \$13,499 \$13,500 to \$13,499 \$13,500 to \$22,499 \$2,500 to \$27,499 \$2,500 to \$27,499 \$27,500 to \$37,499 \$27,500 to \$37,499 \$37,500 and over	100.0 100.0 100.0 100.0 100.0 100.0 100.0 100.0 100.0 100.0 100.0 100.0 100.0 100.0 100.0 100.0 100.0 100.0	10.5 67.3 1.4 6.6 2.1 1.6 1.8 1.1 1.0 1.2 0.6 0.7 3.7 4.5	89.5 32.7 98.6 93.4 97.9 98.1 98.2 98.9 99.0 99.4 98.9 99.0 98.8 99.0 98.8 99.4 99.4 99.4 99.4 99.3 97.3 95.5	(X) (X) 2.0 3.45 2.5 3.4 2.6 1.9 2.1 1.7 2.3 2.1 1.7 2.3 3.4 2.1 2.1 2.1 2.3 3.4 1.5 7 2.3 3.4	(X) (X) 6.9 7.3 7.4 9.2 9.8 8.8 8.4 7.6 6.8 5.7 5.7 5.7 7.0	(X) (X) 7.6 5.5 7.1 7.5 7.7 7.8 7.7 8.0 8.9 9.1 7.5 8.9 9.1 7.5	54.2 67.3 52.1 27.8 37.5 43.7 46.9 46.7 49.8 51.1 52.3 55.0 54.4 60.3 63.1 63.4 63.4 63.4 63.1 37.2	(X) 11.9 5.6 10.7 7.8 9.4 12.4 12.4 11.9 14.7 13.5 13.8 13.6 12.3 13.8 13.6 12.3 9.0 7.7 8.0	(X) (X) 10.7 12.9 15.1 13.2 13.3 12.5 12.0 11.9 10.2 12.8 9.1 7.0 5.4 4.8 10.1	(X) (X) 6.8 35.6 19.6 12.6 9.5 7.4 2.6 3.2 1.8 0.8 1.0 8 1.0 8 1.6 5.5	70.9 4/ 67.3 4/ 71.5 37.8 53.7 58.8 60.0 66.3 66.6 69.5 73.5 74.5 77.2 76.0 82.0 84.2 83.8 80.5 77.8 52.8			

See notes at end of tables.

Colocted Statistics	Alloc	ated	Not All	ocated	Total		
Selected Statistics	Number	Percent	Number	Percent	Number	Percent	
Total	3,876	100.0	39,273	100.0	43,149	100.0	
Same income interval in both CPS and IRS	672	17.3	25,618	65.2	26,290	60.9	
CPS income interval $\angle$ IRS	1,728	44.6	8,429	21.5	10,157	23.5	
CPS income interval $>$ IRS	1,476	38.1	5,226	13.3	6,702	15.5	
Ratio: $\frac{CPS \langle IRS}{CPS \rangle IRS}$	1.17		1.61		1.52		
Recipient in both CPS and IRS	3,417	88.2	33,390	85.0	36,807	85.3	
Mean CPS Income	<b>\$ 9,</b> 875	(X)	<b>\$ 9,</b> 191	(X)	\$ 9,254	(X)	
Mean IRS Income	<b>\$</b> 10,838	(X)	<b>\$</b> 9,366	(X)	\$ 9,502	(X)	
Ratio: CPS/IRS	0 <b>.9</b> 11	(X)	0.981	(X)	0.974	(X)	
Nonrecipients in both CPS and IRS	142	3.7	3,649	9.3	3,791	8.8	
Other combinations, total	317	8.2	2,234	5.7	2,551	5.9	
CPS recipient	186	4.8	463	1.2	649	1.5	
Mean CPS	\$ 9,115	(X)	\$ 7,116	(X)	\$ 7,689	(X)	
<b>CPS</b> non-recipient	131	3.4	1,771	4.5	1,902	4.4	
Mean IRS	<b>\$</b> 6,631	(X)	\$ 3,911	(X)	\$ 4,098	(X)	

Table 7.--Wage or Salary Income in 1972--Sample Count of Filing Units for CPS and IRS, By Response Status in CPS

- Represents zero.

(NA) - Not available.

- (Z) Less than 0.05 percent.
- (X) Not applicable.

 $\frac{1}{1}$  Includes 6 filing units for whom detailed data are not available.

 $\frac{2}{Allocated}$  recipiency for CPS nonrespondents not available.

 $\frac{3}{Based}$  on total with wages or salaries.

 $\frac{4}{1}$  Includes "No wage or salary amount in either CPS or IRS."

<u>Notes</u>: Data derived from the 1973 CPS-SSA-IRS Exact Match Project conducted by the Census Bureau and the Social Security Administration with the assistance of the Internal Revenue Service.

Unlike the data presented in other papers in this session, the data presented in this paper represent unweighted sample counts.

In addition, the match rule used in these tables differs from that for the other papers at this session. Here the rule employed is basically the so-called "potentially usable rule." The other papers employ the "CPS-SER rule" which has more stringent procedures for determining a match. Both these rules are described in a contributed paper, included elsewhere in these proceedings, by Fritz Scheuren and H. Lock Oh entitled, "Fiddling Around With Nonmatches and Mismatches." In the 1973 study, like earlier CPS-IRS-SSA linkage efforts, great care has been taken to insure the confidentiality of the shared information. The laws and regulations under which the three agencies operate impose very definite restrictions on such exchanges, and special procedures have been followed throughout so as to adhere to these provisions.

The three-way data linkage required that special operating procedures be instituted at Social Security and at the Bureau of the Census to insure the confidentiality of the shared information, in particular to ascertain that the linked data was used only for statistical purposes and not administrative ones. (No processing of linked data was carried out at IRS.)

Census Requirements.-- Information derived from the Bureau of the Census' Current Population Survey is governed by policies and procedures established under Title 13 of the U.S. Code. This title requires that information about identifiable individuals remain under the direct control of employees of the Census Bureau at all times. On rare occasions, to better achieve its statistical goals (such as in this linkage project), the Census Bureau swears in, as its own temporary employees, a small group of employees of other agencies. In this instance, those Social Security Administration employees directly involved in the linkage, about 15 or so, were hired and sworn in as Census employees without compensation. These few individuals--technically employees of both agencies at once--have been legally given access to both Census Bureau and SSA data, so that the linkage could be performed. Both "regular" and "special" employees of the Census Bureau are, of course, sworn to uphold the confidentiality of all census information and are subject to criminal penalties should they fail to do so.

<u>Social</u> <u>Security Administration</u> <u>Requirements.--</u> Information derived from Social Security Administration files is governed by Title II of the Social Security Act and the regulations established under that Act (specifically, Regulation No. 1, Sections 401 and 422). To release to the Census Bureau SSA earnings and benefit information for identifiable individuals, a special Commissioner's decision had to be obtained. This decision, dated June 28, 1973, was made subject to the following conditions:

1. No SSA information was to be given to the Census Bureau for any CPS respondent who refused to give his social security number to the Census interviewer.

- 2. All SSA data given to the Census Bureau were to continue to have the protected treatment required by the Social Security laws and regulations. Furthermore, the data were to be subjected to Census' own confidentiality restrictions as imposed under Title 13.
- 3. After linkage, all individual identifications must be removed or scrambled in the resultant file.

<u>Internal Revenue Service Requirements.</u>— The Internal Revenue Service (IRS), under an executive order (promulgated under IR Code Section 6103) provided a magnetic tape file of abstracts of 1972 individual income tax returns to the Census Bureau for statistical purposes. Subsequently, IRS agreed to permit the Census Bureau to match a very limited amount of this data to CPS and SSA information, subject to the following provisions:

- that individually identifiable IRS data continue to be subject to Title 13 and the various IRS confidentiality restrictions (specifically, IRS Code Section 7213); and
- 2. that after matching and removal of individual identifiers, IRS is to have veto power over any data item on subsequent match files to be prepared for SSA, if IRS believes that the inclusion of the data item could possibly result in disclosure.

As with Census data, unauthorized disclosure of Social Security or Internal Revenue Service information is a punishable offense which can result in fines or imprisonment or both.

<u>Some</u> <u>Operational Implications</u>.-- A number of operational implications flow from the above confidentiality requirements. Some examples of the steps taken were:

- when competing confidentiality regulations existed, the strictest provisions were followed;
- project computer tapes, whether they contained linked data or not, were stored in locked facilities when not in use; and
- all Census confidential information was in the custody of Census regular or special employees at all times.