1 Appendix: Patent parties models
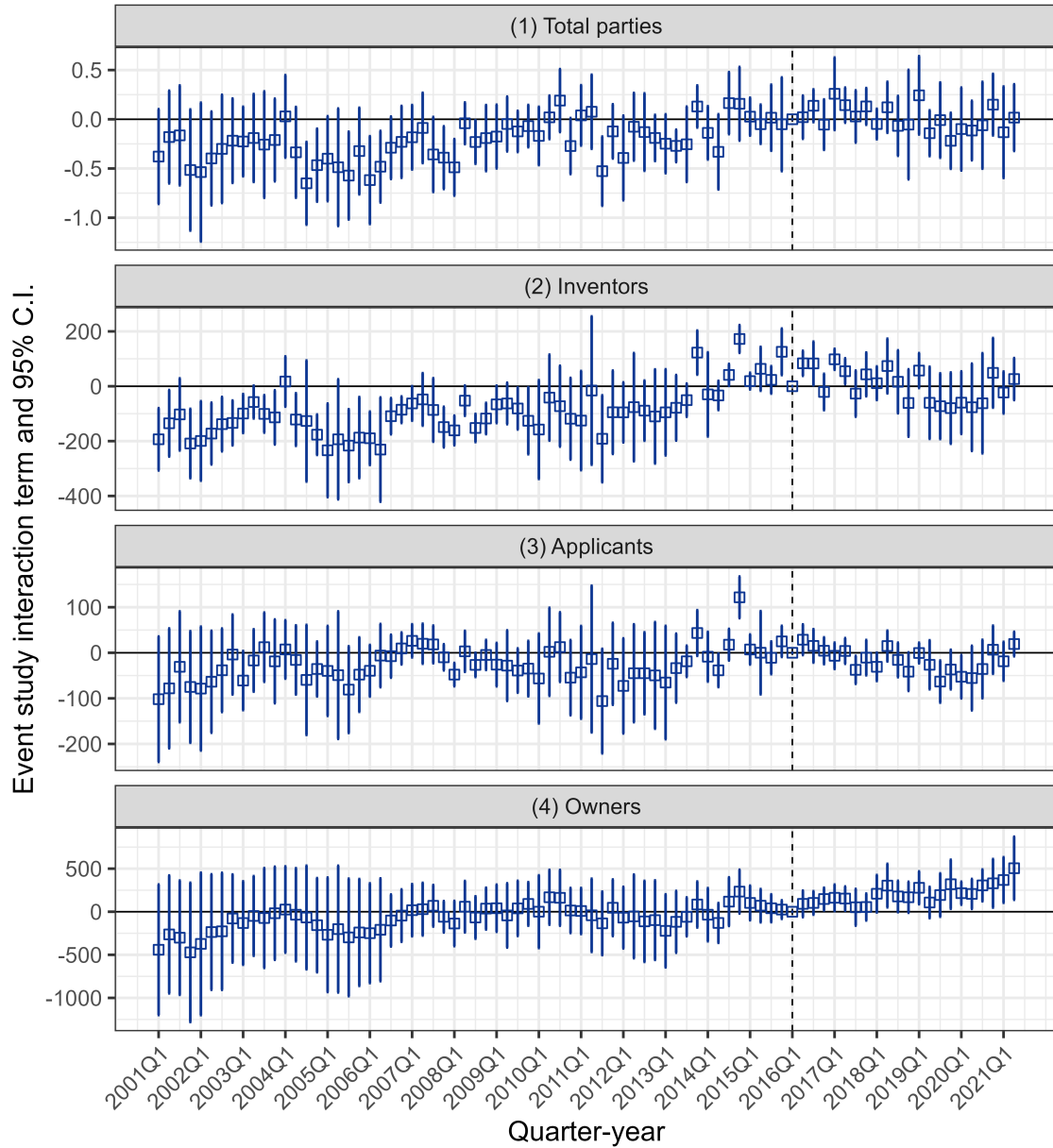
Table 1: Difference-in-differences specifications for quarterly patent applications

	(1)	(2)	(3)	(4)
Treatment x Post	0.108	44.417*	−0.104	168.295
	(0.095)	(23.110)	(14.215)	(95.018)
Party type	Total	Inventors	Applicants	Owners
N	656	656	656	656
Adj. R^2	0.974	0.959	0.957	0.875
Adj. within R^2	0.137	0.148	0.160	0.421
RMSE	0.210	66.427	35.043	130.592

Notes: All specifications include controls in Specification (3) of Table 1, not shown for brevity and fixed effects for provinces and quarters. Clustered standard errors at the province and quarter level shown in parentheses. ***$p < 0.01$, **$p < 0.05$, *$p < 0.1$.

Figure 1: Event study plot for quarterly parties in patent parties

Notes: The figure shows the estimated coefficients of the interaction term between period and treatment binary variables in Equation **??** for each quarter. The points represent the point estimate, while the error bars represent the 95% confidence cluster-robust interval. The vertical line represents the start of the AITC intervention (first expense eligibility date) in April 2016, with the reference level being the quarter before the intervention. Baseline, economic, and additional controls specifications include the controls seen in specifications (1) through (3) in Table 1.