

Finvars_Creation_Script_v01

Rita M. Ludwig

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INPUT: 1) Cleaned_Finvars dataset 2) Data dictionary 3) Census poverty thresholds (for reference, not imported) OUTPUT: Two new collections of variables (see below for details); dataset .csv, .dta, .Rdata files. BEHAVIOR: Creates new financial variables, such as distance from the Census poverty threshold and SPM metrics. - aggregate_annual_income is created as the sum of all Census-approved sources of income annually.

In order to conduct most analyses, we will want a continuous value for income rather than a categorical bracket selection. The following section uses imputation to impute continuous values in such cases.

Calculate U.S. Census poverty thresholds and scores. From the Census website: “The income used to compute poverty status includes (before taxes): - Earnings, Unemployment compensation, Workers’ compensation, Social Security, Supplemental Security Income, Public assistance, Veterans’ payments, Survivor benefits, Pension or retirement income, Interest, Dividends, Rents, Royalties, Income from estates, Trusts, Educational assistance, Alimony, Child support, Assistance from outside the household, Other miscellaneous sources.

Money income does not include: Capital gains or losses, Noncash benefits (e.g. food stamps and housing subsidies), Tax credits.”

First, gather survey items corresponding to these benefits and report missingness rates for all in-universe participants.

Next, use these items to calculate participants’ total annual income, apply the appropriate Census threshold, and generate Census outcome variables.

This script uses the 2023 Census poverty thresholds by size of family and number of children (<https://www.census.gov/data/tables/time-series/demo/income-poverty/historical-poverty-thresholds.html>).

Table 1: Mean(SD) of reported annual income.

Characteristic	N = 2,438
Reported annual income (all responses)	207,060 (4,458,068)
Unknown	756

Table 2: Mean(SD) of reported annual income.

Characteristic	N = 1,679
Reported annual income (< 4mill annually)	78,574 (111,372)

Table 3: Mean(SD) of reported annual income.

Characteristic	N = 3
Reported annual income (> 4mill annually)	
4330000	1 (33%)
3.2e+07	1 (33%)
180019452	1 (33%)

Distribution of aggregate annual income (all responses)



