

Multiple Program Participation and
the SNAP Program

November 30, 2014

Robert A. Moffitt
Johns Hopkins University

This paper is a revised version of one presented at the conference, “Five Decades of Food Stamps” on September 22, 2013 sponsored by the University of Kentucky Center for Poverty Research and Institute for Research on Poverty. The author would like to thank the Russell Sage Foundation for financial support for this work, as well as Gary Burtless, Hilary Hoynes, Casey Mulligan, David Ribar, James Ziliak, and the other participants of the conference for comments. Gwyn Pauley provided excellent research assistance.

Abstract

Receipt of benefits from other traditional transfer programs by SNAP families is common, with 76 percent of those families receiving at least one other major benefit of that type in 2008-2009, excluding Medicaid. However, about 40 percent of families received only one other benefit, only 27 percent received two others, and less than 9 percent received three or more others. Excluding the elderly and disabled, only 16 percent received two other benefits and less than 3 percent received three or more others. Over the long-term, multiple benefit receipt among SNAP families has been falling, a result of declines in the TANF caseload which have been larger in magnitude than increases in the SSI, SSDI, and WIC caseloads. Finally, the analysis shows that high marginal tax rates generated by multiple program receipt are relevant for only a small portion of the TANF caseload, namely, the portion of the caseload that is nondisabled, nonelderly, and have earnings in the phaseout regions of the programs where marginal tax rates are high. The vast majority of SNAP families are not affected and, indeed, most have sufficiently low earnings that they face negative cumulative marginal tax rates.

In fiscal year 2007, just prior to the Great Recession, the Supplemental Nutrition Assistance Program (SNAP) was the fifth largest means-tested program in the country ranked by total expenditures and the third largest ranked by the number of recipients, with over 25 million individuals receiving benefits (Moffitt, 2013). In 2011, a later year in the Great Recession, it had climbed to second place in both expenditures and recipients, with almost 45 million individuals receiving benefits, superseded only by Medicaid. The program is one of the most important components of the U.S. safety net, removing 3.7 million individuals from poverty in 2011, reducing the poverty rate in that year from 15.0 percent to 13.8 percent, and reducing the poverty gap by approximately 16 percent (Smeeding et al., 2013).

This paper examines the receipt of benefits from other programs in the U.S. transfer system by SNAP recipients. Receipt of benefits from other programs is not uncommon. Administrative data from the SNAP program from 2011 indicate that 20 percent of SNAP households received Supplemental Security Income (SSI) benefits and 22 percent received Social Security benefits, for example (Strayer et al., 2012). In this paper, new evidence drawn from the Survey of Income and Program Participation (SIPP) will be used to examine multiple program receipt by SNAP recipients in more detail, showing both exactly which program benefits and which combinations of program benefits are received by SNAP participants. The new evidence covers two years in the Great Recession, an early year (2008) and a later year (2010), as well as 2004 and 1993, which should establish long-run trends. The SIPP data also

allow us to determine what types of SNAP families receive benefits from other programs, for such receipt varies both by the income level of the SNAP household and by its demographic type (presence of children, marital status, employment status, etc.).

The extent of multiple program receipt among SNAP households is of interest for several reasons. First, such receipt is an indirect indicator of the other needs of SNAP households, such as whether a member of the household has a disability or simply has such low income that the household needs support for other of its needs (housing, medical expenses, general other expenses). From its inception, the Food Stamp program was only intended to be a supplement to other forms of income received by low-income families, and it is of interest to know the extent to which it is supplementing only private income or also income from other public programs. Second, multiple program receipt is related to the issue of categorical eligibility, a subject of considerable current policy discussion because recipients of some other programs are made automatically eligible for SNAP benefits without a direct check on their income and resources for eligibility. This issue will be examined below by comparing incomes of those receiving and not receiving benefits from such other programs to determine whether SNAP families who are categorically and noncategorically eligible have differing incomes. Third, a long-standing concern of both policy analysts and researchers is that the receipt of multiple programs may have negative effects on work incentives because such receipt may result in high cumulative marginal tax rates on work effort. This issue will also be examined.

It should be noted that an additional concern with multiple program receipt among SNAP recipients is that those who receive payments from other programs may be “double dipping” by receiving support from multiple programs for the same thing, namely, food expenditures.

However, most cash benefits received by SNAP households are included in countable income and in resources both for eligibility and benefit determination, and therefore those additional income and resource items are taken into account. In-kind benefits are generally not included, however, nor are tax credits. This issue will be discussed briefly.

The first section of the paper reviews the rules in the SNAP program for eligibility and benefit determination with a focus on how receipt of other benefits interacts with that determination. The next section presents new evidence on multiple program receipt from the SIPP data and discusses the implications of the findings. Trends in such receipt as well as current levels are presented. The third section analyzes the implications of multiple receipt for work incentives. A short summary at the end recapitulates the findings of the paper.

SNAP Eligibility and Benefit Determination

The SNAP program has separate eligibility rules for families classified as categorically eligible and all other families, who are classified as non-categorically eligible. For the latter, a family or group of individuals eating together must meet a gross income test, a net income test, and a resources test. The gross income test requires that the sum of all income that is “countable” be below a specified threshold, which is 130 percent of the households’ poverty line income for those with no elderly or disabled member. Countable income includes most cash income but excludes in-kind income and tax credits and income tax refunds. The net income test requires that the sum of all countable income minus a number of important deductions be below a specified threshold, which is currently equal to the household’s poverty line income if it has no

elderly or disabled members. The resource test requires that the sum of all countable assets be below yet a different threshold, which is currently \$2,000 for nonelderly nondisabled households. Resources include most cash assets and the market value of vehicles over certain thresholds, but states have the option of altering the vehicle rules and most states currently exclude the value of vehicles altogether from countable assets. The EITC and CTC are included in resources only if they have been unspent twelve months after receipt but were included in resources in the month of receipt prior to 2010. For households determined to be eligible on all criteria, benefits are computed by subtracting 30 percent of net income from the maximum benefit for its family size. There are minimum and maximum benefit levels as well that are imposed after computing benefits from the formula.

Categorically eligible households are eligible for SNAP if they are recipients of specified other programs. The most prominent of those are the Temporary Assistance to Needy Families (TANF) program, the SSI program, and the Social Security Disability Program (SSDI).¹ Of lesser importance statistically are recipients of General Assistance (GA) benefits and certain state-level and other disability programs. Recipients of these programs do not have to meet the income and resources tests under the presumption that they have done so for the other programs and not checking them again reduces administrative costs. However, they do have their benefits calculated in the same way as for families who are non-categorically eligible. Consequently, if their incomes are sufficiently high, they will not receive a benefit and hence will not be allowed

¹ The SSDI program is often not listed as a program establishing categorical eligibility, but it is equivalent because separate rules state that individuals receiving disability payments do not have to meet income or resource tests.

onto the program.²

In addition to these traditional categorical eligibility types, states now have the option to implement “broad-based” categorical eligibility, which make additional families categorically eligible if they are recipients of certain non-cash TANF benefits. Those non-cash TANF benefits may include relatively modest assistance with transportation, employment assistance, child care, or even a pamphlet (U.S. Congressional Budget Office, 2012a; Falk and Aussenberg, 2013). A majority of states currently allow such broad-based categorical eligibility. However, once again, benefits for such families are determined by the same formula used for other recipients.

In FY 2010, three-quarters of SNAP households were categorically eligible and, of those, two-thirds were eligible under the broad-based categorical eligibility requirements, for a total of one-half of all SNAP households (U.S. Congressional Budget Office, 2012a). Eliminating broad-based categorical eligibility, however, would only reduce the SNAP caseload by 4 percent because most of those households would be eligible for benefits under the standard income and resources tests. SNAP spending would only fall by 2 percent because the households rendered ineligible have benefit levels lower than those of other recipients (U.S. Congressional Budget Office, 2012a).

These eligibility and benefit rules have many implications for multiple program participation among SNAP recipients. Obviously, for example, one should expect to see significant numbers of participants from the TANF, SSI, and SSDI programs, given their

² One-person and two-person households are eligible for a small minimum benefit (currently \$16 per month) regardless of net income.

categorical eligibility, although the absolute numbers of such households will necessarily reflect the sizes of those programs independently. In addition, if some of those categorically eligible households have income and resources above the non-categorical limits, they will have lower benefits than non-categorical families. However, although the possibility of “double dipping” mentioned in the Introduction is possible, the inclusion of most cash benefits from these programs in SNAP countable income implies that food expenditure is not necessarily increased by multiple benefit receipt. If households spend 30 cents of every extra dollar on food, then an extra dollar of income from a non-SNAP program will result in a 30-cent reduction in the SNAP benefit, leaving the household’s food expenditure unchanged.³ But it is also the case that in-kind benefits (e.g., from housing assistance) as well as tax credits and income tax refunds are excluded from countable income, leading to a possibility that SNAP families have income that does not reduce the SNAP benefit. While the extra support that in-kind programs like housing provides is unlikely to release much expenditure for food, tax credits like the EITC and CTC may do so, in principle. However, the literature on how EITC credits are spent suggests that they are used for debt reduction, asset-related items like down payments on a house, and short-term emergency uses like car repair (Gao et al., 2009; Mendenhall et al., 2012).

New Evidence on Multiple Program Receipt from the SIPP

Despite the importance of multiple program receipt, the number of studies of the topic is

³ If SNAP households treat the SNAP benefit as equivalent to income, then food expenditure will rise with an extra dollar of income from another program because some of the 70 cent net gain in income will go toward food expenditure. But this not double-dipping as it is normally thought of.

relatively small.⁴ The new evidence provided here is gathered from the Survey of Income and Program Participation (SIPP), a set of nationally representative panels of the U.S. population. The initial results use the second wave of the 2008 panel, which covers the period from September, 2008 to March, 2009. These months were just at the beginning of the Great Recession but before the major national legislation which increased safety-net spending on a number of programs (comparisons to earlier and later years will be made below).

In addition to collecting information on socioeconomic and demographic information on the interviewed households, the interviews collected information on all forms of income receipt, including those from the SNAP and other transfer programs. Here, receipt only of other “major” programs will be examined: TANF, Subsidized Housing, WIC, the EITC, the CTC, SSI, SSDI, OASI, and UI. TANF is a cash program for low income, mostly single parent, families, which has shrunk in size since welfare reform in 1996. Subsidized housing programs include both Section 8 voucher programs as well as public housing. However, housing programs are not an entitlement and there are long waiting lists for rental units. WIC provides supplemental foods, health care referrals, and nutrition education for low-income pregnant, breastfeeding and postpartum women, and to infants and children up to age five who are found to be at nutritional risk. The EITC is a tax credit for families with earned income and, although there is a small credit for childless individuals, benefits mostly accrue to families with children. The Child Tax Credit is another credit in the federal income tax, going to families with lower levels of income if

⁴ A series of papers by Weinberg (1985, 1987, 1991) examined evidence on multiple program participation in the 1980s in general, not focusing only on SNAP. There has been some work conducted recently on cumulative marginal tax rates and multiple benefit receipt; these studies will be referenced below.

they have dependent children in residence in the home. Neither the EITC nor the CTC are adequately reported in the SIPP, so here those credits are computed with the NBER TAXSIM model assuming 100 percent participation. The SSI program provides benefits to adults who are elderly, blind, or disabled and whose income and resources fall below specified levels. The SSDI program provides benefits to individuals who have a severe disability and who have worked sufficiently in the past to qualify for Social Security benefits. OASI provides benefits to retirees and survivors in families where an individual has sufficient lifetime earnings to qualify under Social Security rules. The Unemployment Insurance program provides support to the involuntarily unemployed who have enough recent earnings and employment to be entitled to benefits while unemployed. UI benefits are limited in duration, usually 26 weeks in normal periods but more during recessions, including the Great Recession when Congress extended benefits.⁵

Table 1 shows the percent of SNAP families receiving tax credits or benefits from other major transfer programs in late 2008 and early 2009. The most common receipt was of EITC benefits, 38 percent, reflecting the presence of families with earnings in the SNAP caseload.⁶ About 28 percent of SNAP families received the other tax credit, the CTC, in this case reflecting the presence of young children and low income among SNAP families. For more traditional

⁵ School food programs are not considered in this paper. See Bartfield (2013) for a discussion of overlap in receipt between the SNAP program and the School Breakfast Program and National School Lunch Program.

⁶ The percent of families with earnings in this SIPP analysis is higher than reported in SNAP administrative data. This may be because the presence of earnings in any of the four months prior to the interview is counted here, whereas the administrative data count the presence of earnings in a single month. It is also possible that the SIPP family unit is larger than the SNAP unit, a common problem in using survey data.

transfer programs, receipt of SSI or housing benefits was most common, with about a quarter (24-25 percent) of SNAP families receiving one of those benefits. As noted above, SSI recipients are categorically eligible for SNAP benefits but subsidized housing recipients are not. However, subsidized housing recipients may be eligible for excess shelter deductions in the calculation of net income. Almost a fifth (21 percent) of SNAP families received WIC benefits, for SNAP families are categorically income-eligible for WIC. Turning to Social Security programs, 15 percent of SNAP families received SSDI or OASI. Again, recipients of the former are categorically eligible. Only 13 percent of SNAP families received TANF. TANF recipients are categorically eligible for SNAP benefits, so the small percent of SNAP families receiving TANF is a reflection of the small caseload in the program subsequent to 1996 welfare reform. Finally, only 8 percent of SNAP families received UI benefits, a reflection both of the fact that the unemployment rate in late 2008 was still low as well as the fact that many SNAP families, even those who work, do not have sufficient earnings and employment histories to qualify for UI when unemployed.⁷

Taking all tax credits and transfer programs together, 91 percent of SNAP families received at least one credit or benefit in late 2008 or early 2009. However, the two tax credits were a large part of this high rate of receipt for, excluding those two credits, 76 percent of SNAP

⁷ SNAP administrative data for 2008 show roughly similar participation percents for many of these figures: 26 percent for SSI, 24 percent for Social Security (including both OASI and SSDI), 11 percent for TANF, and 2 percent for UI (Wolkwitz and Trippe, 2009, Tables A-2 and A-6). The EITC, CTC, and subsidized housing are not shown in that report. The only significant difference is for UI, and could result from a difference in time period (the administrative data are for FY 2008, whereas ours are for the last few months of 2008 and the first few months of 2009), the definition of the food stamp unit from Census-defined family units, or misreporting on the SIPP.

families received benefits from another traditional transfer program, a smaller amount.

Medicare and Medicaid are excluded from these counts but many SNAP receive these benefits, especially Medicaid among the non-elderly. For Medicaid, for example, about 79 percent of SNAP families receive that benefit. A large fraction of those are SNAP families who receive SSDI, SSI, or TANF, the receipt of which makes a family categorically eligible for Medicaid (44 percent of SNAP families receive benefits from one of those three programs). Medicaid receipt is very high among the low income population even among non-SNAP families, so it is not surprising that it is high among SNAP families as well.

Families receiving SSDI, SSI, or TANF are categorically eligible for SNAP as well. As just noted, 44 percent of SNAP families receive one of these three benefits. Therefore, categorical eligibles constitute a large proportion of the SNAP caseload according to the SIPP data as well as in other data sources. Categorical eligibility would be even higher if receipt of TANF non-cash benefits were included, but these are not measured in the SIPP data. However, this does not mean that these families would not be eligible for SNAP anyway if their income and resources are below the eligible thresholds. Income distributions among categorical and non-categorical eligibles will be examined below.

Table 2 shows whether the SNAP families who receive benefits from another program typically only participate in one other program or multiple ones. Counting the two tax credits, over 28 percent of SNAP families receive only one other benefit, about 36 percent receive only two others, and about 26 percent receive three or more other benefits, a sizable percent. But excluding the two tax credits and considering only traditional transfer programs, 41 percent of families receive only one other benefit, 27 percent receive only two others, and less than 9

percent receive three or more other programs, a much smaller fraction.

Many of the most common combinations of programs include the EITC or CTC, given the heavy participation of SNAP families in those two programs. So, for example, 8 percent of the SNAP caseload receives only those two tax credits and nothing else, and another 5 percent receives only the EITC in addition to SNAP. But when the tax credits are not treated as transfer programs, the most common form of multiple receipt is with WIC only, which over 10 percent of the SNAP families receive (and receive no third benefit). Most of the other most common forms of receipt are also receipt of just one other program, like housing assistance, SSI, SSDI, OASI, or UI. The most common form of receipt of two other programs occurs for those families who receive both SSI and SSDI, no doubt because the presence of disabled members results in participation in both. Those families constitute 4 percent of SNAP families. All other combinations of programs are rarer and occur for less than about 3 percent of the SNAP caseload.

Much of the multiple program receipt in the SNAP caseload occurs among elderly and disabled families, for the former almost always receive OASI and the latter usually receive SSI and/or SSDI. In fact, because elderly and disabled families constitute 41 percent of the 2008-2009 caseload, and the disabled alone constitute 33 percent according to the SIPP data used here, these families have an important impact on overall patterns of multiple receipt. Table 3 combines the receipt categories from Tables 1 and 2 and shows them for the elderly, the disabled, and the nonelderly nondisabled families receiving SNAP benefits. Not surprisingly, the elderly and disabled are less likely to receive EITC or CTC tax credits, and less likely to receive TANF, WIC, and UI, but are much more likely to receive OASI, SSI, or SSDI, although

the latter two are partly a matter of the definition of disability used here (see notes to Table 3).⁸

In addition, the last column in the table shows that, among nonelderly nondisabled families receiving SNAP, 42 percent receive only one other benefit, 16 percent receive only two other benefits, and only 3 percent receive three or more other benefits. These patterns of multiple receipt are often considerably smaller than those for the entire caseload shown in Table 1.

Percent of the SNAP caseload is disabled, thereby constituting a major demographic group in the program.

Progressivity. An important question is how multiple receipt of SNAP and other benefits varies with position in the income distribution. Is multiple receipt progressive in the way one would expect for transfer programs, in general, with the poorest families most likely to receive other benefits and higher income families less likely to receive other benefits? If so, this suggests that receipt of benefits other than SNAP is partly a simple result of low family income, which is also the reason for receiving SNAP. If not, it may imply that higher income families are, for possibly categorical eligibility or other reasons, receiving more benefits than would be justified solely on an income criterion.

Table 4 shows how the distribution of receipt of other program benefits varies by “private” income relative to the poverty line, where private income is defined as the sum of family earned income plus non-transfer (and non-tax-credit) nonlabor income--of which there is

⁸ Among the elderly, not all report OASI benefits (65 percent). Quite a few report receiving SSDI but note that the definition of the elderly here is that the head must be 62 or older, whereas transfer income receipt is defined over the entire family. Nevertheless, some families may be incorrectly classifying their programs between OASI and SSDI, or even SSI.

very little in this population.⁹ Overall, the distribution seems to be regressive--90 percent of SNAP families in deep (private income) poverty receive at least one benefit but 99 percent of those in shallow (private income) poverty do so. However, this seems to be largely because of the EITC or CTC, for ignoring those programs, 83 percent of those in deep poverty receive at least one benefit but only 65 percent of those in shallow poverty do. However, when individual programs are examined, while most of the traditional transfer programs like SSI, subsidized housing, SSDI, and TANF are progressive, many of the others are not. The EITC is regressive in the lower portion of the income distribution but this is because earnings are necessary to receive it. The CTC is regressive because the basic credit is limited by the size of tax liability and that liability is zero or small for those with low private income.¹⁰ Surprisingly, the WIC program is regressive, with fewer families in deep private income poverty receiving benefits than families higher up the income distribution. The OASI and UI programs are also regressive in parts of their income ranges.

But Table 5 shows that many of the regressive features are eliminated when the elderly and disabled are removed from the sample. As noted previously, the elderly and disabled constitute 41 percent of the 2008-2009 SNAP families according to these data, and those families are disproportionately located in the deep poverty part of the income distribution and yet would typically not receive WIC or UI, for example.¹¹ When only the nonelderly, nondisabled SNAP

⁹ Families with private income over 150 percent of the poverty line are not shown but are available upon request. Such families constitute 10 percent of the SNAP caseload according to these SIPP data.

¹⁰ Some families can receive refundable child tax credits but only if they have sufficient earnings or have paid a certain amount of taxes.

¹¹ As will be discussed below, elderly families are those with a head aged 62 or over and

recipient population is examined, WIC is roughly proportional and UI is progressive, although UI is only mildly so no doubt because those in deep poverty are less likely to qualify for UI payments when unemployed. For this population, too, very few SNAP families receive benefits from more than two other major programs excluding the EITC and CTC--2.9 percent for all nonelderly nondisabled families and only 4.7 percent for those in deep poverty (1.6 percent and 0.2 percent of the higher income groups do). Thus, among traditional transfer programs, the receipt of other program benefits is indeed almost entirely progressive.

Categorical Eligibility. A question that often arises in discussing the income distribution of the SNAP caseload is whether those who are categorically eligible have higher income than those who are not so eligible. Categorically eligible families do not have to meet the income and resource tests for SNAP directly, only those for the other programs in which they are enrolled. Table 6 answers this question for the 2008-2009 SIPP data, showing the private income distributions for those SNAP families also receiving SSI, SSDI, and TANF, the three categorically eligible categories measurable here. Contrary to the supposition just noted, those who are categorically eligible have lower incomes than those who are not, with 76 percent in deep poverty, for example, compared to about 51 percent of those not categorically eligible. Thus this piece of evidence does not suggest that higher income families are getting onto the SNAP caseload through categorical eligibility per se.¹²

disabled families are those with any family member receiving SSDI or SSI. Wolkwitz and Trippe (2009) find, with administrative QC SNAP data, that 41 percent of SNAP households were elderly or disabled in FY 2008, almost identical to the SIPP percentage, albeit using a different definitions of disability.

¹² However, as noted previously, the SIPP data do not measure receipt of non-cash TANF benefits, which makes a number of families categorically eligible. However, if the SIPP

Multiple Receipt by Family Type and Employment Status. Tables 7 and 8 show the evidence for multiple program receipt among different family types and demographic groups. Table 7 shows multiple program receipt, for example, for nonelderly nondisabled two-parent, one-parent, and childless families. Two-parent families tend to have higher private income and higher earnings than either one-parent or childless families, and this results in higher EITC and CTC receipt. Among more traditional transfer programs, single parent families are more likely to receive subsidized housing and TANF benefits than either of the other two demographic groups. However, two-parent families are most likely to receive WIC benefits, possibly because they have higher birth rates and hence more likely to have wives who are pregnant or who have infants or young children. Interestingly, however, overall, excluding the EITC and CTC, about the same fractions of all three family groups receive at least one other major program benefit (ranging from 50 percent to 67 percent) and about the same percents receive only one other benefit (39 percent to 47 percent). Single parent families are slightly more likely to be recipients of benefits from three or more other programs.¹³

Table 8 shows similar distributions for those with nondisabled nonelderly employed and nonemployed members. As should be expected, families with employed members are more likely to have earnings and hence more likely to receive the EITC than those with nonemployed members, and the same for the CTC since it is positively correlated with tax liability. But the nonemployed are more likely to receive subsidized housing and TANF, for example, and more

data here are accurate, most of those families are receiving another benefit anyway and hence are probably low income families.

¹³ A number of childless families receive benefits from the CTC, WIC, and TANF. These families have unrelated children in the family; the classification of family types in these

likely to receive at least one other program benefit besides the EITC and CTC (68 percent vs 57 percent).

Benefits. A rather different issue surrounding multiple program receipt among SNAP families is the relative size of SNAP benefits compared to those from the other programs from which benefits are also received. As shown in Table 9, SNAP provides income support each month of \$259, quite modest compared to benefits received from other traditional transfer programs like SSI, SSDI, OASI, and even UI—which provide benefits ranging from \$588 to \$883 per month. Of course, this is because SNAP is only intended to support food expenditure and the other programs are intended to provide something much closer to full support for living expenses, as high as \$883 per month for SSDI.¹⁴ Thus, from an income perspective (rather than a simple multiple program receipt perspective), SNAP remains the “add-on” program that it was originally intended to be for those receiving other major transfers.

Trends in Multiple Program Receipt, 1993-2010

The analysis thus far has shown the extent of multiple program receipt among SNAP families only in 2008-2009. But there are reasons to think that such receipt could have changed over the long term. One obvious reason is that several of the other programs have undergone significant changes in structure or size which should be expected to affect whether SNAP families are likely to receive them. A prominent example is the TANF program, which was created in 1996 from the old AFDC program and which has declined in size since then. Going

data only count related children.

¹⁴ But recall again that all are included in SNAP countable income and hence those other

the other way, the SSI program grew rapidly in size in the 1990s and the SSDI program has been growing steadily for two decades. The WIC program has also been growing over time. The two tax credits, the EITC and the CTC, have changed, for the EITC was expanded in generosity in the late 1980s and early 1990s, and the CTC was only begun in 1998 and the number of tax filers receiving it has grown. On the whole, then, aside from the TANF program, it is likely that multiple program receipt has grown over time.

Going beyond 2008, several of the programs were expanded by Great Recession legislation that either relaxed eligibility requirements, temporarily increased benefit levels, or both. Programs that were affected include TANF, OASI, SSI, and the two tax credits, the EITC and CTC, which were temporarily made more generous. In addition, the major benefit duration expansions in the UI program could have affected multiple receipt of SNAP and UI as well.

Finally, there are changes in the SNAP program itself that could have affected multiple benefit receipt. The strong growth in the caseload which occurred in the 2000s resulting from changes in asset eligibility rules, less frequent redetermination, and increases in outreach could have brought in families that were more likely to receive other benefits. The regulatory change in the year 2000 which established broad-based categorical eligibility could likewise have brought in additional families receiving other benefits. During the Great Recession, asset eligibility rules were further relaxed and benefits were temporarily increased, which could have brought higher-income families onto the SNAP program. The recession itself, however, brought into the program many families who were temporarily unemployed and who probably had lower levels of receipt of traditional transfer programs, although no doubt higher levels of receipt of UI programs are not intended to support food expenditure for SNAP families.

both from the recession per se and from the expansions of duration which were enacted during that period.¹⁵

Table 10 shows trends in multiple income receipt from 1993 to 2010 for the same major programs shown in Table 1.¹⁶ The patterns of receipt are very much in line with expectations based on the above thumbnail description of trends and policy reforms in those other programs. For the tax credit programs, receipt of the EITC naturally grew from 1993 to 2004 because this was the period of its greatest increase in generosity. The CTC only began in 1998 and was made more generous in the 2000s and in the Great Recession, leading to more receipt among SNAP families. Receipt of SSI benefits increased from 1993 to 2004 exactly when the SSI caseload was rising in general. The same goes for the WIC and SSDI programs, where multiple receipt expanded at the same time as the general caseloads grew. For UI, receipt naturally expands and contracts with the business cycle and reached its peak in 2010 at 9 percent of the caseload, no doubt partly the result of legislated reforms.¹⁷ Indeed, a notable result is how small the fraction of SNAP recipients that receive UI remains even after those major expansions of the program. In all likelihood, as the UI benefit extensions expire, the fraction of SNAP recipients receiving

¹⁵ See Ziliak (2013) for a more detailed summary of changes in the SNAP program over the last two decades.

¹⁶ The 1993 and 2004 years are selected because those were the years used by Ben-Shalom et al. (2012), whose data we also use here.

¹⁷ Using SNAP administrative data, Wolkwitz and Trippe (2009) find that 2.1 percent of SNAP households received UI in 2008 and Strayer et al. (2012) find the figure to be 6.7 percent in 2011. Bitler and Hoynes (2013a) report a figure of 6 percent in 2010, also using SNAP administrative data. However, Finifter and Prell (2013) find the rate to be 7.8 percent in 2005 and 14.4 percent in 2009. There are definitional differences in these calculations, for the administrative data figures are for simultaneous receipt of SNAP and UI in the same month, while the Finifter and Prell figures are for simultaneous receipt of the two programs only in the same calendar year. The SIPP figures in this paper are for simultaneous receipt in a four-month

them will fall, possibly back to its pre-recession level of 5 percent.

The major exception to this trend is for the TANF program, which shrank dramatically after 1996, reducing multiple benefit receipt among SNAP families from a large 41 percent in 1993 to a small 9 percent in 2010. The TANF program was large enough in 1993 to generate a decline in the rate of overall multiple program receipt among SNAP families, for while 80 percent of those families received at least one other traditional transfer program benefit in 1993, only 72 percent did in 2010. Thus, by this definition, multiple program receipt in SNAP has fallen over time, not risen.¹⁸

Nevertheless, perhaps the most surprising result in Table 10 is the relative stability of receipt of most other program benefits from 2004 to 2010, despite the large increase in the SNAP caseload over this period and the many recession-era alterations in the other programs. Leaving aside TANF and UI, receipt of the other program benefits sometimes rose slightly and sometimes fell slightly, but there were no dramatic changes in that receipt.

Cumulative Tax Rates and Work Incentives

An important issue in multiple receipt of benefits from tax and transfer programs is that they may impose high cumulative marginal tax rates (MTRs) on earnings and hence create work

window.

¹⁸ Bitler and Hoynes (2013a), using SNAP administrative data, find TANF receipt among SNAP families to have been 23 percent in 2001 and 8 percent in 2010, roughly consistent with the figures here. Bitler and Hoynes (2013b) also report receipt of TANF, SSI, and UI computed from the March CPS, finding numbers that are often in the same general range as those from the administrative data.

disincentives that are greater than might appear from a casual inspection of each program's work disincentives alone. If a family participates in four different transfer programs, for example, and each program has a 30 percent MTR (that is, benefits in each one are reduced by 30 cents for an extra dollar of earnings), then, even though each program has a reasonably low MTR, the cumulative MTR is 120 percent. In this case, the family's income actually falls if they earn more, because the cumulative MTR exceeds 100 percent. In less severe cases, the cumulative MTR may be less than 100 percent but still high when the MTRs from each program are added together. This concern has been expressed throughout the modern era of study of the work incentives of transfer programs, going back to the early discussions of a negative income in the late 1960s and early 1970s (Friedman, 1969; Lampman, 1975).

Before discussing the magnitude of cumulative MTRs facing SNAP families, it is useful to understand the issues with work disincentives and MTRs in general. It has been understood for many years that a high MTR does not necessarily reduce average work effort in the low income population and a low MTR does not necessarily increase it (e.g., Moffitt, 2003). This is because there are offsetting effects of a change in the MTR that go in opposite directions. An increase in the MTR, holding constant the guarantee level (i.e., the benefit amount if the family has no earnings) decreases work effort for those who are working low hours of work or with low earnings but increases it for those working longer hours who lose eligibility. The opposite occurs when the MTR is lowered.

The issue is, instead, what the distribution of MTRs over the range of earnings in the low income population is, and where the MTRs are high or low. By definition, benefits in any means-tested transfer program must be phased out eventually, and the question is whether they

should be phased out rapidly or slowly. If they are phased out rapidly, MTRs will be high for those on the program; but if they are phased out slowly, the MTRs will be lower but will be spread over a larger fraction of the population, which will generate more work disincentives in aggregate. Finally, holding the eligible population fixed, lowering the MTR in one range of earnings must necessarily mean that it has to be raised in another range. For example, lowering the MTR for the first dollar of earnings requires that the MTR be raised at higher levels of earnings if the size of the eligible population is held fixed.

This point is particularly important with the existence of the EITC, which is an earnings subsidy over low ranges of earnings and hence reduces MTRs or even makes them negative in that range. But having a generous earnings subsidy in low ranges of earnings means that MTRs have to necessarily be larger than they otherwise would have been (e.g. than if a single average MTR had been imposed) for families higher in the earnings distribution. Therefore, the EITC should be expected to increase work incentives for those with low earnings and to decrease them for those with relatively high earnings. A question for policy-makers is whether they are willing to accept that tradeoff because they deem it socially desirable to put special weight on increasing work incentives for the poorest families.¹⁹

A less important point but which also needs to be recognized is that, because SNAP includes almost all cash transfers in countable income, the cumulative MTR is lower than the simple sum of the MTRs in the programs in which a family participates. If t_s is the MTR in the

¹⁹ There is a theoretical literature in economics which argues that this may be the socially preferred outcome. Mirrlees (1971) argued that the MTR should be zero at the bottom of the earnings distribution, and Diamond (1980) and Saez (2002) have argued that that bottom MTR should even be negative. All these results imply that higher positive MTRs are necessary higher

SNAP program and t_o is the MTR in some other cash transfer program, the cumulative MTR is $(t_s+t_o-t_s t_o)$. Thus, for example, if the MTR in SNAP is .30 and that in TANF is .50, then the cumulative MTR for a SNAP families participating in both programs is not .80 but rather .65.²⁰

The MTR for SNAP alone is, in addition, fairly complex, ranging over families in different circumstances and influenced by the existence of several deductions. A deduction of 20 percent of earnings by itself reduces the MTR from 30 percent to 24 percent. In addition, there is a standard deduction that implies that the MTR is zero in the lowest range of earnings. But these features of the benefit formula, while suggesting increased work incentives, just push the 30 percent tax rate up higher in the earnings distribution than it would be otherwise and create additional work disincentives in those higher ranges. The SNAP program also has deductions for child care expenses, some shelter expenses, and it has a maximum and minimum benefit which reduce the MTR to zero when the benefit is at those points. Taking all these factors into account, Hanson and Andrews (2009) find an average MTR in the SNAP program of 24 percent, calculated as a weighted average over families in different circumstances and with different levels of earnings; but the MTR for the first dollar of earnings is zero. Using a different methodology, Ziliak (2008) finds the effective MTR in SNAP to be about 17 percent, but that it differs significantly from state to state.

These SNAP MTRs are relevant primarily for the population of SNAP families who receive no other traditional transfer program but do receive EITC and CTC credits and pay

in the earnings distribution.

²⁰ Other programs do not include SNAP in their countable incomes for the purpose of benefit calculation. It should be noted, however, that if families really spend 30 percent of an extra dollar of income on food, then a SNAP MTR of .30 is effectively a 100 percent tax rate on

positive taxes. But this not a small fraction of the caseload, as noted previously, constituting 24 percent of the SNAP caseload overall (Table 1, 100 minus 76) and 40 percent of the nonelderly, nondisabled population (Table 4, 100 minus 60). The Congressional Budget Office (2012b) has estimated that a single mother with one child would face MTRs ranging from -34 percent to -49 percent from the EITC and CTC for earnings below \$10,000 in 2012 dollars and rising only to 15 percent at higher earnings levels in the phaseout range of both credits (approximately \$20,000 to \$40,000). Thus, SNAP-only families would certainly face negative marginal tax rates at low ranges of earnings but higher MTRs at higher earnings levels, possibly up to 39 percent (24 plus 15). MTRs are even higher if state income taxes and payroll taxes are added in. In that case, while MTRs below \$10,000 in annual earnings have approximately the same negative values as before, MTRs from taxes rise as high as 40 percent in the \$20,000 to \$40,000 range, leading to a possible 64 percent MTR when added to a 24 percent SNAP MTR.

An important question nevertheless is how many SNAP recipients are in these earnings ranges. Using the 2008-2009 SIPP data, 46 percent of non-disabled, non-elderly single parent SNAP families who received no traditional transfer benefit other than SNAP have earnings below \$10,000 in 2012 dollars, and only 20 percent of such families have earnings between \$20,000 and \$40,000 where the MTRs are higher. Thus only about a fifth of this portion of the SNAP caseload is likely to experience strong work disincentives.

Cumulative MTRs Under Multiple Program Receipt. Turning to the question of the MTRs for SNAP families who participate in multiple traditional transfer programs, it must immediately be noted that the bulk of families in the SNAP caseload are unlikely to experience

either seriously high MTRs or have much labor supply responsiveness to tax rates in the first place. Among those receiving at least one other traditional transfer program benefit in addition to SNAP, 53 percent are elderly and/or disabled.²¹ The elderly have very low levels of work because most are retired and work incentives are not a major issue for them, while the disabled have, by the evidence of most attempts to encourage them to increase their work effort by the use of financial incentives, a very low responsiveness to those incentives. Another 13 percent of the SNAP caseload receiving at least one traditional transfer program in addition to SNAP are childless and their receipt of other programs is modest and unlikely to generate high MTRs for any but a small fraction of such families.

Work incentives among those who receive at least one traditional transfer program other than SNAP are therefore an important issue primarily only for the remaining 34 percent of such families who are nonelderly nondisabled single parent families or two parent families.²² Most of the existing literature on cumulative MTRs has, in fact, focused on such families, and more on the former than the latter. The estimates most closely aligned with the analysis here are those reported by Maag et al. (2012), who calculated cumulative MTRs for one-parent and two-parent families in 2008 who received TANF and SNAP, taking into account the EITC, CTC, and all other federal taxes as well as state income and payroll taxes.²³ It should be kept in mind that

²¹ This figure and the others in this paragraph are not shown in the tables but were computed separately from the 2008-2009 SIPP data.

²² As a percent of the entire SNAP caseload, nonelderly nondisabled single parent families who receive at least one other traditional transfer program benefit constitute only 17 percent of the caseload; and comparable two-parent families constitute only 9 percent.

²³ See also Hanson and Andrews (2009), Leguizamon (2012), and U.S. Congressional Budget Office (2012b) for other cumulative MTR calculations that are more dissimilar in definition than those discussed here. For older calculations of MTRs in the 1990s, see Dickert et

these single-parent families constitute only 5 percent of the SNAP caseload and these two-parent families, 1.5 percent.²⁴ The main results are reported in Table 11, which shows the average cumulative MTR across U.S. states as well as the maximum and minimum among states when earnings move across poverty levels. For single parents, those moving from nonwork to half the poverty line face only a 2.4 percent cumulative MTR, although it can be as low at -27.9 and as high as 36.3. The average MTR when moving from half poverty to the poverty line results in a 17.9 percent cumulative MTR, high but not onerous. However, the EITC and CTC phaseouts disproportionately occur when earnings go from the poverty line to 150 percent of the poverty line, resulting in an average 50.5 cumulative MTR and which is over 100 percent in one state, but most states are in the 40 percent to 60 percent range (see Maag et al. (2012) for state-by-state figures). Going from nonwork to the poverty line generates a 10.2 percent cumulative MTR.

For two-parent families, because of more generous exemption levels, the average cumulative MTR is -51.2 percent in the deep poverty range, much lower than that for single-parents, but is 31.8 percent and 59.2 percent in the higher poverty ranges. Over the range from nonwork to the poverty line, the MTR remains -9.7 percent, much lower than those for single parent families in that range.

This once again illustrates the point that a more generous earnings subsidy at low levels of earnings must generate larger MTRs at higher earnings levels, by definition, since the subsidy must be phased out. Therefore, increased work incentives at the bottom have to be balanced by greater work disincentives toward the top. For nonelderly nondisabled single-parent families,

al. (1994) and Coe et al. (1998).

²⁴ From Table 6, $(.258)*(.19)=-.049$ and $(.14)*.115=-.016$.

however, the SIPP data indicate that 83 percent of those receiving both SNAP and TANF have private income in the deep poverty range, 12 percent in the shallow poverty range, and only 2 percent in the near poverty range (100 to 150 percent of the poverty range) where the cumulative MTRs are highest. Since this category of single-parent families are only 5 percent of the SNAP caseload to begin with, this implies that only one-tenth of one percent of the SNAP caseload faces onerous work disincentives.

For two-parent families receiving both SNAP and TANF, 42 percent are in the deep poverty private income range, 34 percent in the shallow poverty range, and 10 percent are in the near poverty range. Two-parent families typically have higher incomes than single-parent families, resulting in more of the former facing high cumulative MTRs. However, this category of families also constitutes less of the SNAP caseload (1.5 percent, as noted above), so, similar to the case for single-parent families, only slightly more than one-tenth of one percent of the SNAP caseload faces high cumulative MTRs from this source.

These estimates omit the MTRs from several other programs. The most important is Medicaid, which imposes a zero percent MTR up to the eligibility point and a greater-than-100 percent MTR at the notch where eligibility ends. The Medicaid rules are complex, covering children to income limits higher than that of adults, assuming adults are covered at all (if not pregnant; pregnant women are also covered). The Medicaid program therefore is likely to increase the MTRs at higher income levels, sharpening the difference between those tax rates at lower and at higher levels of earnings reported here. Maag et al. (2012) conducted an analysis valuing Medicaid at government cost, which is an upper bound of its valuation by recipients, and find that, for single mothers with two children, average MTRs over broad ranges of earnings are,

as expected, higher, but only by about 5 to 8 percentage points.

Another omitted program is subsidized housing, which have a nominal MTR in the 10 to 30 percent range. CBO (2012b) added housing to SNAP and TANF into their calculations and find a significant increase in cumulative MTRs. However, only 8 percent of nonelderly nondisabled single parents on SNAP received both TANF and housing subsidies in 2008, and only a fraction of those are in the range with high marginal tax rates. Other omitted programs from these MTR calculations are child care subsidies and WIC and, in the near future, the phaseout of subsidies from the Affordable Care Act. Also omitted is Unemployment Insurance which, as argued by Mulligan (2012), increases MTRs for those who receive it (about 5 percent of SNAP families in normal times but 9 percent in the recent recession). Receipt of these programs by SNAP families would push the rates higher.

While this analysis clearly shows that only a very small fraction of the SNAP caseload faces high cumulative MTRs, the labor supply effects for that subpopulation could be large. The ideal empirical study to measure these effects would obtain estimates only for those families in the upper earnings ranges where the MTRs are highest, and only for those families participating in at least one other program besides SNAP or, better, for different combinations of other programs. Unfortunately, these estimates are not available. Instead, the literature on the labor supply effects of SNAP has typically evaluated the work disincentives of the program as a whole. This literature usually shows modest effects of the SNAP program on work levels. The survey of the literature by Currie (2003), for example, concludes that the maximal estimate of the effect of SNAP on work effort is one hour per week. Hoynes and Schanzenbach (2012), examining the early years of the introduction of Food Stamps, find significant effects for single

mothers but estimates for the overall population are small and insignificant. There is also a larger literature on the effects of MTRs in the AFDC and TANF programs. That literature also typically shows almost no effects of lowering MTRs, although this could be because of the cancelling out of large positive and negative responses (see, e.g., the recent paper by Matsudaira and Blank (2014)). There is also a significant literature on the effects of the EITC on labor supply, with the strongest results showing positive effects on the probability of working for single mothers (see Hotz and Scholz, 2003, for a review), which is probably a result of the negative MTRs in lower earnings ranges. Eissa and Hoynes (2006), on the other hand, find small negative effects for married women, possibly because they are in the phaseout region where MTRs are the highest. Nevertheless, the literature as a whole does not suggest that work disincentives of these transfer programs are very large.

Despite the paucity of evidence on the important questions of interest, it would be surprising if very high MTRs, such as those above 75 percent or approaching or above 100 percent, did not have work disincentives. However, as has already been emphasized, these work disincentives are certain to affect only a small portion of the SNAP caseload.

Summary and Conclusions

This study of multiple program receipt among SNAP families has shown that multiple receipt is quite common but not extensive. Not counting tax credits, which are not ordinarily thought of as traditional transfer programs, 76 percent of SNAP families in 2008-2009 received benefits from at least one other major traditional transfer program, excluding Medicaid. However, about 40 percent received only one other program benefit, only 27 percent received

benefits from two others, and less than 9 percent received benefits from three or more others. In addition, many of the SNAP families who received multiple benefits were either elderly or disabled. Among nonelderly nondisabled families, only 16 percent received benefits from two other programs and less than 3 percent received benefits from three or more other programs.

The most common traditional transfer programs in which SNAP families participated were subsidized housing and WIC, where a fifth to a quarter of SNAP families received benefits. About 15 percent received SSDI and SSI, only 13 percent received TANF benefits, and only 8 percent received UI.

Over the long-term, since 1993, multiple benefit receipt has declined, falling from 80 percent of the SNAP caseload in that year to 72 percent in 2010, a recession year. However, this is largely because of the TANF program which has shrunk dramatically since welfare reform in the mid-1990s and receipt by SNAP families has fallen as well. Many other programs in the U.S. have instead grown over the last twenty years--such as WIC, SSI, and SSDI--and receipt of benefits from these programs has grown among SNAP families, although not enough to offset the decline in receipt of TANF benefits. Multiple program receipt also changed very little during the Great Recession. However, SNAP families, like other families in the low-income population, have also seen strong growth in the receipt of tax credits, the EITC and the CTC.

The results of the examination of high marginal tax rates indicates that those tax rates are high and a significant problem only for a small portion of the SNAP caseload. Among the 76 percent of the caseload that receives benefits from other traditional transfer programs, 53 percent are elderly and/or disabled and another 13 percent of childless and are unlikely to face high marginal tax rates. The problem of high marginal tax rates is a potential problem only for the

remaining 34 percent of multiple-receipt SNAP families. For that group, the vast majority have earnings so low that they face negative cumulative marginal tax rates because of the EITC and the CTC and because SNAP and other programs generally have standard deductions. High marginal tax rates only occur for those with higher levels of earnings, where benefits from multiple programs and from the EITC and CTC are being phased out. For nonelderly nondisabled single parent families receiving SNAP and TANF, for example, only 2 percent are in the range where cumulative marginal tax rates are high, and they constitute only one-tenth of one percent of the entire SNAP caseload. For two-parent families, those facing high marginal tax rates constitute only a bit more than one-tenth of one percent of the SNAP caseload. Thus, while cumulative marginal tax rates are high in some ranges, they are of concern only for a tiny fraction of the caseload both because multiple receipt is not that common as well as because only a small fraction of the caseload is affected by them.

More work on multiple receipt and marginal tax rates is needed. For tax rates, the analysis here has omitted Medicaid, for example, although the higher tax rates for that program occur only at one point which is fairly high in the earnings distribution. Housing benefits and UI have also been left out of the calculations here. Although only a minority of SNAP families receive these benefits, it does imply that those families in the relevant earnings range face higher marginal tax rates than shown here. In addition, the other studies in this literature have shown that the average marginal tax rates for SNAP families also receiving TANF vary dramatically by state, and families in some states face extraordinarily high tax rates. More work on these and other issues would be desirable.

References

- Bartfield, J. "SNAP and the School Meal Program." University of Kentucky Center for Poverty Research Discussion Paper Series DP 2013-08. Retrieved 12/31/2013 from <http://www.ukcpr.org/Publications/DP2013-08.pdf>.
- Ben-Shalom, Y.; R. Moffitt; and J.K. Scholz. 2012. "An Assessment of the Effect of Anti-Poverty Programs in the United States." In Oxford Handbook of the Economics of Poverty, ed. P. Jefferson. Oxford: Oxford University Press.
- Bitler, M. and H. Hoynes. 2013a. "The More Things Change, the More They Stay the Same: The Safety Net, Living Arrangements, and Poverty in the Great Recession." NBER WP 19449.
- Bitler, M. and H. Hoynes. 2013b. "The More Things Change, the More They Stay the Same: The Safety Net, Living Arrangements, and Poverty in the Great Recession." Working Paper.
- Coe, N.; G. Acs; R. Lerman; and K. Watson. 1998. "Does Work Pay? A Summary of the Work Incentives Under TANF." Washington: Urban Institute.
- Currie, J. 2003. "U.S. Food and Nutrition Programs." In Means-Tested Transfer Programs in the United States, ed. R. Moffitt. Chicago: University of Chicago Press.
- Diamond, P. 1980. "Income Taxation with Fixed Hours of Work." Journal of Public Economics 13 (February): 101-110.
- Dickert, S.; S. Houser; and J.K. Scholz. 1994. "Taxes and the Poor: A Microsimulation Study of Implicit and Explicit Taxes." National Tax Journal 47 (September): 621-638.
- Eissa, N. and H. Hoynes. 2006. "Behavioral Responses to Taxes: Lessons from the EITC and Labor Supply." Tax Policy and the Economy 20: 74-110.
- Falk, G. and R. Aussenberg. 2013. The Supplemental Nutrition Assistance Program: Categorical Eligibility. Paper 7-7500. Washington: Congressional Research Service.
- Finifter, D. and M. Prell. 2013. Participation in the Supplemental Nutrition Assistance (SNAP) and Unemployment Insurance: How Tight Are the Strands of the Recessionary Safety Net?. ERR-157. US Department of Agriculture, Economic Research Service.
- Friedman, M. 1969. Testimony on the Family Assistance Plan. In U.S. Congress, House of Representatives, Committee on Ways and Means, Social Security and Welfare Proposals, Hearings, 91st Congress, 1st Session, November 7, Part 6, pp. 1944-1958.
- Gao, Q.; N. Kaushal; and J. Waldfogel. 2009. "How Have Expansions in the Earned Income Tax Credit Affected Family Expenditures?" In Welfare Reform and Its Long-Term Consequences for America's Poor, ed. James P. Ziliak. Cambridge: Cambridge University Press.

Hanson, K. and M. Andrews 2009. "State Variations in the Food Stamp Benefit Reduction Rate for Earnings: Cross-Program Effects from TANF and SSI Cash Assistance." EIB-46. USDA, Economic Research Service.

Hotz, V. J. and J.K. Scholz. 2003. "The Earned Income Tax Credit." In Means-Tested Transfer Programs in the United States, ed. R. Moffitt. Chicago: University of Chicago Press.

Hoynes, H. and Diane Schanzenbach. 2012. "Work Incentives and the Food Stamp Program." J Pub Economics 96 (February): 151-62.

Lampman, R. 1975. "Scaling Welfare Benefits to Income: An Idea That Is Being Overworked." Policy Analysis 1(1): 1-10.

Leguizamon, J.S.. 2012. "Estimating Implicit Marginal Tax Rates of Welfare Recipients across the U.S. States." Public Finance Review 40: 401-430.

Maag, E.; C. E. Steuerle; R. Chakravarti; and C. Quakenbush. 2012. "How Marginal Tax Rates Affect Families at Various Levels of Poverty." National Tax Journal 65: 759-782.

Matsudaira, J. and R. Blank. 2014. "The Impact of Earnings Disregards on the Behavior of Low Income Families." Journal of Policy and Management 33 (Winter): 7-35.

Mendenhall, R.; K. Edin; S. Crowley; J. Sykes; L. Tach; J. Kling; and K. Kriz. 2012. "The Role of Earned Income Tax Credit in the Budgets of Low-Income Families". Social Service Review 86: 367-400.

Mirrlees, J. 1971. "An Exploration in the Theory of Optimum Income Taxation." Review of Economic Studies 38: 175-208.

Moffitt, R. 2013. "The Great Recession and the Social Safety Net." Annals of the American Academy of Political and Social Science 650 (November): 143-166.

Mulligan, C. 2012. "The ARRA: Some Unpleasant Welfare Arithmetic." Working Paper 18591. Cambridge: National Bureau of Economic Research.

Saez, E. 2002. "Optimal Income Transfer Programs: Intensive Versus Extensive Labor Supply Responses." Quarterly Journal of Economics 117 (August): 1039-1073.

Smeeding, T.; D. Jolliffe; and L. Tiehen. 2013. "The Effect of SNAP on Poverty." University of Kentucky Center for Poverty Research Discussion Paper Series, DP2013-06.

Strayer, M.; E. Esлами; and J. Leftin. 2012. Characteristics of Supplemental Nutrition Assistance Program Households: Fiscal Year 2011. Alexandria, Virginia: Food and Nutrition Service, U.S. Department of Agriculture.

U.S. Congressional Budget Office. 2012a. The Supplemental Nutrition Assistance Program. Washington, D.C.: U.S. Congress.

U.S. Congressional Budget Office. 2012b. Effective Marginal Tax Rates for Low- and Moderate-Income Workers. Washington: U.S. Congress.

Weinberg, D. 1985. "Filling the 'Poverty Gap': Multiple Transfer Program Participation." Journal of Human Resources 20 (Winter): 64-89.

Weinberg, D. 1987. "Filling the 'Poverty Gap,' 1979-1984." Journal of Human Resources 22 (Fall): 563-573.

Weinberg, D. 1991. "Poverty Dynamics and the Poverty Gap, 1984-1986." Journal of Human Resources 26 (Summer): 535-544.

Wolkwitz, K. and C. Trippe. 2009. Characteristics of Supplemental Nutrition Assistance Program Households: Fiscal Year 2008. Alexandria, VA: Food and Nutrition Service, U.S. Department of Agriculture.

Ziliak, J. 2013. "Why Are So Many Americans On Food Stamps?" University of Kentucky Center for Poverty Research Discussion Paper Series DP 2013-01. Retrieved 12/29/2013 from <http://www.ukcpr.org/Publications/DP2013-01.pdf>.

Table 1
 Percent of SNAP Families Receiving Other
 Major Tax and Transfer Benefits, 2008-
 2009

Program	Percent Receiving
EITC	38
CTC	28
SSI	25
Subsidized Housing	24
WIC	21
SSDI	15
OASI	15
TANF	13
UI	8
Any one of the above	91
Any one of the above excluding EITC and CTC	76
Any one of the above or minor programs	92
Any one of the above or minor programs excluding EITC and CTC	77

Notes:

Universe = All SIPP families reporting receipt of SNAP benefits in any of the four months prior to interview. Interviews took place from January to April, 2009. Transfer percents denote the percent of SNAP families reporting receipt of the benefit in question in any of the four months prior to interview. Tax Credit percents are calculated from NBER TAXSIM from average values of earnings, income, presence and ages of children, and other family characteristics over the four months prior to interview, assuming 100 percent participation. Minor programs are General Assistance, Foster Children, Workers Compensation, Veterans Benefits, and Other Assistance.

Table 2

Percent of SNAP Families Receiving Combinations of Other Major Tax and Transfer Benefits, 2008-2009

Program	Percent Receiving	
	Including EITC/CTC	Excluding EITC/CTC
Only 1 Other Major Program	28.5	40.6
Only 2 Other Major Programs	35.9	26.5
Three or More Other Major Programs	26.4	8.6
Seven Largest Combinations		
EITC and CTC only	8.1	WIC only 10.5
EITC only	5.2	SSI only 6.4
SSI only	4.9	Subsidized Housing only 6.0
EITC, CTC, and WIC only	4.8	OASI only 5.8
OASI only	4.4	SSDI only 4.9
SSDI only	3.7	SSDI and SSI only 4.0
SSDI and SSI only	3.1	UI only 3.7

See Table 1 notes.

Table 3

Percent of SNAP Families Receiving Other Major Tax and Transfer Programs for Elderly, Disabled, and Nonelderly Nondisabled, 2008-2009

Program	Elderly	Disabled	Nonelderly, Nondisabled
EITC	10.0	17.6	52.7
CTC	7.7	10.1	40.1
SSI	45.5	75.9	0
Subsidized Housing	29.0	29.3	20.8
WIC	4.4	8.9	30.1
SSDI	20.7	46.3	0
OASI	63.2	16.2	5.5
TANF	4.6	10.3	14.7
UI	1.9	2.8	10.9
Receiving at least one other program	98.7	100	85.1
Receiving at least one other program, not EITC or CTC	97.8	100	60.3
Only one other program, not EITC or CTC	39.4	34.3	41.7
Only two other programs, not EITC or CTC	45.6	45.1	15.7
Three or more other programs, not EITC or CTC	12.8	20.6	2.9
Percent of All SNAP Families	15.9	32.9	59.2

See Table 1 notes. Elderly families and individuals are those families and unrelated individuals headed by an individual age 62 or older. Disabled families and individuals are those with anyone in the family who received SSI or DI.

Table 4

Percent of SNAP Families Receiving Other Major Tax and Transfer Benefits by Private Family Income as Percent of the Federal Poverty Line, 2008-2009

Program	Percent Receiving, by Private Family Income		
	0-50%	50-100%	100-150%
EITC	24.7	89.0	64.0
CTC	5.4	71.5	65.8
SSI	32.2	11.1	13.7
Subsidized Housing	31.3	17.3	10.9
WIC	18.2	28.6	26.7
SSDI	19.7	7.3	6.8
OASI	17.4	9.2	11.0
TANF	14.6	10.4	8.1
UI	6.9	9.9	6.7
Receiving at least one other program	89.7	98.7	91.9
Receiving at least one other program, not EITC or CTC	83.1	65.1	61.1
Only one other program, not EITC or CTC	39.5	41.2	41.7
Only two other programs, not EITC or CTC	31.6	20.0	16.4
Three or more other programs, not EITC or CTC	12.0	3.9	3.0
Percent of SNAP Families	61.5	17.8	9.2

See Table 1 notes. Private income is defined as the sum of family earnings and family nonlabor, nontransfer, non-tax-credit income.

Table 5

Percent of Nondisabled, Nonelderly, SNAP Families Receiving Other Major Tax and Transfer Benefits by Private Family Income as Percent of the Federal Poverty Line, 2008-2009

Program	Percent Receiving, by Private Family Income		
	0-50%	50-100%	100-150%
EITC	39.7	95.0	69.2
CTC	9.4	79.6	72.7
SSI	0	0	0
Subsidized Housing	28.9	18.1	10.4
WIC	29.5	32.9	30.1
SSDI	0	0	0
OASI	6.1	3.1	4.8
TANF	19.6	9.9	8.4
UI	12.1	10.4	7.4
Receiving at least one other program	79.7	98.3	89.9
Receiving at least one other program, not EITC or CTC	66.7	56.5	51.4
Only one other program, not EITC or CTC	42.1	40.2	41.9
Only two other programs, not EITC or CTC	19.9	14.6	9.4
Three or more other programs, not EITC or CTC	4.7	1.6	.2
Percent SNAP Families	30.8	14.1	7.2

See Table 1 notes and Table 3 notes for definition of elderly and disabled.

Table 6

Private Family Income of SNAP Families who Receive Other Transfer Benefits,
2008-2009

Program	Private Family Income as Percent of Federal Poverty Line		
	0-50%	50-100%	100-150%
SSI Recipients	79.2	7.9	5.1
SSDI Recipients	79.7	8.5	4.1
TANF Recipients	71.0	14.5	5.9
SSI, SSDI, or TANF Recipients	76.0	10.3	5.3
Not Categorically Eligible	50.9	23.3	12.1

See Table 1 notes.

Table 7

Percent of Nonelderly Nondisabled SNAP Families Receiving Other Major Tax and Transfer Programs, by Family Type, 2008-2009

Program	Family Type		
	Single Parent	Two Parent	Childless
EITC	58.9	71.3	31.9
CTC	42.9	78.3	10.0
SSI	0	0	0
Subsidized Housing	31.9	9.0	14.7
WIC	32.1	43.5	18.2
SSDI	0	0	0
OASI	6.3	3.5	5.9
TANF	19.0	11.5	11.5
UI	8.8	13.4	11.7
Receiving at least one other program	92.2	96.9	67.7
Receiving at least one other program, not EITC or CTC	66.8	63.2	49.8
Only one other program, not EITC or CTC	40.8	47.3	38.8
Only two other programs, not EITC or CTC	21.1	14.0	9.8
Three or more other programs, not EITC or CTC	4.8	1.9	1.2
Percent of All SNAP Families	25.8	14.0	20.2

See Table 1 notes. Single-parent families are families with children under 18 in the household and with one parent present. Two-parent families are families with children under 18 in the household and two married parents present. Childless families and individuals are those without a child under 18 in the household and include what Census definitions call unrelated individuals as well as families.

Table 8

Percent of Nonelderly Nondisabled SNAP Families Receiving Other Major Tax and Transfer Programs, by Employment Status, 2008-200

Program	Employed	Nonemployed
EITC	73.7	2.9
CTC	56.2	1.9
SSI	0	0
Subsidized Housing	17.1	29.3
WIC	30.3	29.4
SSDI	0	0
OASI	5.1	6.4
TANF	10.9	23.8
UI	10.5	11.8
Receiving at least one other program	91.6	69.6
Receiving at least one other program, not EITC or CTC	56.9	68.0
Only one other program, not EITC or CTC	41.9	41.0
Only two other programs, not EITC or CTC	13.2	21.4
Three or more other programs, not EITC or CTC	1.8	5.6
Percent of All SNAP Families	42.1	17.6

See Table 1 notes. Employed families are those with at least one person over 15 who worked in all four months prior to the interview. Nonemployed families are those without any such person.

Table 9

Average Monthly Value of Tax and Transfer Programs for SNAP
Recipients, 2008-2009

Program	Value (dollars)
SNAP	259
EITC	205
CTC	117
SSI	588
Subsidized Housing	499
SSDI	883
OASI	851
TANF	371
UI	791

See Table 1 notes.

Table 10

Percent of SNAP Families Receiving Other Major Tax Credit
and Transfer Programs,
1993-2010

Program	Percent Receiving by Year			
	1993	2004	2008	2010
EITC	29	39	38	38
CTC	0	21	28	31
SSI	20	26	25	23
Subsidized Housing	25	26	24	23
WIC	15	19	21	18
SSDI	7	14	15	15
OASI	14	14	15	17
TANF	41	17	13	9
UI	7	5	8	9
Any one of the above	89	92	91	89
Any one of the above excluding EITC and CTC	80	77	76	72
Any one of the above or minor programs	92	92	92	90
Any one of the above or minor programs excluding EITC and CTC	84	78	77	73
Unemployment Rate	7.2	5.7	7.4	9.3

See Table 1 Notes. Interviews for year 1993 took place between February and May 1993, for year 2004 between February and May 2004, for year 2008 between January and April 2009, and for year 2010 between January and April 2011. The unemployment rate is defined as the arithmetic mean over 7 months covered by each wave of interviews.

Table 11

Cumulative Marginal Tax Rates for Single-Parent and Two-Parent Families with Two
Children by Change in Earnings, 2008 (percent)

Family Type	From 0 to 50% of Poverty Line	From 50 to 100% of Poverty Line	From 100 to 150% of Poverty Line	From 0 to 100% of Poverty Line
Single Parent				
Average	2.4	17.9	50.5	10.2
Maximum	36.3	45.5	104.7	25.5
Minimum	-27.9	-1.7	26.6	-13.3
Two Parent				
Average	-51.2	31.8	59.2	-9.7
Maximum	-21.5	69.2	102.9	10.8
Minimum	-86.9	18.5	36.8	-34.2

Source: Maag et al. (2012), Tables 1 and 3.