

Summary Statistics. Period 1977-1999				
Variable	Mean	Min	Max	St. Dev.
Average Capital Tax Rate	25.8	16.4	42.2	4.4
Population	5008300.2	411530.0	33499204.0	5342718.2
Population density	366.0	4.2	10294.9	1411.7
Percent of Urban Population	67.7	32.2	100.0	15.1
Percent Unemployment	6.2	2.2	18.0	1.6
Percapita Real Personal Income	20669.7	12309.0	36870.3	3103.5
Percent of Working-age Population	52.2	36.5	72.6	7.6
Average Monthly Temperature	60.5	50.7	68.6	2.1

Variables	Dependent Variable: Average Tax Rate									
	<i>OLS</i>	W_1	W_{11}	W_{12}	W_{13}	W_2	W_{21}	W_{22}	W_{23}	W_1
Constant	1.36642 *** (2.878)	0.60228 (1.110)	-0.04111 (0.081)	1.31492 ** (2.334)	1.01958 * (1.951)	-1.85057 *** (3.751)	-2.55462 *** (5.116)	-0.73050 (1.354)	-1.50925 *** (2.739)	-4.75788 *** (8.019)
Population	0.06453 *** (13.405)	0.06824 *** (14.507)	0.06343 *** (14.175)	0.07440 *** (15.019)	0.06655 *** (13.954)	0.04480 *** (9.787)	0.04981 *** (10.517)	0.04014 *** (8.545)	0.04529 *** (9.538)	0.06212 *** (14.273)
Percent urban population	0.02217 (1.004)	0.04490 * (1.912)	0.02131 (0.939)	-0.01191 (0.490)	0.00238 (0.103)	-0.00154 (0.069)	-0.03127 (1.369)	0.00227 (0.098)	-0.01588 (0.683)	-0.03423 * (1.669)
Unemployment rate	-0.03044 ** (2.047)	-0.04167 *** (2.636)	-0.03163 ** (2.030)	-0.05814 *** (3.424)	-0.02532 (1.631)	0.01587 (0.995)	0.01896 (1.177)	0.02212 (1.321)	-0.00061 (0.037)	0.02109 (1.495)
Per capita real personal income	0.12815 *** (3.786)	0.05523 (1.311)	0.08720 ** (2.149)	0.08263 * (1.867)	0.04523 (1.160)	0.33132 *** (7.775)	0.32649 *** (7.812)	0.27656 *** (6.494)	0.26924 *** (6.392)	0.26360 *** (7.944)
Average monthly temperature	-0.68053 *** (21.372)	-0.37025 *** (8.525)	-0.40014 *** (10.012)	-0.41866 *** (8.718)	-0.32413 *** (7.099)	-0.54038 *** (16.617)	-0.48311 *** (14.804)	-0.52082 *** (14.591)	-0.57077 *** (22.959)	-0.66595 *** (22.959)
Percent working-age population	0.55510 *** (4.152)	0.10629 (0.766)	0.31355 ** (2.296)	0.08769 (0.594)	0.00012 (0.001)	0.74568 *** (5.852)	0.88353 *** (6.703)	0.59960 *** (4.385)	0.86781 *** (6.462)	0.79554 *** (6.391)
ρ		0.61029 *** (9.125)	0.52769 *** (9.687)	0.44188 *** (5.871)	0.64329 *** (10.506)	0.05686 *** (5.840)	0.05727 *** (5.966)	0.05272 *** (5.417)	0.04919 *** (4.944)	1.19757 *** (14.173)
λ		0.40673 *** (9.125)	0.32533 *** (9.687)	0.35571 *** (5.871)	0.23710 *** (10.506)	0.51804 *** (5.840)	0.43683 *** (5.966)	0.43159 *** (5.417)	0.41357 *** (4.944)	0.09353 *** (14.173)
σ^2	0.01809	0.01386	0.01419	0.01532	0.01554	0.01369	0.01388	0.01410	0.01462	0.01479
$LM_{\rho\lambda}$		386.11 ***	287.54 ***	280.68 ***	257.84 ***	400.87 ***	256.67 ***	269.27 ***	236.12 ***	680.80 ***
LM^*		106.33 ***	97.29 ***	62.65 ***	120.98 ***	4.69 ***	6.59 ***	9.52 ***	4.47 ***	131.74 ***
LM^*		3.13 ***	2.41 ***	1.86 ***	34.17 ***	366.64 ***	220.77 ***	218.77 ***	200.41 ***	381.93 ***
$LM_{\rho MM}^*$		83.26 ***	93.84 ***	34.47 ***	110.38 ***	34.10 ***	35.59 ***	29.35 ***	24.44 ***	200.87 ***
R^2	0.40224 1127	0.55288 1127	0.54206 1127	0.47451 1127	0.59520 1127	0.46687 1127	0.44396 1127	0.38293 1127	0.44700 1127	0.52036 1127
No. of obs.										