

Wait for the experiment to start.

WELCOME

Thank you for agreeing to participate in this experiment.

This experiment will not be particularly difficult or involve trick questions. You will simply need to follow the instructions as they gradually appear on your screen. The answers you will provide will be confidential and those who process the data from the experiment will not be able to match your name to your choices.

During the experiment, you will be asked to make choices. It is therefore important for the success of the experiment that you do not talk to each other and that you read the instructions very carefully. If you have any questions during experiment, please raise your hand.

At the end of the experiment you receive your payment in cash. The actual amount you receive will depend partly on your choices, partly on the choices of other participants, and partly on chance.

Please press "Continue."

Continue

Please wait for the other participants to reach this screen...

OVERVIEW

Today's experiment is divided into three stages. Every stage is, in all respects, separate from the others. This means that the choices you make in each stage will have no effect on your earnings in other stages. Your final earnings will be the sum of the earnings obtained in all three stages. At the beginning of each stage, we will read the relevant instructions and give examples to ensure that the experiment is clear.

At the end of the experiment you will be paid according to the experiment ID number you received when entering this room. Your earnings will be issued based on this number, not based on your name, so it is important that you retain your ID number. The payment will be issued to you in an enclosed envelope in cash. This way none of the other participants will know how much you earned.

Please press "Continue."

THE FIRST TWO STAGES

The first two stages of this experiment are similar to each other in many ways. In each of these stages, you will be asked to perform a clerical task. Based on your performance, you will earn currency units. These will be converted into dollars at the end of the experiment. You will participate in several rounds, during which you will be asked to report your income for tax purposes.

Please press "Continue."

CLERICAL TASK

The work that you will complete involves copying data about fictional students from sheet of paper onto your computer screen, starting from the first line on the list and following a specific order. Once you have completed the first line, click the NEXT button. If the computer detects a mistake, you will see an error message and you will have to correct the mistake before proceeding. If there is no mistake, clicking the NEXT button will take you to a new screen on which you can start the following line.

For each row copied correctly, you will be paid 10 currency units. Each currency unit in this task is worth 0.025 dollars.

We now ask you to try a practice round of this clerical task for 0 minutes. Your performance in this practice round will not count towards your earnings.

Please take out the piece of paper in front of you titled "Practice Clerical Task." On it you will see the lines of text that you must type correctly. You must begin on the 1st line, row number 1.

After that practice clerical task, we will begin the real clerical task, for which you will be paid real money.

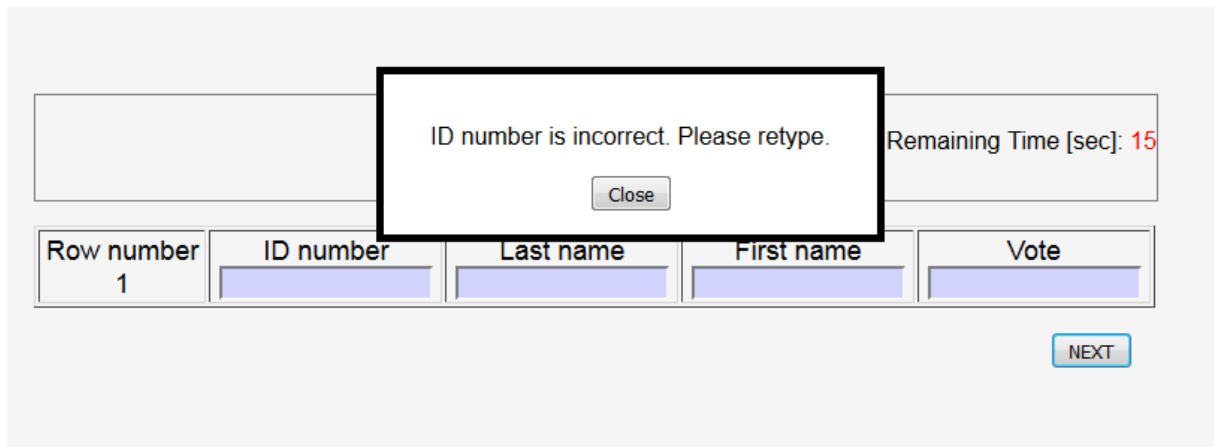
Please press "Continue."

Here, 0.025 will be localized as well as "dollars". Thus, "dollars" should be replaced with the local currency.

Remaining Time [sec]: 29				
Row number 1	ID number <input type="text"/>	Last name <input type="text"/>	First name <input type="text"/>	Vote <input type="text"/>
<input type="button" value="NEXT"/>				

The labels "Row number", "ID number", "Last name", "First name" and "Vote" only need translation if you will use translated "Clerical Task" papers. Note that "Remaining time [sec]" still needs translation.

This is the error message given if an entry is wrong. If this needs translation, I need this for all of the labels.



The screenshot shows a web interface with a modal error message box in the center. The message reads "ID number is incorrect. Please retype." and has a "Close" button. To the right of the message, a "Remaining Time [sec]: 15" is displayed in red. Below the message is a table with five columns: "Row number", "ID number", "Last name", "First name", and "Vote". The "Row number" column contains the value "1". The other four columns are empty text input fields. A "NEXT" button is located at the bottom right of the form area.

Row number	ID number	Last name	First name	Vote
1	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

You copied 0 rows.

CLERICAL TASK

We will now begin the real clerical task. You will have 0 minutes to correctly copy as many rows as you can.

Please turn to "Clerical Task #1" and start with row 101.

Please press "Continue" when you are ready to begin.

Here, 0 will be a more meaningful number (such as 2) in a real experiment.

INSTRUCTIONS: STAGE 1, ROUND 1

We now ask you to report your income. The tax rate is 30%. Please note that you are free to report any amount of your earnings, from nothing to everything. You will only be taxed on the income you report.

There is, however, a 5% probability of being audited. At the end of the experiment, the computer will choose a number between 1 and 100 for each of you in each round. If the result is a number between 1 and 5, you will be audited for that round. If you are audited and you have under-reported your earnings, you will have to pay the tax you should have paid, plus a fine equal to that tax. In other words, you will have to pay twice the tax you avoided.

Please press "Continue" and we'll go over some examples.

EXAMPLE (PART 1)

Let's assume that we have three participants: X, Y, and Z. All three participants copy 10 names correctly during the clerical task. Each participant therefore earns 100 currency units.

Suppose that X reports all of his income (100 currency units), Y reports half of her income (50 currency units), and Z reports nothing (0 currency units). In this case, X, Y, and Z's after-tax earnings are the following.

Participant X reports his total earnings of 100 currency units and the tax rate is 30%, so he will pay 30 in taxes. His final income would therefore be 70 currency units.

Participant Y reports only 50 currency units, so she will pay 15 currency units (since you are only taxed on the income you report). Her final income will be 85 currency units, if she is not audited and fined at the end of the experiment.

Participant Z reports 0 currency units, so he will pay 0 currency units in taxes and his final income will be 100 currency units, unless he is audited and fined at the end of the experiment.

Please press "Continue."

EXAMPLE (PART 2)

What happens if all 3 participants (X, Y, and Z) are audited and fined at the end of the experiment?

If participant X is audited, nothing happens: since he reported his total earnings, he will not incur any penalty and his final income will remain 70 currency units.

If participant Y is audited, then since she underreported her earnings, she will have to pay a fine equal to twice the tax she did not pay. She reported 50 currency units and therefore already paid 15 currency units. Thus, as we saw above, she kept 85 units. Since she is audited, however, her fine will be double what she did not pay 30 ($15 \times 2 = 30$). In this case, her final income will be 55 (since $85 - 30 = 55$).

Finally, participant Z reported 0 currency units. Thus he avoided 30 currency units in taxes. If he is audited he will have to pay a fine that is double what he avoided (i.e. 60 currency units). In this case, his final income will be 40 (since $100 - 60 = 40$).

During the experiment, do not worry about making these calculations. The computer will do them for you at the end of the experiment.

Please press "Continue."

REPORT YOUR EARNINGS

Please report your earnings for tax purposes.

The relevant rules in this round are summarized in the box below.

- Based on the number of rows you copied during the clerical task, your earnings are 0 currency units.
- The tax rate is 30%
- The audit probability is 5%
- If audited you will pay a fine equal to 2 times any taxes avoided.

Report your earnings here:

You cannot report more than your earnings.

When you are finished reporting your earnings, please press "Continue."

Note that the error message "You cannot report..." needs translation too.

INSTRUCTIONS: STAGE 1, ROUND 2

The second round is very similar to the first one. As in the first round, we ask you to report your income for tax purposes, at the tax rate of 30%. Again, you are free to report any amount of your earnings (from nothing to everything) for tax purposes. You will only be taxed on the income you report. There is, however, a 5% probability of being audited. At the end of the experiment, if you are audited and it is discovered that you have under-reported your earnings, you will have to pay a penalty equal to twice the tax you should have paid on the income you did not report.

The only difference between the first and the second round is that in the second round, the money that is collected in taxes from all participants will be put into a general fund and then redistributed in equal parts among all participants, regardless of how much each participant paid in taxes.

Please press "Continue" and we'll go over an example.

EXAMPLE

Let's look at an example. Let's assume that 3 people participate in the experiment, and that each one of them earns 100 currency units during the clerical task.

One participant reports 100 currency units, one reports 50 currency units, and the other reports 0 currency units. The amount collected in taxes and put into the general fund is therefore 45 currency units (since $30+15+0=45$). Each participant receives 15 currency units from the general fund.

Please press "Continue."

REPORT YOUR EARNINGS

Please report your earnings for tax purposes. Please remember that the amount you report in this round is in no way connected to the amount you reported or the taxes you paid in the previous round. In other words, your income is exactly the same amount as in the beginning of the first round.

The relevant rules in this round are summarized in the box below.

- Based on the number of rows you copied during the clerical task, your earnings are 0 currency units.
- The tax rate is 30%
- The audit probability is 5%
- If audited you will pay a fine equal to 2 times any taxes avoided.
- All tax money will be collected into a fund, which will then be equally redistributed to all participants.

Report your earnings here:

When you are finished reporting your earnings, please press "Continue."

INSTRUCTIONS: STAGE 1, ROUND 3

The next round is very similar to the previous one. As before, we ask you to report your income. The income you report will be assessed a tax of 30%, and will be placed into a general fund which will be shared by all participants.

The new aspect of this round is that the revenues from the general fund will not be distributed equally to all participants. In this scenario, those with the lowest 20% of earnings will receive more from the fund than those with "average and above" incomes.

Also note that what participants receive from the fund will depend upon how much they actually earned, and not on how much they reported.

As before, there is a 5% probability that you will be audited. If you are audited and have underreported your income you will pay a fine equal to twice the tax you avoided.

Please press "Continue", and we will do an example together.

INSTRUCTIONS: STAGE 1, ROUND 3 (CONTINUED)

In the following scenario the general fund will be divided into two portions: One part (80%) will be allocated to portion A, and a second part (20%) will be allocated to portion B.

All of the money in portion A will be distributed in equal parts to all of the participants, regardless of how much each participant earned, and how much he or she put into the fund.

The money in portion B will be distributed in equal parts to the lowest 20% of income earners, regardless of how much each person in this group put into the fund.

In short, those with low earnings will receive more from the fund than those with average and above income.

Please press "Continue."

REPORT YOUR EARNINGS

Please report your earnings for tax purposes. Please remember that the amount you report in this round is in no way connected to the amount you reported or the taxes you paid in the previous round. In other words, your income is exactly the same amount as in the beginning of the first round.

The relevant rules in this round are summarized in the box below.

- Based on the number of rows you copied during the clerical task, your earnings are 0 currency units.
- The tax rate is 30%
- The audit probability is 5%
- If audited you will pay a fine equal to 2 times any taxes avoided.
- Taxes collected will be collected into a fund which will be split into two portions: 80% to portion A, and 20% to portion B.
- Portion A will be redistributed equally amongst all participants no matter how much they put into the fund.
- Portion B will be redistributed only to those participants who are in the bottom 20% of income earners, no matter how much they actually put into the fund.

Report your earnings here:

When you are finished reporting your earnings, please press "Continue."

STAGE 2 OVERVIEW

Now let's begin the second stage of the experiment. The second stage is similar to the first stage. We will again ask you to perform clerical tasks. Based on your performance, you will earn currency units, which will constitute your income in this stage and which will be converted to real money at the end of the experiment.

As in the last stage, you will participate in different rounds in which you will be presented with different choices. There are two important differences between this stage and the previous one. First, the money collected in taxes will be given to real public institutions. Second, you will be asked to do clerical tasks (0 minutes each) before you make these decisions.

As before, the tax rate will be 30% and you are free to report any amount of your earnings. You will only pay the tax on the income you report. There is, once again, a 5% probability of being audited. If you are audited the fine will be twice the amount that you avoided in taxes.

Please press "Continue."

CLERICAL TASK

We now ask you to perform the clerical task for 0 minutes. Afterwards, you will be told how many currency units you earned.

Please turn to the next page in your packet, entitled "Clerical Task #2." You will start with the first line on this page, which is row number 201. Once again, we ask you to focus on the clerical task, so that you can earn as much as possible by correctly completing it.

Please press "Continue."

REPORT YOUR EARNINGS

Please report your earnings for tax purposes.

The relevant rules in this round are summarized in the box below.

- Based on the number of rows you copied during the clerical task, your earnings are 0 currency units.
- The tax rate is 30%
- The audit probability is 5%
- If audited you will pay a fine equal to 2 times any taxes avoided.

The tax you pay will be sent to:

Department of Fire and Rescue

Please note that we really do give this money to this institution.

Report your earnings here:

When you are finished reporting your earnings, please press "Continue."

CLERICAL TASK

Once again we ask you to perform the clerical task for 0 minutes. After, you will be told how many currency units you earned and be asked to report your income, which will be taxed at a 30% tax rate. Taxes collected in this round will be contributed to a different institution.

Please turn to the next page in your packet, entitled "Clerical Task #3." You will start with the first line on this page, which is row number 301. Once again, we ask you to focus on the clerical task, so that you can earn as much as possible by correctly completing it.

Please press "Continue."

REPORT YOUR EARNINGS

Please report your earnings for tax purposes.

The relevant rules in this round are summarized in the box below.

- Based on the number of rows you copied during the clerical task, your earnings are 0 currency units.
- The tax rate is 30%
- The audit probability is 5%
- If audited you will pay a fine equal to 2 times any taxes avoided.

The tax you pay will be sent to:

National Government (Department of the Treasury)

Please note that we really do give this money to this institution.

Report your earnings here:

When you are finished reporting your earnings, please press "Continue."

CLERICAL TASK

In the final round we ask you to perform the clerical task for 0 minutes. After, you will be told how many currency units you earned and be asked to report your income, which will be taxed at a 30% tax rate. Taxes collected in this round will be contributed to a different institution.

Please turn to the next page in your packet, entitled "Clerical Task #4." You will start with the first line on this page, which is row number 401. Once again, we ask you to focus on the clerical task, so that you can earn as much as possible by correctly completing it.

Please press "Continue."

REPORT YOUR EARNINGS

Please report your earnings for tax purposes.

The relevant rules in this round are summarized in the box below.

- Based on the number of rows you copied during the clerical task, your earnings are 0 currency units.
- The tax rate is 30%
- The audit probability is 5%
- If audited you will pay a fine equal to 2 times any taxes avoided.

The tax you pay will be sent to:

Social Security Retirement System

Please note that we really do give this money to this institution.

Report your earnings here:

When you are finished reporting your earnings, please press "Continue."

You have finished the first two stages of the experiment. We now begin the third and final stage of the experiment.

This stage is different from the first two.

In this stage, you have been randomly paired with another person in this room, whom we will refer to as "the other." This other person is someone you do not know and who will remain anonymous. All of your choices are completely confidential. You will be making a series of decisions about allocating resources between yourself and this other person.

Please press "Continue."

For each of the questions that will follow, you will be asked to indicate the distribution of resources you prefer by marking the respective position along the midline, as in the example below. You can only make one mark for each question. There are no right or wrong answers; this is all about personal preferences.

In the example below, a person has chosen to distribute money so that she receives 50 tokens, while the anonymous other person receives 40 tokens. Note that 10 tokens are worth 0.08 dollars.

You receive	30	35	40	45	50	55	60	65	70
					X				
Other receives	80	70	60	50	40	30	20	10	0

Please press "Continue."

Note that at the end of this stage, only one person in each pair will have their decisions applied. In other words, if you are selected to have your decisions applied, then your choices will determine the ultimate payout that both you and the other person receives at the end of this stage. If you are not selected, then the choices made by "the other" will be implemented, and your earnings will depend on the choices they have made about the distribution of resources. The selection will be at random, and neither of you will know beforehand whose decisions will be applied.

The earnings from this stage will be added to your earnings from the previous two stages of the experiment to determine your final income.

Please press "Continue."

Please indicate the distribution you prefer most by marking the respective button along the midline.

1 of 6

You receive	85	85	85	85	85	85	85	85	85
	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other receives	85	76	68	59	50	41	33	24	15

You receive:

Other receives:

Note that "You receive" and "Other receives" needs translation.

Now, we ask you to complete a survey. You can fill in the survey at your own pace, without having to wait for permission to go to the next screen. We appreciate that you answer the survey questions truthfully.

After the survey, we will show you your results.

Click "Continue" to start the survey.

Age: 18 ▾
Gender: Male Female
Ethnicity:

Are you currently employed? Yes No

Are you currently enrolled as a student?
 No Yes, undergraduate Yes, masters Yes, PhD or other professional degree

If yes: Major field of study:
Year in your program: 1 2 3 4 5+

Country of residence: Afghanistan ▾
Country of birth: Afghanistan ▾
Mother's country of birth: Afghanistan ▾
Father's country of birth: Afghanistan ▾

Have you participated in other experiments before? No Yes

If yes: How many times? Once ▾

How many people in this session do you know by first name? 0 ▾

Continue

The options in the "How many times?" drop-down are

Once

Twice

3-5 times

More than 5 times

More than 10 times

Please tell me whether you think the following actions can always be justified, never be justified, or something in between. 0 means you think the action can never be justified, and 10 means you think the action can always be justified.

	Never justified	0	1	2	3	4	5	6	7	8	9	Always justified	10
Cheating on taxes if you have a chance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Claiming government benefits to which you are not entitled	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

What are the chances that a private individual who cheats on his or her taxes will be caught and punished?

Will definitely be caught and punished ▼

What are the chances that a corporation that cheats on its taxes will be caught and punished?

Will definitely be caught and punished ▼

What percentage of people in USA cheat on their taxes?

- Will definitely be caught and punished ▼
- Will definitely be caught and punished
- Will probably be caught and punished
- Will probably not be caught and punished
- Will definitely not be caught and punished

The following are different statements made about the American tax system. Please indicate how much you agree with each of these statements.

	Completely disagree	Disagree	Agree	Completely agree
The more a person earns, the higher his or her taxes should be.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Not paying taxes is one of the worst crimes a person can commit because it damages the whole community.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
High taxes force individuals to evade taxes in order to keep their businesses afloat.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
People who are, by nature, lazy and unwilling to work are nonetheless able to get by because they abuse welfare benefits.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Providing welfare benefits teaches people to be lazy. Without benefits, people would be forced to learn the value of hard work.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
	Completely disagree	Disagree	Agree	Completely agree
It is justifiable not to pay taxes because the government and politicians are corrupt.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
It is right to pay taxes because through taxes, we can help the most vulnerable in our society.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
It is justifiable not to pay taxes because the government wastes our tax money.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Wealthy people and businesses can usually find legal ways to avoid paying their taxes.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tax inspections should be made more often.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The government should increase taxes on the super rich.	Completely disagree ▼			

Completely disagree ▼

- Completely disagree
- Disagree
- Agree
- Completely agree

The following are different statements made about government spending for the less fortunate. Please indicate how much you agree with each of these statements.

	Completely disagree	Disagree	Agree	Completely agree
Cutting government benefits would damage too many people's lives.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Around here, most unemployed people could find a job if they really wanted one.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Which of the following two statements comes closest to your view:

- Benefits for poor people are too low and cause hardship.
- Benefits for poor people are too high and discourage them from finding better jobs.

On the whole, do you think it should or should not be government's responsibility to:

Reduce income differences between the rich and the poor

- Should not be
- Should be

Provide a job for everyone who wants one

- Should not be
- Should be

Provide a decent standard of living for the unemployed

- Should not be
- Should be

Provide decent housing for those who can't afford it

- Should not be
- Should be

Provide health care for the sick

- Should not be
- Should be

Provide a decent standard of living for the old

- Should not be
- Should be

Provide free public education for all those who want it

- Should not be
- Should be

Compared to the other participants in this experiment, do you think your performance on the clerical task was above average, average, or below average?

- Above average
- Average
- Below average

Are you religious?

- No
- Yes

What is your religious affiliation?

Please rate the importance of religion in your life:

- Very important
- Fairly important
- Not very important

How frequently do you attend religious services?

- Daily
- Multiple times per week
- About once a week
- About once a month
- Only once every few months

Our experiment was created to help us better understand individuals' motivations for tax compliance.

Could you please explain your motivations for the decisions you made in Stage 1 of today's experiment (in which the money didn't go to any particular government institution)? (Max. 700 characters.)

Next, could you please explain your motivations for the decisions you made in Stage 2 of today's experiment (in which the money were given to various government institutions)? (Max. 700 characters.)

Now that you have completed the survey, we will show you your results. The result screens will reveal your earnings for each stage and each round of the experiment, including whether you were audited and fined for a particular round. You may move through these screens at your own pace; you do not need to wait for permission to move to the next screen.

The final screen will convert your earnings from currency units into dollars, so that you can see how much you will be paid for your participation in this experiment.

RESULT: STAGES 1 AND 2

Your earnings in each of the first two stages (in currency units) is reported in the table below.

	Income	You reported	Taxes paid	The computer rolled the number	Audited?	Fine	Earnings from fund	You earned
Stage 1, round 1	0	0	0.0	37	No	0.0	No fund	0.0
Stage 1, round 2	0	0	0.0	56	No	0.0	0.0	0.0
Stage 1, round 3	0	0	0.0	47	No	0.0	0.0	0.0
Stage 2, round 1	0	0	0.0	81	No	0.0	No fund	0.0
Stage 2, round 2	0	0	0.0	8	No	0.0	No fund	0.0
Stage 2, round 3	0	0	0.0	55	No	0.0	No fund	0.0

RESULT: STAGE 3

In the third stage, your choices were implemented. Based on those choices, you earned 462 tokens.

FINAL RESULT

Your cumulative payment for the first two stages is equal to 0.0 currency units, and your payment for the third stage is equal to 462 tokens. All together, and converted to dollars and rounded up, your final payment is equal to 4 dollars.

THIS STUDY IS NOW FINISHED

Thank you for your participation. You will be instructed on how to collect your payment.

Have a nice day!