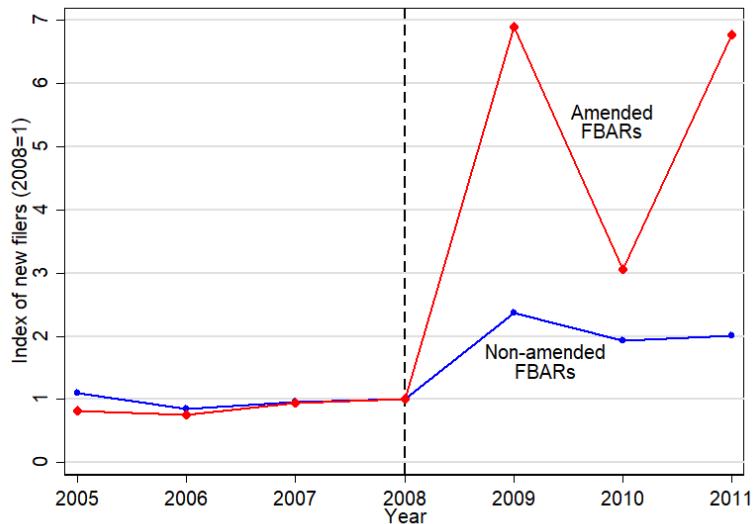


Appendix Tables and Figures (for Online Publication Only)

Figure A.1: First-time FBAR filers, amended vs. non-amended, 2005-2011



Notes: This figure plots aggregates on new disclosers of foreign accounts (those not filing FBAR in previous years, see text for details), by year and whether the new filer also filed late/amended FBARs for prior years. OVD participants and non-US address filers are excluded from the tabulations. The series are normalized by the 2008 level. The overall number of late/amended FBARs is small, but we observe an enormous increase in late/amended FBARs in relative terms in 2009. The 2008 levels are 1,092 for amending filers and 37,619 for non-amending filers.

Figure A.2: Event Study of Reported Income for OVD Participants

Figure A.2.A: Other Income Sources

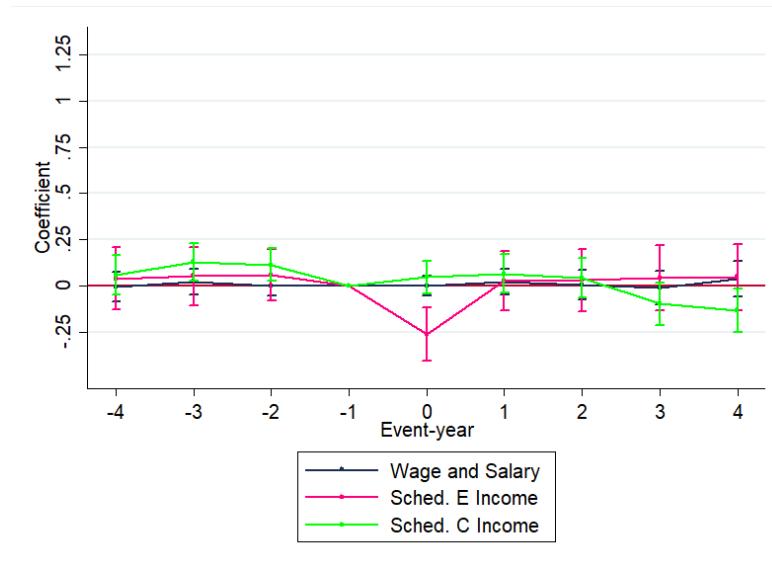
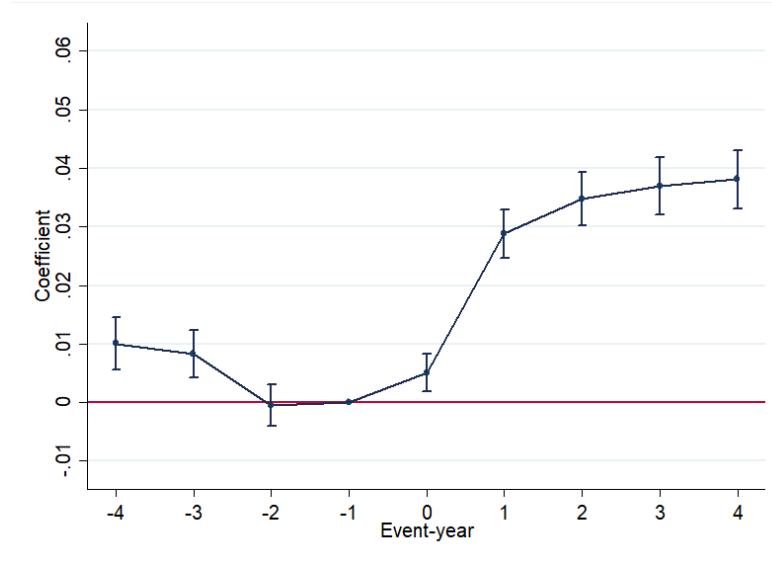


Figure A.2.B: Propensity to Report Positive Capital Income



Notes: This figure plots the coefficients on event-year dummies in the event study regression for given income sources (Panel A) and a binary dependent variable indicating whether the individual reported any capital income (Panel B). Event-year 0 represents the tax year associated with the year of initial OVD participation. The 95% confidence interval is calculated from estimated standard errors clustered at the individual level. In Panel A, the outcome variable is an inverse hyperbolic sine transformation of a given income source.

Figure A.3: Event Study of Reported Income for First-Time FBAR Filers

Figure A.3.A: Other Income Sources

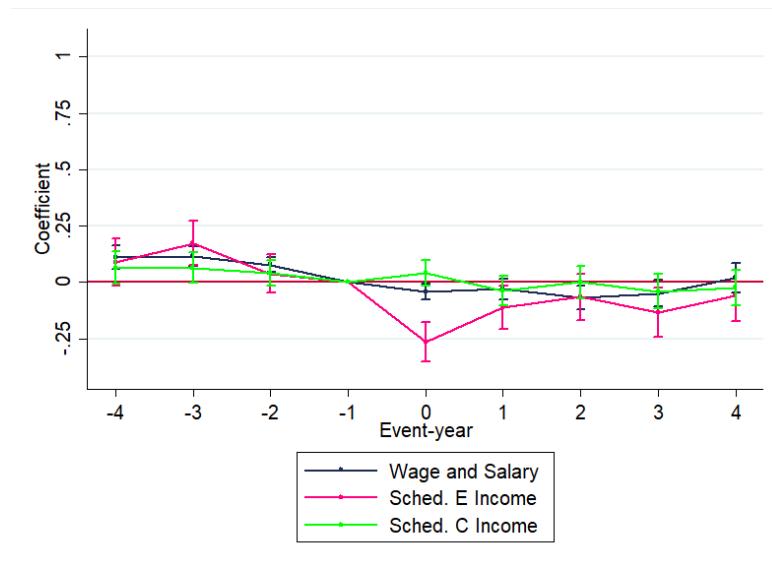
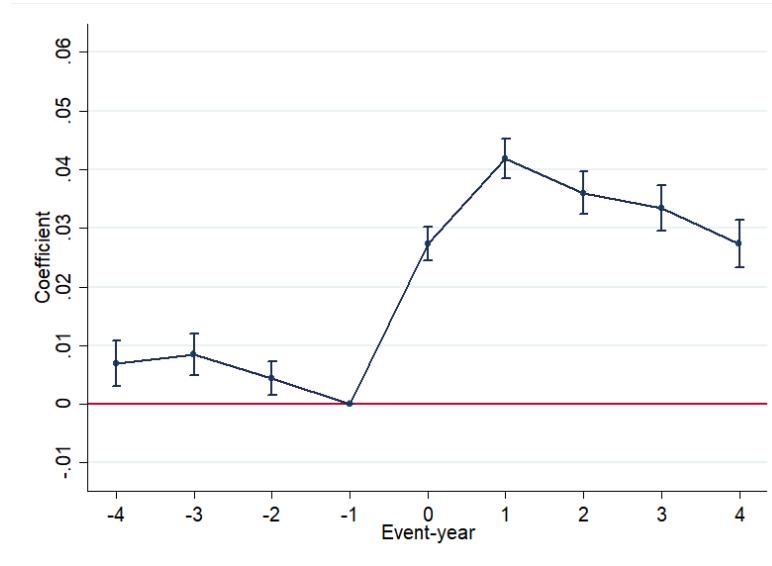


Figure A.3.B: Propensity to Report Positive Capital Income



Notes: This figure plots the coefficients on event-year dummies in the event study regression for given income sources (Panel A) and a binary dependent variable indicating whether the individual reported any capital income (Panel B).

Event-year 0 represents the tax year associated with the year of first-time FBAR filing. The 95% confidence interval is calculated from estimated standard errors clustered at the individual level. In Panel A, the outcome variable is an inverse hyperbolic sine transformation of a given income source.

Figure A.4: Decomposing Reported Income in Event Study of OVD Participants

Figure A.4.A: Interest

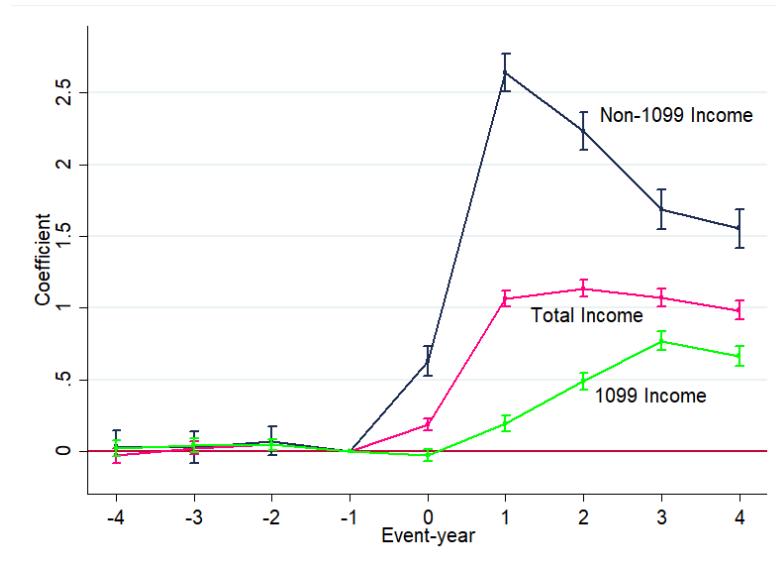
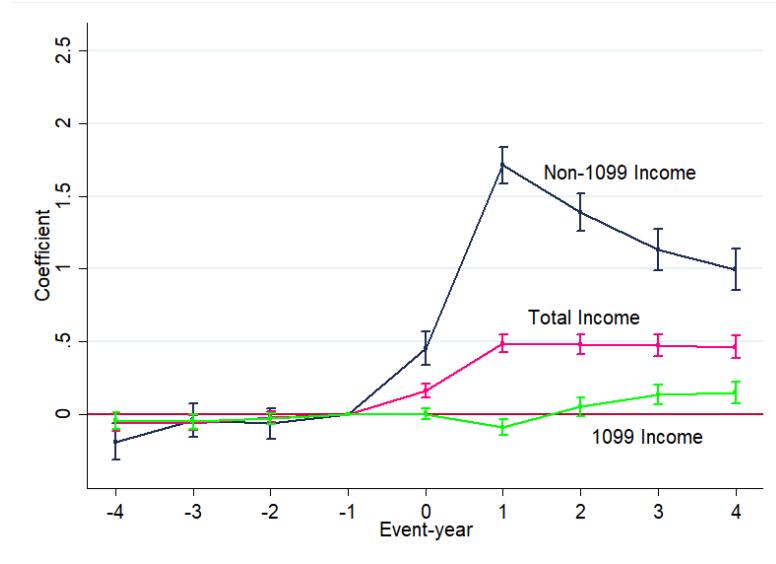
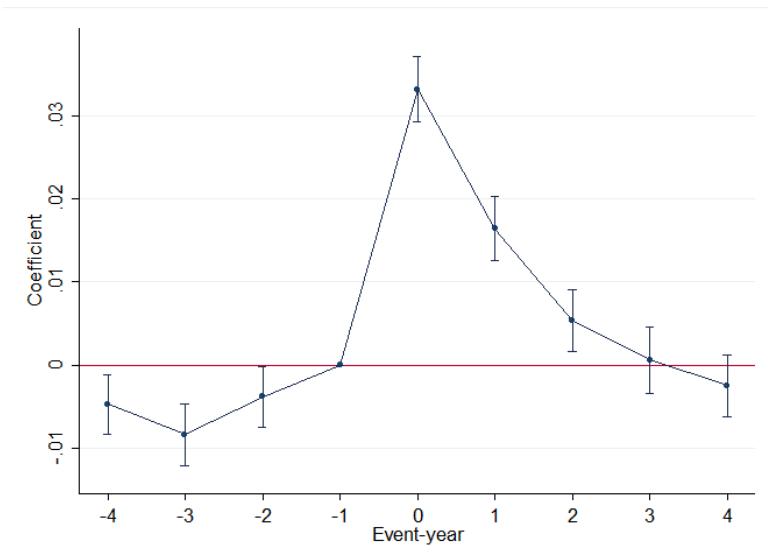


Figure A.4.B: Dividends



Notes: This figure repeats the exercise in Figures 9 and 10 for interest and dividend income, decomposing these types of income into income reported by domestic financial institutions (on Forms 1099-INT and 1099-DIV) and income reported by the taxpayer but not reported by domestic financial institutions. Event-year 0 represents the tax year associated with the year of initial OVD participation. The 95% confidence interval is calculated from estimated standard errors clustered at the individual level. The outcome variable is an inverse hyperbolic sine transformation of the given income source such that point estimates can be interpreted similarly to a log transformation.

Figure A.5: Probability of Amending Returns Relative to First-Time Filing



Notes: This figure plots the regression coefficients on the event time dummies from a linear probability model where the outcome variable is an indicator for amending a 1040 from one of the previous four years in year t . The sample is identical to that of Figure 10. Confidence Intervals are derived from estimated standard errors which are clustered at the individual level. We observe a substantial spike in filing amended tax returns following the disclosure of a foreign account, which is strongly suggestive of a number of quiet disclosures.

Figure A.6: The Ratio of Account Value to Previously Reported Capital Income

Figure A.6.A OVD Participants

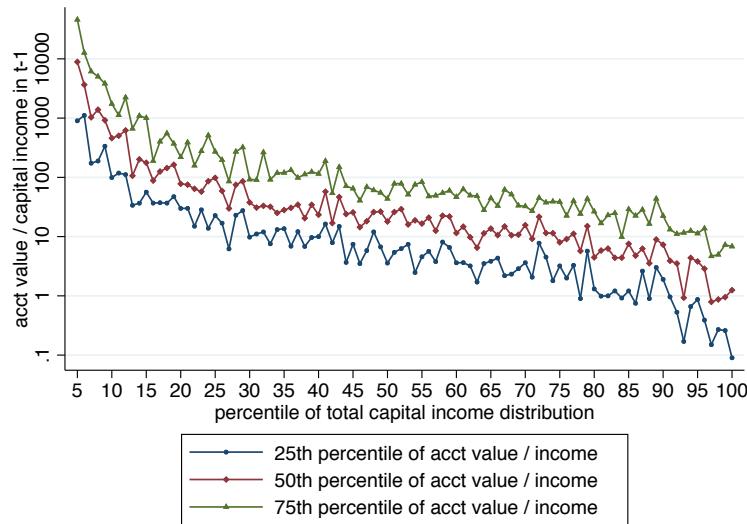
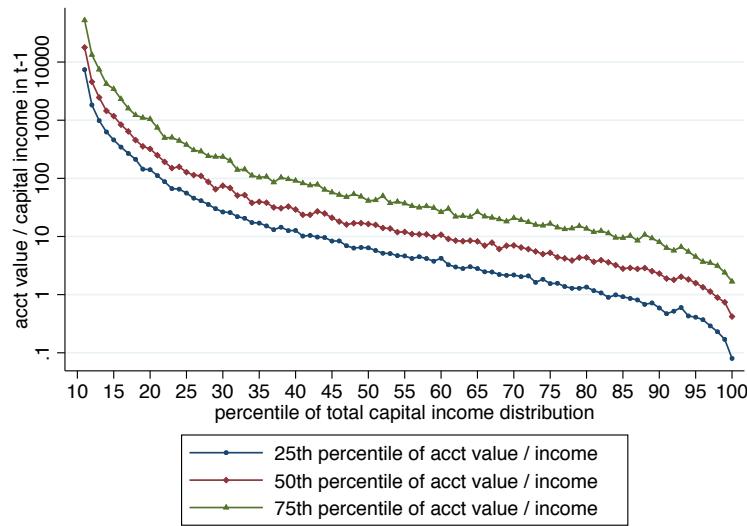


Figure A.6.B First-Time Filers



Note: This table reports quantiles of the ratio of total FBAR account value to capital income in the year before disclosure, by rank in the total capital income distribution. We rank individuals according to their rank among OVD participants or first-time filers rather than the entire population, for simplicity. To obtain total FBAR account value, we add across accounts if the individual reported multiple accounts. Results are very similar when using the maximum account value. Individuals with zero capital income in the prior year are excluded from the analysis.

Table A.1. Event Study of Reported Income for OVD Participants

VARIABLES	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8) Report Any Capital Income
	Interest	Dividends	Capital Gains/Losses	Total Capital Income	Wage and Salary Income	Schedule C Income	Schedule E Income	
Treat*Event time -4	-0.029175 (0.026707)	-0.057727* (0.030120)	0.016821 (0.032029)	0.037654* (0.022605)	-0.007327 (0.040473)	0.058100 (0.055647)	0.038931 (0.085228)	0.010047*** (0.002312)
Treat*Event time -3	0.021958 (0.023203)	-0.059572** (0.026812)	0.005719 (0.028097)	0.039458** (0.019315)	0.021428 (0.034816)	0.128868** (0.051529)	0.050949 (0.080403)	0.008329*** (0.002055)
Treat*Event time -2	0.044765** (0.018988)	-0.019143 (0.020620)	-0.024690 (0.022403)	0.011432 (0.015774)	-0.000479 (0.026628)	0.113871** (0.044487)	0.056469 (0.070746)	-0.000465 (0.001786)
Treat*Event time 0	0.185001*** (0.020885)	0.162393*** (0.023374)	0.042006* (0.024557)	0.165828*** (0.017236)	-0.001025 (0.026585)	0.046455 (0.044802)	-0.262716*** (0.072467)	0.005046*** (0.001665)
Treat*Event time 1	1.061388*** (0.028153)	0.485858*** (0.031864)	0.210601*** (0.031042)	0.753838*** (0.023409)	0.019130 (0.035218)	0.065406 (0.052750)	0.026733 (0.082196)	0.028829*** (0.002099)
Treat*Event time 2	1.134727*** (0.030936)	0.480929*** (0.035515)	0.241685*** (0.034463)	0.799247*** (0.026278)	0.005162 (0.041065)	0.042808 (0.055308)	0.029695 (0.085322)	0.034735*** (0.002310)
Treat*Event time 3	1.071524*** (0.032937)	0.470303*** (0.038258)	0.281265*** (0.037223)	0.754004*** (0.028474)	-0.010627 (0.045553)	-0.098829* (0.058041)	0.042438 (0.089809)	0.036872*** (0.002496)
Treat*Event time 4	0.982369*** (0.033911)	0.461347*** (0.039553)	0.336528*** (0.038973)	0.712861*** (0.028882)	0.037769 (0.049007)	-0.133514** (0.059603)	0.045213 (0.091928)	0.038090*** (0.002524)
Observations	478,350	478,350	478,350	478,350	478,350	478,349	478,289	478,350
R-squared	0.761839	0.842375	0.838480	0.815430	0.851059	0.582259	0.550560	0.540362

Standard errors clustered at the individual-level

*** p<0.01, ** p<0.05, * p<0.1

Note: This table reports the regression coefficients plotted in Figure 9 and Figure A.2.

Table A.2 Event Study of Reported Total Financial Capital Income for OVD Participants, Alternative Specifications

VARIABLES	(1) Inverse Hyperbolic Sine, main specification	(2) Inverse Hyperbolic Sine, exclude zeros in t-1	(3) Inverse Hyperbolic Sine, drop all zeros	(4) Natural log, drop all zeros	(5) Inverse Hyperbolic Sine, balanced sample	(6) Natural log, balanced sample
Treat*Event time -4	0.037654* (0.022605)	0.005081 (0.020643)	-0.029644* (0.016643)	-0.029395* (0.016659)	-0.037224** (0.016167)	-0.037178** (0.016177)
Treat*Event time -3	0.039458** (0.019315)	0.018690 (0.017439)	-0.010703 (0.014151)	-0.010569 (0.014165)	-0.022539* (0.013045)	-0.022546* (0.013048)
Treat*Event time -2	0.011432 (0.015774)	-0.009314 (0.014017)	0.012446 (0.010792)	0.012590 (0.010805)	-0.011175 (0.009432)	-0.011215 (0.009439)
Treat*Event time 0	0.165828*** (0.017236)	0.127633*** (0.014508)	0.125404*** (0.012373)	0.125334*** (0.012384)	0.115259*** (0.010952)	0.115256*** (0.010954)
Treat*Event time 1	0.753838*** (0.023409)	0.636726*** (0.019300)	0.556000*** (0.017120)	0.556174*** (0.017134)	0.503996*** (0.016135)	0.504088*** (0.016141)
Treat*Event time 2	0.799247*** (0.026278)	0.676470*** (0.022319)	0.581748*** (0.018853)	0.582241*** (0.018866)	0.527037*** (0.018056)	0.527267*** (0.018060)
Treat*Event time 3	0.754004*** (0.028474)	0.634043*** (0.024925)	0.529969*** (0.019898)	0.530541*** (0.019914)	0.483549*** (0.019104)	0.483821*** (0.019111)
Treat*Event time 4	0.712861*** (0.028882)	0.609308*** (0.025562)	0.455921*** (0.021384)	0.456233*** (0.021408)	0.421575*** (0.020807)	0.421801*** (0.020820)
Observations	478,350	461,787	455,201	455,201	370,521	370,521
R-squared	0.815430	0.799785	0.854775	0.854481	0.847574	0.847410

Standard errors clustered at the individual-level

*** p<0.01, ** p<0.05, * p<0.1

Note: This table reports several alternative specifications of the estimation of equation (1) on the impact of disclosure on reported total financial capital income. Column (1) is identical column (4) of Table A.1. Column (2) drops zeros in event year -1, as these individuals are also excluded from the analysis in Table A.8. Column (3) drops all observations of zero financial capital income. Columns (4) is similar to column (3), but use a traditional logarithmic transform instead of an inverse hyperbolic sine transform. In columns (5) and (6) we estimate the regression on a balanced panel of taxpayers using the inverse hyperbolic sine transformation and natural log of the outcome, respectively.

Table A.3. Event Study of Reported Income for First-Time FBAR Filers

VARIABLES	(1) Interest	(2) Dividends	(3) Capital Gains/Losses	(4) Total Capital Income	(5) Wage and Salary Income	(6) Schedule C Income	(7) Schedule E Income	(8) Report Any Capital Income
Treat*Event time -4	-0.055918*** (0.019564)	-0.042793** (0.021372)	0.018690 (0.022413)	-0.020675 (0.017233)	0.111576*** (0.026812)	0.064331* (0.037355)	0.090001* (0.053483)	0.006922*** (0.001942)
Treat*Event time -3	-0.017580 (0.017347)	-0.032300* (0.018763)	-0.007597 (0.019421)	0.000033 (0.015299)	0.114827*** (0.022848)	0.064385* (0.033960)	0.173038*** (0.050408)	0.008481*** (0.001802)
Treat*Event time -2	0.026820** (0.013662)	-0.012978 (0.014861)	-0.008248 (0.015861)	0.020076* (0.012129)	0.077914*** (0.017451)	0.042086 (0.028885)	0.038655 (0.043218)	0.004350*** (0.001470)
Treat*Event time 0	0.319700*** (0.014178)	0.112550*** (0.015046)	0.026411* (0.015909)	0.282919*** (0.012689)	-0.043702** (0.017543)	0.040283 (0.028532)	-0.264761*** (0.043614)	0.027352*** (0.001484)
Treat*Event time 1	0.615175*** (0.017974)	0.199839*** (0.019377)	0.097733*** (0.019496)	0.487019*** (0.015594)	-0.029693 (0.023151)	-0.038166 (0.033502)	-0.110621** (0.049170)	0.041902*** (0.001713)
Treat*Event time 2	0.599319*** (0.019890)	0.208778*** (0.022310)	0.124829*** (0.021873)	0.448476*** (0.017546)	-0.067314** (0.027108)	0.000180 (0.036470)	-0.064777 (0.052511)	0.036002*** (0.001854)
Treat*Event time 3	0.561062*** (0.021647)	0.229531*** (0.024515)	0.138683*** (0.023986)	0.407835*** (0.019426)	-0.050795* (0.030109)	-0.041437 (0.038618)	-0.135222** (0.055485)	0.033437*** (0.001995)
Treat*Event time 4	0.549502*** (0.022800)	0.231005*** (0.025752)	0.168012*** (0.025396)	0.372131*** (0.020432)	0.019500 (0.032584)	-0.024127 (0.040694)	-0.060041 (0.058237)	0.027288*** (0.002062)
Observations	829,533	829,533	829,533	829,533	829,533	829,529	829,396	829,533
R-squared	0.768602	0.840233	0.837671	0.814067	0.811797	0.544995	0.524623	0.555718

Standard errors clustered at the individual-level

*** p<0.01, ** p<0.05, * p<0.1

Note: This table reports the regression coefficients plotted in Figure 10 and Figure A.3.

Table A.4. Decomposing Reported Income in Event Study of OVD Participants

VARIABLES	(1)	(2)	(3)	(4)	(5)	(6)
	Non-1099 Interest	1099 Interest	Total Interest	Non-1099 Dividends	1099 Dividends	Total Dividends
Treat*Event time -4	0.031721 (0.059001)	0.017593 (0.028420)	-0.029175 (0.026707)	-0.190026*** (0.064532)	-0.046174 (0.029697)	-0.057727* (0.030120)
Treat*Event time -3	0.027553 (0.056360)	0.037893 (0.024938)	0.021958 (0.023203)	-0.043539 (0.058376)	-0.052621** (0.025717)	-0.059572** (0.026812)
Treat*Event time -2	0.070952 (0.051329)	0.045496** (0.019601)	0.044765** (0.018988)	-0.065139 (0.054460)	-0.029641 (0.019067)	-0.019143 (0.020620)
Treat*Event time 0	0.628838*** (0.054244)	-0.027716 (0.020194)	0.185001*** (0.020885)	0.451373*** (0.059206)	0.001383 (0.019670)	0.162393*** (0.023374)
Treat*Event time 1	2.640293*** (0.065537)	0.192859*** (0.028203)	1.061388*** (0.028153)	1.712129*** (0.065330)	-0.088023*** (0.027385)	0.485858*** (0.031864)
Treat*Event time 2	2.232641*** (0.067445)	0.487279*** (0.031344)	1.134727*** (0.030936)	1.386312*** (0.065920)	0.049200 (0.032772)	0.480929*** (0.035515)
Treat*Event time 3	1.684172*** (0.069902)	0.767485*** (0.033668)	1.071524*** (0.032937)	1.130801*** (0.071590)	0.133530*** (0.035728)	0.470303*** (0.038258)
Treat*Event time 4	1.551593*** (0.069096)	0.663944*** (0.036205)	0.982369*** (0.033911)	0.996238*** (0.072524)	0.147849*** (0.038685)	0.461347*** (0.039553)
Observations	478,341	478,341	478,350	478,340	478,341	478,350
R-squared	0.576671	0.767779	0.761839	0.568226	0.861470	0.842375

Standard errors clustered at the individual-level

*** p<0.01, ** p<0.05, * p<0.1

Note: This table reports the regression coefficients plotted in Figure A.4.

Table A.5. Decomposing Reported Income in Event Study of First-Time FBAR Filers

VARIABLES	(1)	(2)	(3)	(4)	(5)	(6)
	Non-1099 Interest	1099 Interest	Total Interest	Non-1099 Dividends	1099 Dividends	Total Dividends
Treat*Event time -4	0.109163*** (0.037077)	-0.070468*** (0.021219)	-0.055918*** (0.019564)	-0.213678*** (0.039639)	-0.036008* (0.020701)	-0.042793** (0.021372)
Treat*Event time -3	0.050156 (0.034487)	-0.043082** (0.018749)	-0.017580 (0.017347)	-0.130187*** (0.035523)	-0.019542 (0.017736)	-0.032300* (0.018763)
Treat*Event time -2	0.020062 (0.030984)	-0.004187 (0.014507)	0.026820** (0.013662)	-0.066999** (0.032061)	-0.012213 (0.013382)	-0.012978 (0.014861)
Treat*Event time 0	0.749249*** (0.031612)	0.049669*** (0.014572)	0.319700*** (0.014178)	0.269119*** (0.033294)	-0.064529*** (0.013266)	0.112550*** (0.015046)
Treat*Event time 1	1.215824*** (0.037404)	0.259789*** (0.019562)	0.615175*** (0.017974)	0.339037*** (0.035280)	-0.003119 (0.018205)	0.199839*** (0.019377)
Treat*Event time 2	1.139670*** (0.038324)	0.297143*** (0.021409)	0.599319*** (0.019890)	0.322458*** (0.037248)	0.047191** (0.021780)	0.208778*** (0.022310)
Treat*Event time 3	1.127410*** (0.040379)	0.283152*** (0.022850)	0.561062*** (0.021647)	0.376952*** (0.041276)	0.090953*** (0.023776)	0.229531*** (0.024515)
Treat*Event time 4	1.101122*** (0.041184)	0.303910*** (0.024423)	0.549502*** (0.022800)	0.297557*** (0.042471)	0.110638*** (0.025432)	0.231005*** (0.025752)
Observations	829,532	829,533	829,533	829,531	829,533	829,533
R-squared	0.607445	0.746965	0.768602	0.603660	0.851211	0.840233

Standard errors clustered at the individual-level

*** p<0.01, ** p<0.05, * p<0.1

Note: This table reports the regression coefficients plotted in Figure 11.

Table A.6. Probability of Amending Returns Relative to First-Time Filing

VARIABLES	(1)
Amend	
Treat*Event time -4	-0.004717*** (0.001799)
Treat*Event time -3	-0.008348*** (0.001888)
Treat*Event time -2	-0.003798** (0.001850)
Treat*Event time 0	0.033132*** (0.002020)
Treat*Event time 1	0.016392*** (0.001960)
Treat*Event time 2	0.005307*** (0.001892)
Treat*Event time 3	0.000590 (0.002070)
Treat*Event time 4	-0.002472 (0.001889)
Observations	829,533
R-squared	0.160275

Standard errors clustered at the individual-level

*** p<0.01, ** p<0.05, * p<0.1

Note: This table reports the regression coefficients plotted in Figure A.5.

Table A.7: Estimates of the Total Effect of IRS Enforcement Initiatives (Direct Method)

	coefficient (t+1)	Change in Total Reported Capital Income (millions)	Tax Rate	Revenue Estimate (millions)
OVD Participants				
Interest	1.06	403	0.35	141
Dividends	0.49	218	0.15	33
Capital Gains	0.21	70	0.15	11
Total		691	0.27	184
First-time Filers				
Interest	0.62	2,573	0.35	901
Dividends	0.20	970	0.15	146
Capital Gains	0.10	37	0.15	6
Total		3,580	0.29	1,052

Notes: This table constructs the estimate of the total effect on reported capital income and tax revenues using the “direct method” described in the text, i.e. simply applying the event study estimates to each observation assuming a uniform effect of disclosure on income reporting. The first column reports the coefficient from the event study for each type of capital income. The second reports the total effect on capital income. The third column reports the tax rate we use to construct the revenue estimate. We assume for simplicity that realized capital gains and dividends are taxed at the preferred rate, which was 15 percent in the top tax bracket in the period we study. The last column multiplies the total change in reported income by the tax rate.

Table A.8: Estimate of the Total Effect (Indirect Method)

	Coefficient (t+1)	Average Percent Change in Reported Capital Income	E[V _i /y _i] (trimmed 95th ptile)	E[d*r]	Total Reported Assets (millions)	Change in Total Reported Capital Income (millions) (total reported assets * E[d*r])
OVD Participants	0.75	1.13	51.26	0.022	20,700	454
First-Time Filers	0.49	0.63	46.17	0.014	114,467	1,568

Notes: This table constructs the estimate of the total effect on reported capital income and tax revenues using the “indirect method” described in the text. We first convert the coefficient from total financial capital income in the event studies to its implied percent change in income. We then use Eq. (4) to estimate $E[d_i r_i]$ from the reported statistics in the second and third column. We apply this via Eq. (2) to the total reported assets to estimate the total effect on reported income.

Table A.9: Estimated Rates of Return on Foreign Assets

	Total Reported Assets (millions)	Change in Total Reported Capital	E[d*r]	E[r]	E[d]
		Income (millions)			
OVD Participants					
Direct Method	20,700	691	0.033	0.033	1
Indirect Method	20,700	454	0.022	0.022	1
First-Time Filers					
Direct Method	114,467	3,580	0.031	0.033	0.94
Indirect Method	114,467	1,568	0.014	0.022	0.62

Notes: This table considers the implications of our results using the direct or indirect method (Tables 3, A.7 and A.8) for rates of return on foreign wealth. The first two columns report the total assets and total change in reported capital income. The third column estimates the compliance-adjusted rate of return. For the direct method, this is calculated by dividing the change in reported capital income by total reported assets; for the indirect method, it is calculated using Eq. (4). In the last two columns, we decompose the compliance adjusted rate of return into the actual rate of return for previously non-compliant account, and the fraction of accounts that are non-compliant, under the assumption that 1) all OVD participants were previously non-compliant, and 2) the rate of return was the same for OVD participants and first-time filers.