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MARRIAGE, AND FERTILITY: EVIDENCE FROM STATE LOTTERIES

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Working Paper 30743
<http://www.nber.org/papers/w30743>

NATIONAL BUREAU OF ECONOMIC RESEARCH
1050 Massachusetts Avenue
Cambridge, MA 02138
December 2022

We thank Elizabeth Ananat and seminar participants at the Federal Reserve Board, George Washington University, Johns Hopkins University, NBER Public Spring Meetings, Purdue University, Stanford University, and the University of Colorado Boulder. The views expressed herein are those of the authors and do not necessarily reflect the views of the Federal Reserve Board of Governors or U.S. Department of the Treasury. All errors are our own. The views expressed herein are those of the authors and do not necessarily reflect the views of the National Bureau of Economic Research.

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The Effect of Financial Resources on Homeownership, Marriage, and Fertility: Evidence from State Lotteries

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NBER Working Paper No. 30743

December 2022

JEL No. D1,G5,J12,J13,R21

ABSTRACT

This paper leverages the universe of U.S. tax data and state lottery wins between 2000 and 2019 to estimate the causal effect of financial resources on three key lifecycle outcomes for young adults. We find large and persistent effects on homeownership, with a response function that exhibits substantial concavity but also an extremely high upper bound, and larger responses among higher-income individuals. Resources generate persistent increases in marriage for single men and women but do not increase the likelihood existing marriages are preserved. Fertility is modestly accelerated by a lottery win, but there is little effect on total fertility. Our results support a causal pathway behind differences in homeownership and marriage by socioeconomic status and inform theories of household formation and the family.

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I. INTRODUCTION

Household formation and fertility rates have undergone dramatic changes in recent decades, raising concerns for both economic growth and social mobility (Furlong, 2016; Paciorek, 2016; Hamilton et al., 2018). For one, recent cohorts are not buying homes, getting married, and having children—milestones which are generally reached at a point in the lifecycle when accumulated wealth is low—at the same rates as their predecessors (e.g., Choi et al., 2018). Further, gaps in these outcomes by socioeconomic status (SES) have widened (e.g., Goodman and Mayer, 2018; Reeves and Pulliam, 2020), with poorer families increasingly less likely to be married and own their homes but more likely to have children. Differences in financial resources may help explain these patterns, yet their role in shaping these important interdependent lifecycle decisions remains unestablished. Such questions are inherently difficult to answer, as doing so requires variation in wealth that occurs in isolation of its many correlates as well as any changes in the incentive to own a house, be married, or have children.¹

Our study helps answer these questions by comprehensively examining the effects of an exogenous shock to financial resources on homeownership, marital status, and fertility among young adults in the United States. Specifically, linking federal tax records, we examine the short- and long-run effects on these outcomes among 25 to 44-year-old winners of state lotteries between 2000 and 2019. Changes through five years after a lottery win relative to before the win are identified leveraging variation in win size across lottery winners. To absorb possible age-specific differences between winners of small and large lotteries, we build on intuition from Bulman et al. (2021) and incorporate an additional control group composed of future lottery winners, whose later wins could not affect their present-day outcomes.² Using this triple-difference design, placebo effects in the years prior to the win are indistinguishable from zero, and the inclusion of a rich

¹ Empirically, there are strong gradients in financial resources for homeownership, marriage, and fertility. However, these gradients are likely to stem in part from individual characteristics (e.g., education, childhood circumstances, race) that are correlated with both resources and these pursuits (Taylor, 2010; Black et al., 2013; Lundberg, Pollak, and Stearns, 2016; Goodman and Mayer, 2018).

² For example, when estimating the change in marital status of 25-year-olds who win small and large lotteries, we account for the analogous change at age 25 for those who subsequently win small and large lotteries at older ages. Bulman et al. (2021) exploit the size and timing of lottery wins to study college outcomes, whereby children who graduated from high school prior to a parent’s lottery win (and whose transitions from high school to college could not have been affected) help form the control group for those who would not yet have graduated. The study also examines employment, earnings, homeownership, geographic mobility, and wealth accumulation of families with college-aged children.

array of demographic and financial control variables has no effect on the magnitude of the estimates.³

The research design is well-poised to identify the independent influence that financial resources have on the lifecycle outcomes of young adults.⁴ Lottery wins are salient, liquid income shocks that do not load other factors.⁵ The combination of a wide range of win amounts (from \$1,000 to millions of dollars), diversity in affected individuals, and national, third-party reported panel data allows us to trace-out cumulative effects and establish a rich picture of the causal role of financial resources. Small shocks reveal the extent to which modest financial constraints create barriers to household formation (and dissolution), while large shocks fundamentally alter financial status and tell us whether wealth can explain the wide disparities in household structure by SES. Differentiating the estimates by baseline financial status, sex, and age further elucidates mechanisms and allows for the possibility that increased financial wherewithal is more deterministic for some groups than others. Finally, nearly full visibility into all state lottery winners over our period of study enables us to obtain precise estimates. Altogether, the analysis provides a rich picture of how resources shape major lifecycle choices within a single, unified context.

Housing, the largest balance sheet item for most households, has unique properties as an asset, providing both shelter and an important channel for building wealth, and is subsidized by considerable public resources.⁶ Unsurprisingly, theory predicts a positive effect of financial

³ Predetermined covariates are also balanced, and the estimates are robust to alternative parameterizations of lottery wins (e.g., linear and binned specifications) and to changing the range of lottery wins included in the sample.

⁴ Prior studies largely exploit lottery wins from other data sources and have focused on labor market (Lindh and Ohlsson, 1996; Imbens, Rubin, and Sacerdote, 2001; Hankins, Hoekstra, and Skiba, 2011; Cesarini et al., 2017, and Picchio, Suetens, and van Ours, 2018) and health responses (Gardner and Oswald, 2007; Apouey and Clark, 2015; and Cesarini et al., 2016). Exceptions include Hankins and Hoekstra (2011), which considers marital outcomes in Florida, and Lindahl (2005) and Cesarini et al. (2016) which examine children's test scores and mortality in Sweden. In a recent working paper, Golosov et al. (2021) compare outcomes before and after lottery wins in the U.S. tax data with a focus on earnings and savings responses.

⁵ Few studies have attempted to estimate the effect of financial resource shocks on homeownership patterns. Quasi-experimental studies of marital status and fertility that exploit variation in earnings and employment opportunities highlight the important role of labor markets on these outcomes, which is a theoretically complex setting that involves competing income and substitution effects (Burstein, 2007; Hoffman and Duncan, 1995; Smock and Manning, 1997; Burgess et al, 2003; Bitler et al. 2004; Gassman-Pines and Yoshikawa, 2006; Heckman and Walker, 1990; Del Bono, Weber, and Winter-Ebmer, 2012; Maclean, Covington, and Kessler, 2016; Hofmann, Kreyenfeld, and Uhlendorff, 2017; Lindo, 2010; Black et al., 2013; Huttunen and Kellokumpu, 2016; Kearney and Wilson, 2018). Studies exploiting variation in house prices typically contrast homeowners and renters (Farnham, Schmidt, and Sevak, 2011; Klein, 2017; Lovenheim and Mumford, 2013; Dettling and Kearney, 2014; Daysal et al., 2021).

⁶ Because of its unique properties as an asset and perceived positive externalities, housing receives preferential treatment through the tax code, direct subsidies, and loan guarantees. For example, federal initiatives include income tax deductions for mortgage interest and property tax payments and exclusions for imputed rental income, first-time

resources on homeownership (e.g., Davis and Van Nieuwerburgh, 2015). Our results confirm this prediction; moreover, the magnitude, concavity, and heterogeneity of our estimates yield insights into wealth accumulation through homeownership, including the roles of financial constraints and preferences.⁷ Among those who did not own homes prior to the win, the effect on homeownership is large (over 5 p.p. per \$100,000), predominantly mortgage-financed, and reaches 37 p.p. for wins exceeding \$1,000,000. And, while the estimates shrink somewhat over time, large positive effects remain 5 years after the win, consistent with a permanent shift in homeownership. Similar patterns emerge for measures of the value of the purchased home, with estimates implying that on average 14 percent of a lottery win is earmarked for housing. Strikingly, higher (e.g., above median) earners are more responsive and drive the magnitude and persistence of the estimates. A full tracing of effects reveals concavity in the region of win amounts where mortgage financing would generally be necessary to support the purchase of a home. Altogether these results indicate that upfront costs associated with home mortgages are a limiting factor for many potential homeowners but that others, particularly lower earners, may face additional constraints beyond cash-on-hand, such as qualifying income or credit history.^{8,9} Finally, we interpret our housing results within the broader household balance sheet by “capitalizing” estimated effects on income into wealth. The initial retention of lottery wins on the household balance sheet increases with earnings, which can be entirely explained by wealth held in housing. This pattern becomes more pronounced over time, reflective of the key role homeownership plays in wealth building and how differential access to mortgages likely exacerbates inequality.

homebuyer tax credits, Federal Housing Administration (FHA) insured loans, and U.S. Department of Housing and Urban Development (HUD) Housing Choice Vouchers homeownership program.

⁷ Our findings also inform macroeconomic models, which have placed additional emphasis on housing since the financial crisis of 2007-2008. For example, the direct correspondence between lifetime income and homeownership is useful for disciplining lifecycle models (e.g., Bajari et al., 2013). Further, a separate literature models the accumulation of housing assets as part of a household’s overall financial portfolio (e.g., Cocco, 2005; Yao and Zhang, 2004).

⁸ Supplemental findings support the interpretation that additional constraints to securing a mortgage are material to our results. In particular, gaps in homeownership (and housing values) by earnings converge for very large wins when housing is less likely to be debt-financed. We also estimate a smaller effect on mortgage-financed home purchases during the tighter lending conditions that prevailed after the Financial Crisis.

⁹ These findings speak to existing evidence that liquidity constraints inhibit lifecycle spending among young adults (Mian and Sufi, 2011; Bhutta and Keys, 2016; Mezza et al., 2016; Berger, Turner, and Zwick, 2016; Boar, Gorea and Midrigan, 2017; Bleemer et al., 2017; Dettling and Hsu, 2018; Goodman, Isen, and Yannelis, 2021; Engelhardt, 1996; Grinstein et al., 2013; Fuster and Zafar, 2016) and that mortgage requirements beyond upfront costs restrict homebuying (e.g., Bhutta and Ringo, 2021).

Marriage is positively correlated with well-being along several dimensions and may offer positive externalities. However, unlike housing, the sign of the effect of resources on marriage is theoretically ambiguous and ultimately an empirical question, as there are several competing mechanisms (e.g., Becker, 1974).¹⁰ For unmarried lottery winners, we find a positive effect on marriage—about 2.7 p.p. per \$100,000 one year after the win, both overall and by gender—and roughly half of this effect persists through the study horizon. The effects are larger and more persistent among younger winners, suggestive of a critical age range during which one’s financial position is material to forming lasting partnerships. These findings support more modern theories of marriage based on consumption and leisure complementarities, rather than earlier incarnations in which partners specialize within the household. However, we find little evidence that matches are with more similar partners, though there is increased marriage to higher earning partners. Among married winners, we do not find that resources increase the likelihood of remaining married and, if anything, may increase divorce, with the effects driven by couples in equitable property states (as opposed to community property states). In such states, lottery winnings are not necessarily split 50-50 upon divorce.¹¹

Despite SES and children traditionally exhibiting a pervasive inverse relationship within and across countries and time and the emerging issue of below replacement rate fertility in many countries, neoclassical models describe children as a normal good (Becker, 1960).¹² Separately, financial constraints may stymie fertility due to the substantial resources childrearing generally requires. Overall, our estimates reveal essentially no effect of resources on cumulative fertility. Five years after the lottery win, the effect on total births is close to zero, and we can rule out an increase in the number of children of 0.01 per \$100,000. There are, however, two dimensions on

¹⁰ In the standard theory of the family where the gains from marriage predominantly stem from production complementarities and household specialization, resources should (modestly) decrease rates of marriage through the income effect (Becker, 1974 and 1991). More modern incarnations of this theory that emphasize consumption and leisure complementarities due to structural changes in household dynamics imply that resources increase the desirability of marriage (Aguiar and Hurst, 2007; Stevenson and Wolfers, 2007; Juhn and McCue, 2017). Resources might also affect the search process by, for example, increasing one’s attractiveness on the marriage market (Chiappori, 2020), or satisfy sociocultural requirements for marriage (Edin, 2000; Schneider, 2011).

¹¹ Hankins and Hoekstra (2011) and Cesarini et al. (2017) find no effect of lottery wins on divorce in Florida and Sweden, respectively, for either men or women. Hankins and Hoekstra (2011) also examine effects on marriage and find a negative effect among single female winners and no effect among single male winners. Golosov et al. (2021) examine a subset of our wins without exploiting variation in lottery win amount and estimate a large *decrease* in divorce (and a larger increase in marriage among single winners). We can replicate these results and conclude that they do not appear to derive from the effect of resources as discussed later in the text.

¹² Becker (1960) argued that greater lifetime income would result in more spending on the quantity of children, but as initially conceived with a greater elasticity for spending on child quality than child quantity.

which we find some evidence of an effect. First, results indicate a modest pull-forward effect on having children in the year following a win, concentrated among those without children previously.¹³ Second, wins above 1 million dollars—within which wins are, on average, an order of magnitude greater than the estimated cost of raising a child (Lino et al., 2017)—produce a small, marginally significant effect on total births. These results imply modest financial constraints over the timing of having children, with additional analyses pointing to such constraints stemming not from the inability to afford childcare and make critical investments in one’s own human capital but perhaps from the preference to stay at home during the child’s early years.¹⁴ At the same time, the findings are not particularly consistent with the existence of permanently binding constraints or a strong consumption motivation over total fertility (i.e. not particularly consistent with the quantity of children being a normal good), and they are therefore easier to reconcile with fertility-income patterns (e.g., Jones and Tertilt, 2008).¹⁵

Finally, we consider the extent to which the effects of resources on our main outcomes occur jointly following a win. Focusing on lottery winners who are unmarried and do not own a home or have children, we find evidence of the concurrent realization of each pair of outcomes as well as all three together. Specifically, the outcomes increase disproportionately in conjunction with each other, highlighting the joint nature of these decisions and the possibility of multiple binding constraints. The estimates support the use of more complex models of household formation that endogenize and incorporate the interdependence of all three outcomes.

The rest of the paper is organized as follows. Section II introduces the data and sample of lottery winners. Section III describes the empirical design and identifying assumptions. Section IV discusses the results and situates them within the relevant literature. Section V investigates external validity. Section VI concludes.

II. SAMPLE CONSTRUCTION AND LOTTERY WINNER CHARACTERISTICS

¹³ Further refinement reveals that among this subgroup, effects are driven by those who are young and more financially constrained.

¹⁴ The acceleration of fertility is mainly driven by winners who are not working or in college when the child is very young.

¹⁵ Our findings fill an important gap that has emerged from recent empirical tests of the theory that children are normal goods. While several quasi-experimental approaches have found that labor and housing shocks affect contemporaneous fertility to varying degrees (Black et al., 2013; Lovenheim and Mumford, 2013; Dettling and Kearney, 2014; Kearney and Wilson, 2018; Cumming and Dettling, 2020; Daysal et al., 2021), estimating the effect on total fertility has been challenging.

We use the universe of federal tax records for the U.S. population to identify individuals who won state lotteries between 2000 and 2019. The full set of income tax filings and third-party reported information returns in the Internal Revenue Service (IRS) database for each winner is linked to their Social Security records for observation of their age, sex, and citizenship and the Social Security Card application records of their children.

Lottery winners are identified using the third-party reported Form W-2G, which includes the state, year, and amount of the win. We focus on winners between the ages of 25 and 44 years old, enabling the analysis of effects within an age range that satisfies the dual objective of examining the most critical part of the lifecycle for the questions at hand and reducing potentially confounding factors such as college enrollment, dependent claiming by their parents, and infertility. Indeed, this age range follows the household formation and fertility literatures. Reporting of lottery wins by states is mandatory for all prizes in excess of \$600. For each individual in the sample, we classify the win year and amount using the first year in which they are observed winning a lottery.¹⁶ Lottery wins are adjusted to account for federal income taxes and all dollar values are denominated in 2010 dollars.

The primary outcomes of interest are homeownership, marital status, and fertility. Homeownership is measured using the presence of either mortgage interest from Form 1098 or a property tax deduction from Form 1040. Form 1098 is a mandatory third-party reporting form filed by lenders receiving at least \$600 in mortgage interest during the calendar year. We link each lottery winner to their mortgages in each year, as well as the mortgages of their spouses.¹⁷ While a mortgage indicates homeownership for nearly all first-time homebuyers, some individuals may buy their homes outright in cash without a mortgage, particularly those with very large lottery wins. To capture homeownership in these cases, we supplement mortgage records with itemized state and local real estate tax deductions reported on Schedule A of the Form 1040.¹⁸ Using both

¹⁶ We do not include lottery wins reported in 1999, the first year for which there is data, as it is not possible to determine if the win was part of a multi-year payout and therefore not the year of the lottery win. We similarly do not include those who may have won more than one lottery in the year, given the inability to determine which win occurred first, or (rare) multi-year payouts, given assumptions required to compute the lump-sum equivalent, but later show the results are unchanged with their inclusion.

¹⁷ To abstract from effects on marriage and divorce, we only include mortgages held by a spouse from the year prior to the win. However, results are extremely similar with alternative formulations.

¹⁸ Only taxpayers whose itemized deductions--primarily property taxes, state income taxes, charitable contributions, mortgage and investment interest, and medical expenses--exceed the standard deduction will typically file Schedule A. This can lead to upward bias (if existing homeowners are more likely to itemize after a lottery win) or downward bias (if some cash purchasers do not itemize). We conduct several tests of these issues as described in Section IV and Appendix A and find that they do not meaningfully change our estimates.

mortgages and property taxes provides a more complete measure of homeownership status. Because of the large reduction in the share that itemize their taxes after the Tax Cuts and Jobs Act was enacted in 2018, we focus on outcomes through 2017. Furthermore, the primary analysis focuses on those who did not own a home prior to the lottery win, revealing new homeownership. In addition to the extensive margin, we analyze two measures of home value. Form 1098 includes the amount of mortgage interest paid, a proxy for the amount of the loan and thus the value of the home for those with mortgages. Additionally, we link each homeowner to their zip code’s median home value index from Zillow, an approach that abstracts from concerns that mortgage interest is a function of the (plausibly endogenous) down payment amount and will not identify outright purchases.

Marital status is measured using filing status reported on the Form 1040, with those filing as “married filing jointly” classified as married, those filing as “single,” “head of household,” or “married filing separately” classified as single, and non-filers classified as missing.¹⁹ Marital status in prior periods allows for the observation of new marriages and divorces over the analysis horizon. We also merge spousal characteristics—such as age and earnings—to examine the nature of matching.

Fertility is measured by linking each lottery winner to the Social Security Card applications for their children, which are typically filled out by a parent at the hospital after childbirth. We construct outcomes for having any child during the period of interest, the birth of a child in each year, and the cumulative number of births. We also document whether each winner had a child prior to the lottery win in order to differentiate the effects on new family formation from the growth of existing families.

We merge a rich set of variables measured prior to the lottery win to conduct heterogeneity analysis, to test for balance, and to include as controls in robustness checks. In addition to pre-period characteristics derived from variables already noted, we measure employment status, wage earnings, and total income from the employer-reported Form W-2 and Form 1040. Classification of winners by their pre-win earnings and total income levels is normalized by age and tax year.

¹⁹ We alternatively classify “married filing separately,” claimed less than 2 percent of the time, as married due to ambiguous use of this filing status, which has little effect on the estimates. In addition, because tax filing is potentially endogenous to the size of the lottery win, we examine the sensitivity of the estimates to the exclusion of non-filers by generating two alternative measures of marriage which provide bounds for the bias. Specifically, we alternately assume that: a) all non-filers are single; and b) all non-filers are married. Except in the year of the win, the bounds are narrow and informative.

The presence of savings is inferred from taxable interest and dividends reported by financial institutions on the Forms 1099-INT and 1099-DIV, respectively—mandatory for those earning more than \$10 in either category—and self-employment income from 1099-MISC, required reporting for businesses on behalf of non-employee workers paid an amount exceeding \$600 over the period we study. A measure of college attendance is constructed from Form 1098-T, required reporting by post-secondary institutions for each student they enroll and for whom a reportable transaction for educational expenses is made.

The analysis is based on the universe of lottery wins of \$1,000 or more reported by states to the IRS between 2000 and 2019, with attention restricted to individuals aged 25 to 44 at the time of the lottery win. The resulting sample includes more than 888,000 lottery winners with a wide range of win amounts, instrumental to recovering the distribution of resource effects (Table A1).²⁰ Appendix Table A2 provides summary statistics for the sample two years prior to the win. Among lottery winners, 54 percent are men, the average age is 35.8, 91 percent are U.S. citizens, 33 percent are married, and the average number of children is 1.07. With respect to financial characteristics, 84 percent are employed (i.e., had nonzero earnings), average individual earnings are \$27,490, 29 percent receive investment income, average total income is \$38,968, and 30 percent have a mortgage.

III. EMPIRICAL DESIGN

Our empirical strategy exploits changes in the outcomes over time as well as the size and timing of lottery wins. Specifically, we estimate within a triple-differences design changes in homeownership, marital status, and fertility following a win comparing those winning smaller and larger amounts and current and future winners:

$$\Delta y_{it} = \delta_t + \delta_a + X_i\gamma + \beta_1 treat_i + \beta_2 winamt_i + \beta_3 winamt_i * treat_i + u_{it}$$

Changes in outcomes, y_{it} , in each of the 5 years after a lottery win are measured relative to two years prior to the win. This year-by-year analysis allows for flexibility in the timing of effects and reveals the extent to which a win pulls forward events that would otherwise happen eventually or generates persistent differences. Further, we use same-aged future winners, whose current outcomes could not be affected by their wins, to absorb potential unobserved age-specific

²⁰ In an alternate sample, we restrict attention to wins of \$5,000 or more in order to ensure that the results are not being driven by the large number of small winners in the primary sample. Results are also similar when we reduce the minimum win to \$600, the smallest win we can observe.

differences between people who win smaller and larger lotteries.²¹ To maximize the similarity of later winners to earlier winners but also be able to consider changes in outcomes in the 5 years after the lottery win while keeping this control group constant, we use those who win the lottery when they are 6 years older than the treated group of interest.²² For example, when considering effects on marriage one year after a win among 25-year-old lottery winners, changes in marriage at age 26 among 31-year-old winners are included in the sample and receive zero for the treatment assignment indicator, *treat*. Lottery win amounts, *winamt*, are measured in hundreds of thousands of dollars, so the coefficient β_3 represents the effect of \$100,000 of after-tax winnings on the outcome of interest. The inclusion of year and age fixed effects, δ_t and δ_a , as well as pre-win control variables, X_i , such as gender, citizenship, pre-win employment status, earnings, self-employment, and investments absorb changes that are common across all lottery winners in these characteristics. Standard errors are clustered at the winner level. This design is most suitable for a range of lottery wins over which the effects are approximately linear. The main tables present estimates for wins of up to \$500,000, but we replicate the design varying this threshold to \$100,000, \$250,000, \$1,000,000, and \$5,000,000. Similarly, the main tables present estimates for all wins exceeding \$1,000, but we replicate the design while restricting attention to wins of at least \$5,000 and \$10,000. Documenting the size of the wins that do and do not induce changes helps to highlight concavity in the effects and potential mechanisms, such as binding financial constraints.

We also implement a design that classifies wins by their size to further explore the levels of resources necessary to generate effects, to document the extent to which responses are concave in resources, and to measure the upper bounds generated by very large wins. This design adds flexibility by abstracting from strong functional form assumptions. We classify wins according to six cutoffs—\$10,000, \$50,000, \$100,000, \$250,000, \$500,000, and \$1,000,000—and estimate:

$$\Delta y_{it} = \delta_t + \delta_a + X_i\gamma + \theta \textit{treat}_i + \sum_j \alpha_j(\textit{size} = j) + \sum_j \beta_j \textit{treat}_i(\textit{size} = j) + u_{it}$$

²¹ A design that exploits only variation in the size of the lottery win will be biased if those who win larger and smaller lotteries differ on unobservable age-specific dimensions that are correlated with changes in the outcomes of interest. Likewise, designs that only compare current and future lottery winners will be biased if those who win earlier and later in life differ on unobservable time-specific dimensions. In practice, we find some evidence of bias in both of these designs, highlighting the importance of exploiting both the size and timing of lottery wins.

²² Results are robust to an alternative construction using a rolling control group that, for each outcome year, uses a closer future winning cohort in terms of age (not shown). In this configuration, when considering, for example, the marriage outcomes of 25-year-old lottery winners, we use 27-year-old winners as the control group when examining marriage in the year of the win, 28-year-old winners when examining marriage 1 year later, and so forth.

The coefficients of interest, β_j , capture the effects of winning larger lotteries relative to wins of less than \$10,000, which average about \$2,000, the omitted range. Analogous to above, the α_j coefficients capture unobserved age-specific differences between those who win smaller and larger lotteries using future lottery winners. Estimates for modest wins (e.g., \$50,000 to \$100,000) could shed light on the presence of financial constraints, while those for large wins (exceeding \$500,000 or \$1,000,000) speak to potential upper bounds.

The primary outcomes are homeownership, marital status, and fertility. These outcomes are defined, and the sample is sometimes restricted, to address natural questions of interest as well as those guided by the literature. To estimate effects on new homeownership, we restrict attention to individuals who did not own a home in the year prior to the lottery. (The appendix examines effects on those who had mortgages prior to the win.) For marital status, we examine the effect on marital status overall and separately for those who were unmarried or married in the year prior to the lottery win to identify effects on new marriages and divorce, respectively. For fertility, we examine births in each year as well as cumulatively over time. To paint a rich picture of the effects, we consider heterogeneity by demographic characteristics (e.g., age, gender, marital status) and pre-win financial characteristics (e.g., savings, earnings). Prior studies of marriage and family formation imply responses to financial resources vary by gender, and resources may be more influential in shaping outcomes for particular age groups. Differentiating effects by baseline earnings and savings sheds light on financial constraints, the presence of other barriers, and the potential for means-tested policies.

Variation in the designs comes in part from random differences in lottery win amounts and timing.²³ If only win-size variation were used, the identifying assumption would be that winners of smaller and larger amounts have, conditional on observables, the same propensities to buy a home, marry, and have children (or changes thereof). Including future lottery winners allows us to relax this assumption. Specifically, the design assumes that unobserved differences in the change

²³ Variation in lottery win size can stem from randomness in prize payouts within a specific lottery game, but also from the type of lottery played or the specific date it was played (about which data is not collected in the U.S.). The literature has noted differences in the characteristics of households playing different types of lotteries (Oster 2004) and we also observe differences across those winning smaller and larger lotteries in our data.

in outcomes across win sizes at a given age are the same for current and future winners.^{24,25} If only timing of wins is used, then we would lose random variation in lottery win amounts and rely on the assumption that the timing of the lottery win is orthogonal to lifecycle outcomes.

Before turning to the main results, we examine balance in predetermined variables. In particular, we estimate a non-differenced version of our primary specification for 1) the three primary dependent variables (homeownership, marriage, and births) in the baseline period two years prior to the win, 2) the variables used for sample stratification measured one year prior to the win, 3) pre-win trends in the dependent variables, and 4) pre-win control variables. Note that any cross-sectional imbalance would not necessarily invalidate our design because it also leverages variation from within-winner changes over time. Nonetheless, not only are pre-win changes in our outcomes insignificant but we recover insignificant effects for all six lagged dependent variables and all but one of the 12 covariates as presented in Table A3, supporting the validity of the design. Additionally, we show later that estimates are not sensitive to the exclusion of the baseline demographic and financial characteristics.

IV. THE EFFECT ON HOMEOWNERSHIP, MARRIAGE, AND FERTILITY

i. Homeownership, Estimates

Table 1 reveals that the fraction of lottery winners who have a mortgage increases by 4.6 p.p. per \$100,000 in the year after the win, and 3.6 p.p. per \$100,000 five years later. Including those who buy their homes outright produces slightly larger estimates of 5.4 p.p. and 4.2 p.p. per \$100,000 one and five years after the win, respectively. While reductions in the effect over time reflect some catch-up by those in the control group, the majority of the effect persists, implying wins generate lasting differences in homeownership. Figure 1 shows these homeownership effects in an event study framework and includes each of the 5 years prior to the win, revealing precise

²⁴ For example, the design accounts for differences in the propensity to purchase a new home across smaller and larger lottery winners, as long as the differences are similar for current and future winners. The design does not require an assumption that current and future lottery winners are equally likely to experience changes in the outcomes, only that the unobservable differences across win sizes are the same.

²⁵ A secondary assumption of our design is that, conditional on observables, responsiveness to resources is similar for individuals across the win size distribution. If this assumption is violated it could lead to incorrect conclusions about the size of the linear estimates and concavity of responses to increasing win amounts. We explore this assumption and find evidence that it holds.

null estimates preceding the win.²⁶ The high rate of spending of lottery wealth on housing is also evident when considering the value of the newly owned houses. Lottery winners convert, on average, \$100,000 of prize money into \$14,027 of housing value two years after the win, and \$11,986 five years after the win.

Alternative specifications confirm the robustness of the results. For example, as shown in Table A4, the point estimates are essentially unchanged when excluding demographic and financial characteristics from the specification. Reweighting the sample of lottery winners to reflect the characteristics of the population reveals short- and long-run increases in homeownership of 5.4 p.p. and 4.0 p.p. per \$100,000.²⁷ In addition, we do not evidence that using property tax itemization to identify cash purchases, which cannot otherwise be measured, produces meaningful bias in our estimates.²⁸ Finally, restricting the range to wins of \$100,000 or less produces somewhat larger estimates of about 8 p.p. per \$100,000 in the years immediately after a win, while expanding the range to include larger wins results in smaller per-dollar estimates (Table A5). These results suggest concavity, as modest wins induce sizable changes in home purchases and the per-dollar effects diminish in win size.

The binned design allows us to investigate effects of more modest resource shocks that might reduce frictions in qualifying for a mortgage and to explore the range of potential upper bound

²⁶ The lack of pre win effects or trends and sharp change at the time of the win are evident in event-study figures (Figure 1) and when considering small and large wins separately (Figure A2). Wins decrease the likelihood of having a mortgage among those who initially did, consistent with a deleveraging response to a win (Figure A1).

²⁷ Table A4 reveals that the magnitude and pattern of results are robust to several other alternative specifications and sample restrictions. In addition to weighting the overall sample to match the population, we reweight households in each win size range to match the population. This sheds light on whether differences in characteristics across those who win small and large lotteries, in conjunction with treatment heterogeneity, meaningfully affect the magnitude of the estimates. This produces estimates of 5.2 p.p. and 3.9 p.p. per \$100,000 in the first and fifth years after the win. Restricting attention to wins of at least \$5,000 produces slightly more persistent effects of 4.7 p.p. per \$100,000 five years after the win. The results are also robust to using a balanced sample of households that can be observed for five years after the win, using three years prior to the win as the baseline to measure changes in the outcome, and eliminating the restrictions on lottery wins described in the data section.

²⁸ The average lottery win in our sample is not large enough to buy a house outright, so most purchases are captured by the mortgage data. That said, measuring cash purchases using property tax itemization may suffer from two sources of (differently signed) bias. Upward bias can occur when an individual who already owns a home outright does not itemize their property taxes prior to the lottery win but begins itemizing due to the win. To address this, we exclude individuals who newly itemized after the win but had pre-win estimated state income taxes that were not large enough to have itemized in the pre-win period even if they had paid the same level of property taxes as subsequent to the win. Excluding these individuals has only modest effects on the estimates (Table A7). Downward bias can occur when an individual who does not itemize at baseline buys a home outright, but the itemized deductions, including property taxes, are not large enough to trigger subsequent itemization. Based on analyses of only winners who itemized prior to the lottery win (Table A7) and changes in tax law that led to a sharp reduction in the share itemizing, we conclude that this issue is not materially influencing our main estimates (in part because outside of very large lottery wins, buying a home in cash is rare). See Appendix A for additional discussion.

effects of very large wealth shocks. Table 2 shows that wins of \$50,000 to \$100,000 increase homeownership in the year after the win by 6.8 p.p. and the likelihood of having a mortgage by 6.1 p.p. These results indicate that a substantial fraction of smaller lottery winners use their new wealth to buy a home, and nearly all who do finance the purchase with a mortgage. The effects increase in the amount of the win but reveal concavity over the region of wins between \$100,000 and \$500,000—that is, within the range of national median home prices—with houses purchased with mortgages accounting for a large and constant portion of the effect, consistent with wins relaxing financial constraints to obtaining a mortgage (e.g., easing down payment constraints) but decreasing effects once a mortgage can be obtained. Above this level, responses continue to increase in win size (though not as a sharply as for wins under \$100,000), more typical of a normal consumer good, and a much larger portion of the effect comes from cash purchases. Effects reach a very high level of 37 p.p. for wins exceeding \$1,000,000, with mortgages used in less than one-third of these purchases. The pattern of homeownership effects revealed by the bin specification is also evident in a Lowess plot fit to estimates for a large number of narrower win ranges (Figure 2).²⁹ Estimating the binned design five years after the lottery win reveals that the positive effects across win sizes are highly persistent, except for the smallest wins (Table A6).

Table 2 also sheds light on housing on the intensive margin. As wins increase, the average size of mortgages increases. For example, wins of \$100,000 to \$250,000 increase the likelihood of having mortgages by approximately the same amount as wins exceeding \$1,000,000, but these larger wins generate four times higher levels of mortgage interest, consistent with larger wins being used to purchase much more expensive homes (which may be understated due to likely larger down payments arising from larger wins). Likewise, the price of the purchased house, proxied with the zip code median, increases more with the size of the win than the rate of homeownership.

Table 3 explores heterogeneity. Effects are nearly identical for men and women and the older and younger segments of the sample. Further, there is some evidence that married winners are more responsive initially, but by the end of the horizon effects are similar by baseline marital status. The pattern of effects is similar for those with and without financial assets prior to the win, though the effects are more persistent for those without assets (likely reflecting catchup over time

²⁹ The effects are plotted for increments of \$5,000 up to \$100,000, \$25,000 up to \$500,000, and \$50,000 up to \$1,000,000. The figure exhibits concavity for win up to \$500,000 and increasing effects up to \$1,000,000.

for those in the control group who have savings) and larger for those with smaller levels of (nonzero) assets than those with greater levels of assets.³⁰

The most striking aspect of the heterogeneity analysis is that responsiveness increases with earnings. One year after the lottery win, those with above median earnings see an increase in homeownership of 7.9 p.p. per \$100,000, relative to 3.4 p.p. for those with below median earnings and 3.4 p.p. for those with no earnings, and these differences extend through the analysis horizon. A similar pattern emerges for greater refinements of the earnings distribution and more expansive definitions of income. For example, the estimated effect for those in the top quartile of total income is 9.4 p.p. per \$100,000 one year after the win but is only 2.1 p.p. for those in the bottom quartile of income. We find evidence that the heterogeneity by earnings is not driven by the correlation between household earnings and baseline savings and local housing prices.³¹

Differential effects on homeownership by initial earnings could reflect requirements for mortgages binding beyond down payment requirements and other upfront costs—e.g., qualifying income to make monthly payments, a sufficient credit score to be eligible for a loan—or differences in spending priorities and preferences. To evaluate these alternatives, we first examine how those in different segments of the earnings distribution respond to small lottery wins, which likely require a mortgage, and large wins, which can be used to buy a home outright. We find that approximately 90 percent of the home purchases generated by wins of less than \$250,000 were financed with mortgages (Table A10). In this range, the effect on homeownership for those with no or low earnings is less than half as large as for higher earners. In contrast, only one-quarter of homes purchased by those winning \$1,000,000 or more were mortgage financed, and the effect of these large wins on homeownership is similar for low and high earners. These results suggest that other mortgage requirements reduce the response for smaller wins among low earners. When looking at home value, we see a similar pattern, with effects for smaller wins substantially smaller for lower-earnings winners but effects for the largest win of similar magnitude. That said, we do see a smaller response in homeownership and housing values by lower earners to wins between

³⁰ Further refinements of heterogeneity by baseline assets reveals the largest effects for those with small, but non-zero levels of assets. Specifically, among those with estimated assets between \$1,000 and \$25,000 prior to the win, the estimate effect on homeownership in the year after the win is 7.5 p.p. per \$100,000.

³¹ Table A9 examines heterogeneity by earnings while allowing for differential responses by baseline savings levels and average zip code housing values. The response for above-median earners remains between 4.2 and 4.5 p.p. per \$100,000 higher than for lower earners when including one or both of the mediating factors.

\$500,000 and \$1,000,000, which should be adequate to buy a home in full, suggesting that competing spending priorities may also play a role in the observed heterogeneity.³²

Another way to evaluate the role of these other constraints is to examine whether effects are smaller amid the notably tighter mortgage lending conditions that prevailed after the Financial Crisis. In particular, in response to the Crisis, the Dodd-Frank Act stipulated that creditors must make a good faith effort to determine a borrower's ability to pay their mortgage based on their credit history, current income, expected income, current obligations, debt-to-income ratio, employment status, and other financial resources. Table A11 splits the sample based on whether the win occurred after 2007 and indicates that effects are indeed meaningfully smaller during the tighter credit regime, consistent with other important constraints binding. Further, the estimates indicate that that constraints to obtaining a mortgage are driving the intertemporal heterogeneity and that the implied effects on outright purchases are similar across the two periods.

A last consideration is the unique position housing occupies within the household balance sheet due, in part, to its material dividends that are difficult to measure as well as well as favorable treatment in the U.S. tax code. To examine lottery win retention more holistically, we estimate effects on types of income that would originate from assets and use a capitalization framework—similar to those proposed by Saez and Zucman (2016) and Smith, Zidar, and Zwick (2020)—to translate these estimates into effects of wins on total wealth and home equity.³³ Table A12 displays effects on retention one and five years after a win, overall and by initial earnings. The top row indicates that winning households dedicate about one-third of their savings to housing, quite similar to housing's share of the average household balance sheet in the United States (Bricker, Moore, and Thompson, 2019). This finding affirms both that lottery win wealth has similar features

³² Several other factors may contribute to the smaller homeownership response of lower-earning lottery winners, particularly for small wins, but the overall set of evidence is not fully consistent with those explanations. First, these lottery winners may have weaker financial literacy, including less information about the process of obtaining a mortgage and the benefits of doing so. However, for the largest wins we see similar increases in mortgage rates for lower and higher earners. This pattern suggests that being able to satisfy reserve requirements is a way to overcome other constraints in qualifying for a mortgage beyond upfront costs. Second, lower earners may be eligible for fewer homeownership and mortgage-based tax benefits or may be eligible for rental subsidies that make owning a home less desirable. Yet, the mean tax differences for lower and higher earners are unlikely to be sufficient to generate such large differences in homeownership, and a tax-based differential could not explain the similar effects for large wins. Moreover, the existence of rental subsidies could lead to larger effects among lower-earning winners if they lose eligibility in the short run, and we continue to find significant heterogeneity by income after splitting the sample into those who are and are not eligible for rental subsidies.

³³ The exercise leverages scaling factors similar to these models, including for housing debt, with the exception that we impute housing values using median house prices in the zip code in that year. The method will not account for deleveraging of non-housing consumer debt and, as a result, likely understates overall retention.

to other wealth and, more generally, that housing is a popular and prominent asset in which household wealth is stored. The results in the bottom part of the table imply that lower-earning households retain much less of their win than higher-earning households, and a much smaller share of the wealth that gets retained is held in housing.³⁴ In fact, initial differences in win retention are almost entirely explained by the differential patterns of debt-financed investment in housing that were also apparent in the exercises above. Over time, win wealth among higher-earners is stable, while among lower-earners, it nearly fully erodes, consistent with housing's role in wealth-building and disparities in leveraging it across the income distribution.

ii. Homeownership, Interpretation and Reconciliation with the Literature

Homeownership plays a key role in economic independence and represents a primary channel for young adults to build wealth. Over time, entry to homeownership has trended later in life, with many potential homebuyers citing upfront costs as a major impediment.³⁵ Altogether, our estimates reveal persistent increases in homeownership that are large in magnitude when compared to cross-sectional differences by lifetime income, which strongly hints at the presence of financial constraints.³⁶ Indeed, the analysis also reveals effects that are highly concave over the region of wins where a mortgage would generally be necessary to acquire a home, indicating many potential homeowners are constrained by qualifying terms to obtain a mortgage. Potentially surprising is that higher earners are consistently more responsive than lower earners, and effects for this group both persist over the analysis horizon where we might expect to see catch-up and exhibit concavity in the lower-win region. All in, this pattern suggests that higher earners' home purchase activity is being constrained by mortgage qualifying criteria, likely down payments, closing costs, or reserve requirements; moreover, lower earners, even with proper upfront financing, may still be unable to qualify. We find suggestive evidence that these differences help generate (increasing) gaps in

³⁴ Imputed housing equity for lower-income winners could be systematically underestimated if they tend to live in low-cost areas and are more likely to buy houses that are significantly more expensive than the median homes in their zip codes. However, using within-zip code property tax deductions as a proxy for home value, we do not find evidence that this is the case. Specifically, lottery winners across low- and high-cost zip codes are equally likely to buy houses that are above or below the zip code median value.

³⁵ Data from the U.S. Department of Housing and Urban Development indicate that the average age of first-time homebuyers increased by about 5 years over the past two decades (HUD, 2021). According to Navient (2015), 21 percent of young adults without a mortgage list not having funds for a down payment as the reason.

³⁶ For example, our estimates are substantial when compared to differences in homeownership across the earnings distribution. Prior to the lottery win, additional earned income of \$10,000 per year is associated with a 7 p.p. higher likelihood of having a mortgage, approximately equal to the effect of a one-time lottery win of \$50,000 to \$100,000. When converted to a measure of discounted lifetime income, our estimate either equals or exceeds cross-sectional differences under reasonable assumptions.

wealth over time. Finally, the large share of winners that buy houses outright when they can afford to do so reveals the high value Americans continue to place on homeownership and the important role of housing equity in retaining wealth.³⁷

While a connection between lifetime income (or resources) and homeownership is almost tautological, few studies have examined the causal relationship. The most closely related estimates come from 1) parents of potential college-goers in Bulman et al. (2021), which in supplemental analyses found smaller but a similar pattern of effects of lotteries on mortgages, and 2) highly constrained recent college students in Goodman, Isen, and Yannelis (2021), which, unsurprisingly, found effects of liquidity that were several times ours. Neither paper examined outright purchases. Berger, Turner, and Zwick (2016) estimate a housing *price* effect among similar age ranges and cohorts to those we examine using the First-Time Homebuyer Credit (FTHC), a temporary tax credit for new homebuyers from 2008 through 2010. They find that the more generous phases of this program—during which the maximum credit was \$8,000—induced as many as 546,000 home sales, which, based on our calculations, implies a 2.3 p.p. increase in homeownership, several times our estimated effect of resources.³⁸ An earlier literature links intergenerational transfers and broader socioeconomic factors to the acquisition of homes (Engelhardt and Mayer, 1998; Charles and Hurst, 2002; Blickle and Brown, 2019).

More broadly, our findings support evidence from a related literature that examines credit conditions and concludes that a significant fraction of potential homeowners, especially those who are young, are liquidity constrained (Mian and Sufi, 2011; Bhutta and Keys, 2016; Boar, Gorea and Midrigan, 2017); that limited access to credit may restrict housing choices (Martins and Villanueva, 2009; Mezza et al., 2016; Bleemer et al., 2017; Dettling and Hsu, 2018); and that down payment constraints can bind (Engelhardt, 1996; Grinstein et al., 2013; Fuster and Zafar, 2016; Goodman, Isen, and Yannelis, 2021). Separately, Bhutta and Ringo (2021) find that debt payment-to-income thresholds, a common mortgage qualifying criterion, suppress homeownership, which is consistent with attenuated responses for low-earning lottery winners, particularly in the region of wins that are too small to preclude the need for mortgage-based financing. Finally, despite its reputation as a pathway to economic mobility, our results indicate that housing, potentially due to

³⁷ The decreasing rate of homeownership among younger adults has been attributed to the American dream of homeownership falling out of favor (Schuetz, 2019).

³⁸ The denominator for this calculation is the number of tax returns filed by 26- to 35-year-olds in 2008 published by the IRS Statistics of Income in July 2010.

the role of initial credit conditions, appears to propagate early differences in resources. This phenomenon likely contributes to observed intergenerational persistence of economic well-being (e.g., Chetty et al., 2014; Davis and Mazumder, 2022).

iii. Marital Status, Estimates

Table 4 presents the estimated effects of wealth on marital status. The net effect on being married for the full sample is positive and statistically significant in the three years after the lottery win but becomes small and insignificant by the fourth year.

Differentiating by marital status prior to the win illustrates the nuance behind these results. Among single winners, there are moderate increases in the probability of getting married. In the first year after the win, the likelihood of being married increases by 2.7 p.p. per \$100,000, approximately equal to one year of baseline new marriages. This effect diminishes somewhat over time but remains significant (Figure 3a). There are two potential explanations for the decline in effects over time. Marriages induced by the lottery win early in the analysis horizon could subsequently dissolve through divorce, or the effects capture marriages for individuals who would have nonetheless married in later years. Altering the outcome to consider whether single winners were ever married reveals a more persistent effect (Table A13) and that a little over half of the fadeout in the effect on new marriages reflects a subsequent dissolution of lottery-driven marriages, with the remainder catchup by the control group. Separately, we find that most of the new marriages that occur are not between individuals that were previously cohabitating (i.e., living at the same address).

Among married winners, our estimates do not indicate that resources preserve marriages in the short or long run. The estimates are statistically insignificant in the years immediately after the win and become slightly negative over time (Figure 3b). We note that in a design that ignores win size and exploits only timing, the estimates would suggest that winners are more likely to remain married. However, this relationship is apparent for lottery winners of all sizes (Figure A4), indicating that the increase is not due to the causal effect of resources.³⁹

³⁹ Those who win a lottery of any size (even as little as \$600) are more likely to marry and remain married. Our analysis reveals that this most plausibly stems from the effect of winning any lottery or the possibility of win timing not being completely orthogonal to lifecycle outcomes rather than from large causal responses to very small changes in resources. Specifically, for the observed changes in marriage to be causal, it would need to be the case that: marriage is not only sensitive to resources by an order of magnitude more so than the naïve OLS relationship, but the large effects are *increasing* in size for several years after the win. Moreover, this responsiveness to resources would have to be highly concave, which is inconsistent with empirical analyses of win size effects. Namely, for married winners,

The validity of the triple-difference design and the robustness of the estimates is evident from the lack of pre-trends and a rich array of alternative specifications. Examining the effects of lottery wealth on marriage in the years prior to the win reveals no significant effects for those who were single or married (Figure 3). Excluding demographic and pre-win financial characteristics from the specification has essentially no effect (Tables A14 and A15). Thus, it does not appear that pre-trends or a lack of balance is shaping the results. Reweighting the sample to match the population produces nearly identical estimates, with increases in new marriages of 2.8 p.p. per \$100,000 in the year after the lottery win that decrease to 1.3 p.p. five years later, and no evidence of reduced divorce rates for existing marriages.⁴⁰ The pattern of persistent, positive effects on new marriages holds when restricting the maximum wins to \$100,000, \$250,000, \$1,000,000, and \$5,000,000 (Table A16), though the per-dollar effect decreases as the threshold increases, implying concavity. Likewise, divorce effects remain insignificant or negative in the five years after the shock for most win thresholds. The primary analysis excludes individuals for whom marital status is not observed—i.e., those who did not file a tax return in the year of interest. Alternately assuming that all non-filers are unmarried and then assuming they are married, thus bounding the potential bias, does not change the pattern of results for marriage or divorce (Table A17).⁴¹

Table 5 presents estimated effects on marital status one year after the lottery for varying sizes of wins. Overall, there is a positive effect on being married that year, driven by new marriages for those who were single at baseline. The smallest wins, which average less than \$20,000, do not generate meaningful changes, but wins of \$50,000 or more produce highly significant estimates that reach an upper bound of 9 p.p. That is, nearly one in ten unmarried winners of large lotteries marries as a result of the win, an increase equivalent to approximately three years of naturally occurring new marriages. The effects are quite concave, with no indication of significant increases beyond the \$250,000 to \$500,000 win range. For those married prior to the lottery win, there is little evidence of divorce effects for small or large wins in the short run. That is, the null effects on divorce in the linear design do not obscure significant effects for large changes in wealth.

win amounts between \$1,000 and \$100,000 (Table A16), or even modest win amounts between \$1,000 and \$10,000 (results not shown), reveal no evidence of concavity (or that resources preserve marriages).

⁴⁰ Similarly, reweighting at the bin level, restricting the sample to wins of \$5,000 or more, eliminating restrictions on lottery wins, and using a balanced panel of households across years each results in persistent positive effects on new marriages and insignificant or negative effects on existing marriages for the five years after the lottery win.

⁴¹ This is true except in the year of the win where filing is mechanically elevated for lottery winners due to filing requirement income cutoffs. Table A17 also reveals that classifying those who file as married filing separately as married has no effects on the primary estimates.

We examine heterogeneity by age, financial status, and marital property state laws using the linear specification. Table 6 reveals that among those who were unmarried prior to the win, men and women have similar levels of responsiveness, while younger winners—that is, those aged 25 to 34 years old—have larger and more persistent increases in marriage than their counterparts aged 35 to 44 years old. Single winners without financial assets prior to the win exhibit large marriage responses—3.2 p.p. increase per \$100,000 in the year after the win—and those without earnings see even larger and more persistent effects—4.8 p.p. increase per \$100,000 in the year after the win and 3.9 p.p. five years later. By contrast, those with investments have small and short-lived marriage responses to wealth and the effects are modest for higher earners. Differentiating earnings heterogeneity across men and women reveals that new marriages are most common for both women and men with lower earnings (Table A18). Among those married in the baseline, the estimates do not reveal marriage preservation for younger or older winners, or those with and without financial resources prior to the lottery win (Table 7). There is some evidence that married women are more likely to divorce after a lottery win, and these effects are driven by women with low baseline earnings. We differentiate the estimates across states where the lottery win will necessarily be split 50-50 upon divorce (community property states) and those where the split may be unequal (equitable property states), which reveals marriage dissolution only in states where the split may be unequal (Table A19). On the other hand, we see no difference in effects on new marriages, where these laws would generally not be relevant.

Effects on new marriages may extend beyond the extensive margin and influence spousal characteristics, either absolutely or via assortative matching. To explore each of these possibilities, we compare a) the characteristics of winners' spouses to those typically observed for spouses of the control group (conditional on the winner's characteristics); and b) the characteristics of spouses to the characteristics of the winner. Among those who are unmarried in the baseline, we do not find a systematic shift in spousal characteristics in response to a win (Table A20) with two exceptions. New marriages are somewhat more common to partners who have higher earnings, and unions that persist to the end of the sample period are primarily with higher earners and those who are dissimilar in age.⁴²

iv. Marital Status, Interpretation and Reconciliation with the Literature

⁴² Examining winners who are married in the baseline does not indicate that the lack of marriage preservation overall obscures larger effects for couples who are mismatched in terms of earnings, age, or education (Table A21).

Our results indicate that the level of resources one has is material to their marital status, and in particular, that the steepening gradients in marriage rates at least partially reflect a causal process.⁴³ The effects on new marriages are substantial when compared to differences in the marriage rate across the earnings distribution, though are unable to explain all of the naïve correlation.⁴⁴ Moreover, the effects are quite concave, but still achieve a high upper bound, and are somewhat persistent over the analysis horizon, with the greatest persistence among those without financial assets initially and younger populations. This heterogeneity could suggest that financial resources are more important for younger and financially insecure couples in forming legal unions, and that the relationships they form are of higher quality and less likely to result in divorce. They also suggest that younger cohorts that have had relatively low marriage rates on account of their economic positions are unlikely to catch up to their predecessors over time. Finally, effects principally arrive through those who were single at the time of the win. We find no evidence that resources stabilize existing marriages and, if anything, may do the opposite.⁴⁵ Indeed, finding that divorce results appear only in states where a lottery win upon divorce is not necessarily split 50-50 suggests there may be frictions in within-household bargaining or otherwise ill-defined property rights that drive divorces.

With respect to economic theories of marriage, on balance, they better support the more-recent emphasis on shared consumption, rather than returns to specialization; still, the lack of evidence that resources preserve existing marriages as well as the lack of an effect on assortative matching call for nuance in the application of this theory. The results are somewhat consistent with a Becker model where the gains from marriage stem from leisure and consumption complementarities, with a move away from marriage unions arising from production complementarities. The evidence supporting this includes the large effect on marriage, that this effect is concentrated among those younger and less

⁴³ Some couples may choose to marry in order to reduce their tax liability in the year of a lottery win. This can be viewed as an accelerated form of the natural incentives couples face to marry when one spouse has higher earnings than the other. However, two patterns in our analysis suggest that tax avoidance considerations may not play a dominant role in shaping the marriage and divorce results. First, the new marriages we observe are quite persistent in nature (Table 4), thus it does not appear that couples are simply accelerating the timing of marriage for tax purposes or that the unions are ill-advised and short-lived. Second, the greatest tax benefits would accrue to couples in which one partner earns much less than the other, but we do not see evidence that new marriages are systematically more likely to partners with low earnings (Table A20).

⁴⁴ Prior to the lottery win, \$10,000 of earned income is associated with a 3 p.p. higher likelihood of being married in our sample, similar in size to one-time lottery winnings of \$50,000-\$100,000. Even diluting the sample by the share already married, the estimates imply that resources would close a non-trivial fraction of the SES marriage rate gap in the short run.

⁴⁵ In a developing country context, Bobonis (2011) finds that wealth transfers to women increased divorce rates among those who were married in the baseline.

financially secure, and that single winners are more likely to marry higher earners. However, that new marriages are not predominantly to those more observably similar and that married winners are not more likely to stay married are less consistent with this class of models.⁴⁶ The results are also consistent with sociocultural norms over a perceived need to have money before getting married (the flatness of new marriage effects once wins exceed \$250,000 and concentration of responsiveness among those less financially secure is most supportive of this mechanism). Finally, in the context of search models, increasing attractiveness on the marriage market may accelerate match rates, outweighing any offsetting effects on search behavior. Ultimately, it is likely that many mechanisms are at play, such that no single theory will fully explain a decision as varied and complex as marriage.

Within the literature that seeks to understand how economic factors affect marital status, the role of financial resources has remained mostly elusive. In the most closely related paper to our own on this question, Hankins and Hoekstra (2011) exploit \$25,000 to \$50,000 prizes among all lottery winners within certain counties in Florida and find reduced rates of marriage for female winners but no effect for male winners and no effect on divorces for either. Our estimates differ in several substantive ways: we find similar marriage effects for male and female winners, both of whom are immediately and persistently more likely to marry if they win while single, but modest and differential divorce responses. These differences could stem from the sources of variation, namely the use of solely cross-sectional variation versus our triple-difference design, differences in the size of the lottery wins considered, and the populations being examined. In a paper after a different question, Cesarini et al. (2017) study the effects of Swedish lottery wins on individual and household labor supply for winners as old as 64 years old and include an appendix figure estimating divorce by year since the win to validate their examination of couples. Consistent with our estimates, they find small but statistically insignificant increases in divorce that appear to peak four years after a win. A recent working paper, Golosov et al. (2021), examines effects of winning at least \$30,000 for a broader range of ages on marriage and divorce in a supplemental analysis, without exploiting variation in win size. They estimate a larger increase in marriage among single winners than we do and a large *decrease* in divorce among married winners, which, consistent with the difference-in-differences estimates of marriage in the appendix that do not exploit win

⁴⁶ We note that the assortative matching analysis could be missing unobservable dimensions of similarity and that the results could be driven in part by the underlying characteristics of who compliers tend to marry. Further, the effects on divorce hinge to some degree on the nature of the initial matches.

size (Figures A3 and A4), appears to be an artifact of elevated marriage rates among all winners (regardless of win amount) rather than a resource effect.⁴⁷

Several related studies leverage variation from housing and labor markets, through which effects on marriage could materialize through multiple channels, and our estimates can help disentangle the direct role of resources. For instance, increased house prices have been found to reduce the rate of divorce among homeowners (e.g., Farnham, Schmidt, and Sevak, 2011; Klein, 2017), which our results reveal is most likely not driven by wealth, suggesting other mechanisms—e.g., changes in housing costs associated with marriage dissolution—play a dominant role. Further, many designs that exploit labor market variation yield heterogeneity by sex (Burstein, 2007; Hoffman and Duncan, 1995; Smock and Manning, 1997; Burgess et al, 2003; Bitler et al., 2004; Charles and Stephens, 2004; Gassman-Pines and Yoshikawa, 2006), and our results indicate this heterogeneity does not generalize to other resource shocks, suggesting that substitution effects stemming from the opportunity cost of time are indeed important and likely vary by sex.

v. *Fertility, Estimates*

Table 8 presents the estimated effect of wealth shocks on births in each of the five years after the lottery win, as well as the effect on having any child and the cumulative number of births over this period. The estimates indicate a modest 0.4 p.p. per \$100,000 increase in the likelihood a child is born one year after the lottery win, but, in each subsequent year, estimates are indistinguishable from zero. Effects on having any child and cumulative births—that is, family size—during the sample period are small and insignificant. Five years after a win, we can rule out effects exceeding 0.01 births. Overall, the effect we see one year after the win reflects a short-run change in the timing of children, rather than a persistent increase in family size.

As costs and preferences can differ, we split the sample into those who did and did not already have children at baseline. The short-run increase in births is concentrated among those without children initially (Figure 4). However, the lack of effects on births in other years and longer-run family size is evident for both groups. We can rule out an increase in the likelihood of ever having

⁴⁷ Exploiting only the timing of lottery wins (i.e., ignoring win-size) overstates the magnitude of increases in marriage for unmarried winners and suggests a positive effect on existing marriages. In the latter case, looking across a range of minimum and maximum win amounts reveals no evidence that additional resources preserves existing marriages (Tables A15 and 16). Additionally, while our analysis focuses on lottery winners who are 25 to 44 years old, we get similar marriage and divorce results to those presented in Tables A14 and A15 and Figures A3 and A4 when using the age range considered in their paper.

a child over the analysis horizon of even 1.5 p.p. per \$100,000 for those without children initially, revealing no evidence of new family creation.

The lack of long-run birth effects for the full sample and those with and without children in the baseline is evident across alternative specifications and win ranges. Replicating the design while weighting the sample to match the population similarly reveals short-run increases in fertility only for those with no children prior to the lottery win and no cumulative increase in family size (Tables A22 and A23). When omitting control variables from the specification, the coefficients are essentially unchanged.⁴⁸ Using alternative maximum win ranges produces similarly small and statistically insignificant estimates for all but one year after the win, even when wins as large as \$5,000,000 are included (Table A24).

One concern is that the lifetime cost of a child is quite large, and the linear design could obscure significant effects on cumulative fertility for larger wins. Table 9 examines cumulative births by the end of the analysis horizon using the binned specification. The estimates reveal that all win amounts up to \$1,000,000 produce small and statistically insignificant effects, including when splitting the sample according to whether a lottery winner did or did not have children initially. However, the largest wins, exceeding \$1,000,000, lead to a somewhat larger, marginally significant increase in family size (though small relative to the size of such wins). Overall, the analysis indicates that, except for wins that are large enough to dramatically alter a family's financial position, resources have essentially no effect on family size.⁴⁹

Table 10 differentiates the effects on having a child in each year across demographic and socioeconomic characteristics. We do not find evidence of important heterogeneity in cumulative fertility by gender, age, or financial status.⁵⁰ The pull-forward effects for the full sample are statistically significant for those who were single and had no investments prior to the win. Focusing

⁴⁸ The pattern of estimates is also evident when restricting the sample to wins of \$5,000 or more, using a balanced panel across years, and eliminating restrictions on the lottery wins included in the analysis.

⁴⁹ As with marriage, we note that the timing of all lottery wins is correlated with a small increase in total fertility regardless of win size. However, the implied magnitude, concavity, and persistence of the effects cannot plausibly be interpreted as capturing resource effects. In particular, there is no evidence that differences in win amounts at modest levels are concave, which would be necessary to explain significant effects for very small wins, let alone increase total fertility at all (Tables A22 to A24). Further, it is doubtful that very small win amounts would continue to increase fertility for several years after the wins (Figure A5). These results highlight the importance of exploiting both lottery win timing and size to estimate robust causal effects of resources.

⁵⁰ Table A25 replicates the linear estimates while restricting attention to lottery winners aged 20 to 24, who are younger than those included in the primary sample, and 20 to 39, shifting the age range to be 5 years younger. The resulting estimates do not reveal larger effects as a result of focusing on these younger winners who may be more likely to have children.

on those without children prior to the lottery win reveals stronger effects in the year after the win among the young, male, and those with low or no earnings (Table A26). However, early increases are offset by small negative effects in subsequent years resulting in small and statistically insignificant cumulative changes for each of these groups. Focusing on those who already have children reveals little evidence of heterogeneous effects along any of these dimensions (Table A27).

Finally, we estimate effects on the joint outcome of having a child in the year after the win (i.e., when the pull forward occurs) and working or attending college in the year after the win and each of the two subsequent years (i.e., early years of the child's life). Compared to the respective means of each possible state, we find that the pull-forward is occurring disproportionately among those who are not working or attending school (Table A28). This is true overall and when restricting attention to those without children prior to the win, female winners, or both.⁵¹

vi. *Fertility, Interpretation and Reconciliation with the Literature*

Financial well-being and fertility are strongly negatively correlated both within and across countries and time. However, theory describes children as normal goods (Becker, 1960), such that the number of children in a household should increase with lifetime income. Our results indicate that the level of resources one has is primarily (yet only modestly) material to the timing of children, bringing the timeline forward, and has little impact on overall fertility, even for those without children and those who were initially financially constrained. Pull-forward effects are concentrated among those without children initially, among whom effects are driven by the young and those with lower earnings, suggesting there are financial constraints that cause delays in fertility, which are driven by the fixed costs of having children. Further, only very large wins, at least an order of magnitude beyond the estimated lifetime cost of raising a child, modestly increase family size.

In general, our findings are not particularly consistent with child quantity being a normal good (or with declines in aggregate fertility reflecting a wealthier nation).⁵² Further, while the timing at which one becomes a parent is sensitive to financial position, which is likely driven by liquidity,

⁵¹ In additional analysis, we find that the relative increase in the likelihood of having a child while not working is twice as large as the increase in the likelihood of not having a child while not working. This differential is even stronger when considering those without children prior to the lottery win, for whom the relative increase in having a child while not working is six times larger. This indicates that our findings here are not simply an artifact of an across-the-board increase in the consumption of leisure.

⁵² Our results, of course, cannot rule out that spending on child *quality* meets the criteria for a normal good.

financial constraints do not appear to independently reduce total fertility in a manner that would suggest pecuniary cost is a major factor in the decision to have children. The evidence on jointly accelerating fertility and working or attending school in turn indicates that the transitory financial constraints that delay fertility are not driven by the inability to afford childcare to make critical investments in one's own human capital. Instead, resources appear to enable staying at home during the early years of the child's life, presumably due to either preferences or as a perceived investment in the child's human capital.

The most closely related causal evidence on this question comes from a supplemental analysis within a recent study of effects of Swedish lottery wins on adult health and children's development (Cesarini et al., 2016). To examine selection into their sample of children of lottery winners, they examine effects on family size for winners under 50 years old. While there are good reasons to suspect their results may not extend to our context—e.g., they examine a wider age band, Sweden is in extreme contrast to the U.S. with respect to the marginal cost of children—they find small positive, but marginally significant effects overall and do not detect effects for female winners (implying larger effects for men).

Several recent studies have uncovered positive effects of labor and housing market shocks on contemporaneous fertility (Black et al., 2013; Lovenheim and Mumford, 2013; Dettling and Kearney, 2014; Kearney and Wilson, 2018; Cumming and Dettling, 2020; Daysal et al., 2021), generally reaching the conclusion that child quantity is a normal good. Our analysis confirms a similar (but smaller) relationship holds in the short run in our setting. A challenge in this literature has been measuring effects on total fertility and the resulting difficulty in disentangling a preferences versus a (short or long-term) financial constraints mechanism.⁵³ Given the nature of our empirical design and data, we are able to take a longer view on fertility and find that our initial effects of resources on fertility wash out over time, which points to short-run financial constraints and is easier to reconcile with the longstanding inverse relationship between resources and fertility. Other phenomena frequently cited in the literature—e.g., the implied value of household time increasing with earnings—can still help explain the inverse relationship between SES and fertility but need not be as large (so as to offset positive income effects). Our results also have implications for the broader procyclicality of fertility (e.g., Sobotka et al., 2011). To the extent this relationship

⁵³ Papers in this literature have largely pointed to the positive effects of resource shocks on fertility for women of different age ranges as suggestive that there may be positive cumulative effects. Our analysis also finds positive effects for younger and older women, but these effects fade over time after the initial resource shock.

is driven by resources (as opposed to other factors that vary with the business cycle), our findings suggest that the reductions (increases) during recessions (expansions) are unlikely to be permanent. Finally, studies leveraging variation in earnings find differential responses between men and women, with female earnings increases delivering negative effects and male earnings increases delivering positive (or zero) effects (Heckman and Walker, 1990; Del Bono, Weber, and Winter-Ebmer, 2012; Maclean, Covington, and Kessler, 2016; Hofmann, Kreyenfeld, and Uhlenborff, 2017; Lindo, 2010; Black et al., 2013; Huttunen and Kellokumpu, 2016; Kearney and Wilson, 2018). As with marriage, these differences are often attributed to competing income and substitution effects associated with the opportunity cost of time (Jones, Schoonbroodt, and Tertilt, 2010), which is consistent with the broad stability of our estimates across men and women.

vii. Joint Outcomes

Homeownership, marriage, and fertility are plausibly jointly determined. While we do not generate exogenous variation in these variables and therefore cannot look at the effect of one variable on the others, we can examine whether the documented effects of financial resources on homeownership, marriage, and fertility occur together. There are several reasons to suspect that these outcomes may be concurrently realized. There may be important complementarity in their benefits or costs, or financial constraints over multiple outcomes may bind simultaneously.

To explore these questions, we estimate if there are concurrent changes in each pair of outcomes. For example, we estimate if there are simultaneous changes in marital status and fertility in the year following a lottery win. To focus on new household formation, attention is restricted to individuals who were not married and did not have children prior to the lottery win. This exercise is replicated for homeownership and fertility jointly as well as homeownership and marriage.⁵⁴ We then estimate the effect of lottery wins on all three outcomes simultaneously, focusing on those who were not married, did not have children, and did not own a house prior to the win. The results are interpreted both in terms of their overall magnitude and relative to baseline rates.

Overall, the estimates reveal clear evidence that changes in marital status, fertility, and homeownership in response to financial resources occur in conjunction (Table A29). More than half of the pull forward in birth timing is driven by those who also married in response to the

⁵⁴ For each pair of outcomes, we restrict attention to those who had not taken either step toward household formation prior to the lottery win. Estimates for individuals who were already married, had children, or owned a home, are trivially small. This is due to the fact that few individuals become divorced or stop owning a home as a result of a lottery win.

lottery win, which is approximately double the effect that would be expected if the outcomes were uncorrelated. Similarly, there is a strong relationship between the impact of resources on childbirth and homeownership, with more than half of the pull forward in birth timing occurring along with new homeownership. In contrast, there is no significant increase in fertility among those who did not also buy a home in response to the win. The resource effects on getting married and buying a home have an even stronger correlation. Specifically, there is a 1.6 p.p. per \$100,000 increase in getting married and buying a house in the year after a lottery, which is approximately six times more likely than would be expected given baseline rates.

Examining all three outcomes concurrently provides additional insight. The pull forward in the timing of fertility is driven by those who also got married and bought a home. The joint effect on all three changes occurring simultaneously is a statistically significant 0.5 p.p. per \$100,000, while there is no significant increase in fertility among those who did not get married, buy a home, or both. And, while there are significant increases in both marriage and homeownership independent of each other and independent of having children, there is a disproportionate positive effect of financial resources on concurrent marriage and homeownership (with or without having children).

Overall, the results indicate that short-run increases in fertility occur in conjunction with marriage and homeownership, and there is no increase absent these additional changes. In partial contrast, marriage and homeownership increase independent of the other outcomes, but increase disproportionately in conjunction with each other (and having children). The results reveal that financial resources affect multiple aspects of household formation concurrently, highlighting the joint nature of household formation decisions. This supports use of more complicated models of household formation that endogenize, and incorporate interdependence of, all three outcomes despite the added complexity.

V. *External Validity*

The external validity of our analysis depends on the extent to which 1) the responsiveness of lottery winners in the sample to financial resources is representative of the responsiveness of the broader population and 2) lottery money is treated similarly to other types of resources.

To assess the representativeness of lottery winners, the literature appeals to the high rates of lottery playing in the population, the similar characteristics of players and non-players in the population, and the extent to which the lottery winners being studied resemble the population from

which they are drawn.⁵⁵ In the context of our design, we look to see whether prior to the win, lottery winners' rates of homeownership, marriage, and fertility look similar to the greater population's rates of these variables, and in particular, after accounting for any possible differences in pre-win income. To make this comparison, we draw a random sample from the population of individuals aged 25 to 44 who filed a tax return or had an information return in any of the prior 3 years. Table A30 reveals that lottery winners have a similar number of children as the same-aged population but are somewhat less likely to be married or to have a mortgage. As shown in the table, baseline differences in mortgage and marriage rates are almost fully explained by differences in baseline income, suggesting that unobservable differences in these variables are minimal. Moreover, as discussed earlier, the results are very similar when reweighting our sample to match the random sample for each outcome. Altogether, based on observable characteristics, there is little reason to suspect that lottery winners differ in their responsiveness to financial resources from the general population.

A second concern in analyzing lotteries is that win wealth might be consumed differently than other types of resources. While resources are treated the same no matter the source in standard economic models, a concern may be that lottery money might be, for example, spent relatively frivolously, and thus its effects on short- and long-run outcomes might not hold more generally. Several pieces of evidence support external validity in this respect. For one, earning decreases after lottery wins are fairly persistent (Figure A6), which is consistent with predictions of a shock to lifetime income in a standard lifecycle model.⁵⁶ Second, the persistent increase in homeownership we find (Table 1) is also consistent with predictions from lifecycle models. Third, the implied marginal propensity to consume from our capitalization estimates (Table A12), while potentially overstated,⁵⁷ is nonetheless within the range of leading empirical estimates for other types of liquid

⁵⁵ Kearney (2005) documents that 56 percent of the U.S. population plays the lottery each year, the National Opinion Research Center Survey on Gambling finds that 51 percent of adults play, and Gallup Polls find that 57 percent play. Bulman et al. (2021) document similar characteristics, including in the propensities to spend and save, between lottery playing and non-playing families in the Consumer Expenditure Survey.

⁵⁶ These results are similar to studies that focused on labor supply effects, such as Imbens, Rubin, and Sacerdote (2001) and Cesarini et al. (2017), as well as findings in Bulman et al. (2021) for households with college-aged children.

⁵⁷ The income capitalization estimates are likely overstated as they do not account for durable purchases and the possibility that the funds are kept disproportionately liquid. Additionally, capitalization estimates do not account for non-housing consumer debt and thus will understate changes in wealth in the presence of deleveraging, which could be high in our setting (Figure A1; Coibion, Gorodnichenko, and Weber, 2020; Cookson, Gilje, and Heimer, 2020). In particular, the analysis focuses on younger adults, and credit report data reveals that individuals aged 18-39 years old hold about 40 percent of non-housing consumer debt (Federal Reserve Bank of New York, 2021). Further, consistent

resource shocks (Carroll et al., 2014; Gelman et al., 2021).⁵⁸ Fourth, an examination of receipt of debt cancellation, which occurs in high financial distress situations, including bankruptcy, is persistently lower in the years after a win (Table A31).

VI. CONCLUSION

This paper estimates the effect of financial resources on homeownership, marriage, and fertility in the United States. The results verify that dampened household formation partially reflects financial factors and shed light on gradients by SES. Homeownership exhibits a particularly high degree of sensitivity to one's finances, marriage a more-moderate degree, and cumulative fertility nearly none. The analysis is also informative for interpreting the literature and illuminates spaces where fiscal policy could reasonably address current trends.

With respect to housing, high per-dollar responsiveness and upper bound effects for homeownership and housing values reveal that housing remains a primary channel for wealth retention. Further, lasting differences in these outcomes, even among higher earners for whom we might expect catch-up over time, indicate that down-payment constraints bind and ultimately prevent important wealth-building. On the other hand, the attenuated effects on mortgages among lower earners, who are most reliant on housing to build wealth, suggests that other constraints may reduce homeownership for this population.

For marriage, the persistence in effects among single winners and the high upper bound confirm that widening gaps in legal unions in part reflect the causal effect of greater wealth inequality. Finding similar increases in new marriages for men and women in this context highlights the role of other factors, such as substitution effects, in prior studies that examine more complex treatments and document significant heterogeneity. Still, we find no evidence that wealth sustains existing marriages and instead find suggestive evidence that the dissolutions of potentially bad marriages may be stymied by wives' lack of financial wherewithal. The full set of results, on

with the literature that finds households deleverage in response to windfalls, Figure A1 indicates winners who initially held mortgages were 4 p.p. less likely to have a mortgage per \$100,000 win in the year following a win.

⁵⁸ We found that one-quarter of the win is retained initially and that by the end of the analysis horizon, about one-fifth of it remains (Table A12). Bulman et al. (2021) conducted a similar imputation exercise among lottery-winning parents of college-aged children, focusing on prizes up to \$5 million, and found even smaller initial consumption estimates, namely that three-quarters was retained in the year after the win and that half of a lottery win was retained five years later. When we expand the range of lotteries to include these large prizes, we obtain similar results.

balance, appear to confirm a shift in the motivation for marriage away from production complementarities and toward leisure complementarities.

For fertility, the lack of cumulative effects indicates that quantity of children is not a normal good and that the costs of having children are not independently prohibitive. Moreover, there is no evidence that the causal effect of resources, rather than correlated factors, explains the negative relationship between SES and fertility in the U.S. or declining fertility rates in developed countries. While the response in timing of births to resources could be rationalized as alleviating constraints around childbirth that otherwise negatively affects female human capital accumulation, labor supply, and career progression (Hotz et al., 1997), it is notable that the timing effect is not concurrent with job or education-related human capital investment.

The results of the analysis have numerous implications for policy. Housing subsidies that lower the upfront costs of purchasing a home are likely to be effective in boosting homeownership and promoting wealth building but may not reach those toward the bottom of the income distribution. Thus, policies that reduce both upfront costs and other barriers to mortgage access may be more effective at reducing wealth inequality. While the literature finds evidence that promoting female employment and earnings (e.g., through income tax policies) or providing relatively fewer benefits to married women is likely to reduce marriage, our estimates suggest that government transfers that are neutral to employment and marriage are unlikely to reduce marriage rates, on net, and may modestly increase them. Lastly, unconditional government transfers may slightly accelerate fertility rates but are unlikely to meaningfully increase total fertility.

The analyses also highlight several potentially fruitful avenues for future research. For example, identifying the factors that attenuate the homeownership response of lower-income households seems particularly important for understanding barriers to wealth accumulation and social mobility. Similarly, additional analysis could shed light on the dynamics by which resources promote new marriages but do not preserve existing ones. Future studies might alternatively consider whether child quality, in contrast to child quantity, is sensitive to resources, and further explore the dynamics among resources, fertility, and employment decisions. Finally, additional work could shed light on the interdependence of homeownership, marriage, and fertility.

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Table 1: The Effect of Resources on New Homeownership

Year Relative to Lottery Win	T=0	T=1	T=2	T=3	T=4	T=5
Has Mortgage						
Win amount (100k)	0.0243*** (0.0026)	0.0463*** (0.0033)	0.0459*** (0.0037)	0.0437*** (0.0039)	0.0391*** (0.0041)	0.0359*** (0.0044)
Mean Dep	0.0191	0.0483	0.0721	0.0914	0.1075	0.1207
Observations	911,769	882,441	852,707	824,232	798,201	748,043
Mortgage Interest						
Win amount (100k)	30.21* (17.84)	258.40*** (29.96)	287.34*** (35.89)	271.04*** (40.04)	204.73*** (42.72)	170.95*** (47.72)
Mean Dep	41.63	273.83	462.16	620.85	744.73	843.73
Observations	911,409	882,143	852,381	823,794	797,625	747,315
Owns Home: Mortgage or Property Tax Deduction						
Win amount (100k)	0.0346*** (0.0029)	0.0536*** (0.0035)	0.0534*** (0.0039)	0.0501*** (0.0042)	0.0454*** (0.0044)	0.0423*** (0.0046)
Mean Dep	0.0157	0.0465	0.0722	0.0935	0.1113	0.1261
Observations	902,360	871,787	839,808	809,600	782,666	732,152
Estimated Home Value						
Win amount (100k)	7,939*** (873)	13,304*** (1,460)	14,027*** (1,675)	13,619*** (1,850)	11,826*** (1,791)	11,986*** (2,400)
Mean Dep	4,045	11,866	19,105	25,446	30,948	34,884
Observations	900,364	869,412	837,174	806,922	780,110	729,615

Note: Estimates show the effect of lottery winnings, measured in hundreds of thousands, on new homeownership outcomes in the year of the lottery win and each of the subsequent five calendar years. The four panels present the effect of lottery wins on having a mortgage, mortgage interest, having a mortgage or claiming a property tax deduction, and estimated home value. Attention is restricted to those without a home prior to the lottery win. Changes in each outcome are measured relative to the pre-win period. Home values are estimated using zip code means. The sample includes lottery wins ranging between \$1,000 and \$500,000. The specifications interact the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner and include year and age fixed effects, as well as controls for gender, citizenship, pre-win employment status, earnings, self-employment, and investments. Errors are clustered at the winner level. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively.

Table 2: The Effect of Resources on New Homeownership: Bin Design

	Has Mortgage	Mortgage Interest	Owns Home (mtg or tax)	Home Value
Win amount 10k-50k	0.0137*** (0.0026)	48.89** (24.92)	0.0150*** (0.0028)	4,587*** (867)
Win amount 50k-100k	0.0614*** (0.0066)	313.68*** (52.33)	0.0680*** (0.0070)	15,280*** (1,946)
Win amount 100k-250k	0.0915*** (0.0093)	544.22*** (96.39)	0.0979*** (0.0099)	21,605*** (2,903)
Win amount 250k-500k	0.0964*** (0.0168)	485.97*** (141.41)	0.1252*** (0.0179)	36,580*** (9,127)
Win amount 500k-1,000k	0.1285*** (0.0207)	860.07*** (191.72)	0.1979*** (0.0229)	54,144*** (7,128)
Win amount 1,000k or more	0.1107*** (0.0275)	1,940.12*** (410.25)	0.3706*** (0.0343)	170,007*** (18,913)
Observations	884,436	884,135	873,695	871,305

Note: Estimates show the effect of lottery winnings on new homeownership outcomes in the year after the lottery win. The four columns present the effect on having a mortgage, mortgage interest, having a mortgage or claiming a property tax deduction, and estimated home value. Attention is restricted to those without a home prior to the lottery win. Changes in each outcome are measured relative to the pre-win period. Home values are estimated using zip code means. The bin specification interacts six win size ranges with an indicator for being a current, rather than future, lottery winner. Win sizes are classified according to five cutoffs: \$10,000, \$50,000, \$100,000, \$500,000, and \$1,000,000 or more. The specifications include year and age fixed effects, as well as controls for gender, citizenship, pre-win employment status, earnings, self-employment, and investments. Errors are clustered at the winner level. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively.

Table 3: The Effect of Resources on New Homeownership: Heterogeneity

Years Relative to Lottery Win	T=0	T=1	T=2	T=3	T=4	T=5
Demographics						
Age 25-34	0.0325*** (0.0041)	0.0541*** (0.0050)	0.0542*** (0.0056)	0.0524*** (0.0060)	0.0441*** (0.0063)	0.0399*** (0.0068)
Age 35-44	0.0385*** (0.0045)	0.0555*** (0.0052)	0.0528*** (0.0057)	0.0476*** (0.0059)	0.0483*** (0.0063)	0.0471*** (0.0067)
Married	0.0577*** (0.0087)	0.0758*** (0.0097)	0.0668*** (0.0106)	0.0647*** (0.0111)	0.0556*** (0.0115)	0.0489*** (0.0123)
Single	0.0333*** (0.0036)	0.0536*** (0.0045)	0.0552*** (0.0050)	0.0514*** (0.0053)	0.0484*** (0.0055)	0.0464*** (0.0058)
Non-filer	0.0059 (0.0041)	0.0140** (0.0046)	0.0164*** (0.0054)	0.0165** (0.0066)	0.0105 (0.0070)	0.0102 (0.0075)
Female	0.0385*** (0.0050)	0.0582*** (0.0059)	0.0532*** (0.0065)	0.0528*** (0.0070)	0.0441*** (0.0072)	0.0414*** (0.0076)
Male	0.0325*** (0.0036)	0.0510*** (0.0044)	0.0537*** (0.0049)	0.0488*** (0.0052)	0.0463*** (0.0055)	0.0430*** (0.0058)
Financial Status						
No investments	0.0325*** (0.0031)	0.0525*** (0.0037)	0.0521*** (0.0041)	0.0512*** (0.0044)	0.0479*** (0.0047)	0.0450*** (0.0050)
Has investments	0.0427*** (0.0079)	0.0570*** (0.0095)	0.0568*** (0.0103)	0.0439*** (0.0108)	0.0334*** (0.0109)	0.0306*** (0.0114)
Earnings: below median	0.0199*** (0.0041)	0.0341*** (0.0050)	0.0311*** (0.0057)	0.0322*** (0.0062)	0.0262*** (0.0066)	0.0223*** (0.0070)
Earnings: above median	0.0539*** (0.0053)	0.0794*** (0.0065)	0.0797*** (0.0071)	0.0697*** (0.0074)	0.0648*** (0.0076)	0.0611*** (0.0079)
Earnings: none	0.0208*** (0.0054)	0.0340*** (0.0062)	0.0359*** (0.0067)	0.0359*** (0.0075)	0.0334*** (0.0084)	0.0337*** (0.0094)
Income: below median	0.0113*** (0.0032)	0.0252*** (0.0038)	0.0247*** (0.0044)	0.0245*** (0.0049)	0.0214*** (0.0054)	0.0188*** (0.0058)
Income: above median	0.0536*** (0.0046)	0.0768*** (0.0056)	0.0762*** (0.0061)	0.0694*** (0.0064)	0.0636*** (0.0066)	0.0599*** (0.0069)
Income: bottom quartile	0.0095** (0.0040)	0.0208*** (0.0046)	0.0181*** (0.0055)	0.0160** (0.0062)	0.0116* (0.0068)	0.0035 (0.0074)
Income: top quartile	0.0693*** (0.0073)	0.0941*** (0.0084)	0.0914*** (0.0091)	0.0800*** (0.0095)	0.0736*** (0.0096)	0.0695*** (0.0100)

Note: Estimates show the effect of lottery winnings, measured in hundreds of thousands, on new homeownership in the year of the lottery win and each of the subsequent five calendar years differentiated by demographic and financial characteristics. Homeownership is measured using mortgages and property tax deductions. Age is measured in the year of the lottery win, while marital status and financial characteristics are measured prior to the win. Attention is restricted to those without a home prior to the lottery win. The sample includes lottery wins ranging between \$1,000 and \$500,000. The specifications interact the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner and include year fixed effects. Errors are clustered at the winner level. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively.

Table 4: The Effect of Resources on Marriage by Baseline Status

Year Relative to Lottery Win	T=0	T=1	T=2	T=3	T=4	T=5
Unmarried	0.0189*** (0.0032)	0.0266*** (0.0039)	0.0243*** (0.0043)	0.0205*** (0.0046)	0.0172*** (0.0049)	0.0118** (0.0051)
Mean Dep	0.0484	0.0862	0.1163	0.1417	0.1622	0.1798
Observations	729,924	699,519	676,881	650,941	626,696	603,162
Married	-0.0042 (0.0034)	0.0047 (0.0039)	-0.0018 (0.0042)	-0.0060 (0.0044)	-0.0103** (0.0046)	-0.0098** (0.0048)
Mean Dep	0.9428	0.9074	0.8785	0.8549	0.8359	0.8195
Observations	463,748	453,466	443,717	431,965	420,039	409,040
Overall	0.0070*** (0.0023)	0.0162*** (0.0028)	0.0115*** (0.0031)	0.0073** (0.0034)	0.0037 (0.0036)	0.0010 (0.0037)
Mean Dep	0.3915	0.4045	0.4132	0.4212	0.4275	0.4333
Observations	1,224,621	1,185,650	1,154,648	1,117,131	1,080,999	1,046,110

Note: Estimates show the percentage point effect of lottery winnings, measured in hundreds of thousands, on being married in the year of the lottery win and each of the subsequent five calendar years. Changes in marital status are measured relative to the pre-win period. The estimates are differentiated across those who were and were not married prior to the lottery win, revealing the effect on new marriages and divorces. The sample includes lottery wins ranging between \$1,000 and \$500,000. The specifications interact the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner and include year and age fixed effects, as well as controls for gender, citizenship, pre-win employment status, earnings, self-employment, and investments. Errors are clustered at the winner level. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively.

Table 5: The Effect of Resources on Marriage: Bin Design

	Unmarried Before	Married Before	Overall
Win amount 10k-50k	0.0055 (0.0035)	0.0002 (0.0041)	0.0035 (0.0027)
Win amount 50k-100k	0.0275*** (0.0083)	0.0060 (0.0087)	0.0179*** (0.0061)
Win amount 100k-250k	0.0421*** (0.0102)	0.0082 (0.0096)	0.0254*** (0.0072)
Win amount 250k-500k	0.0880*** (0.0203)	0.0111 (0.0204)	0.0516*** (0.0147)
Win amount 500k-1,000k	0.0625*** (0.0237)	0.0034 (0.0203)	0.0325** (0.0160)
Win amount 1,000k or more	0.0864** (0.0343)	-0.0399 (0.0260)	0.0171 (0.0214)
Mean Dep	0.0863	0.9076	0.4096
Observations	701,131	455,221	1,156,352

Note: Estimates show the percentage point effect of lottery winnings on being married in the year after the lottery win. Changes in marital status are measured relative to the pre-win period. The estimates are differentiated across those who were and were not married prior to the lottery win, revealing the effect on new marriages and divorces. The bin specifications interact six win size ranges with an indicator for being a current, rather than future, lottery winner. Win sizes are classified according to five cutoffs: \$10,000, \$50,000, \$100,000, \$500,000, and \$1,000,000 or more. The specifications include year and age fixed effects, as well as controls for gender, citizenship, pre-win employment status, earnings, self-employment, and investments. Errors are clustered at the winner level. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively.

Table 6: The Effect of Resources on Marriage if Unmarried Before Win: Heterogeneity

Year Relative to Lottery Win	T=0	T=1	T=2	T=3	T=4	T=5
Demographics						
Age 25-34	0.0220*** (0.0050)	0.0340*** (0.0061)	0.0302*** (0.0070)	0.0276*** (0.0075)	0.0302*** (0.0078)	0.0244*** (0.0081)
Age 35-44	0.0176*** (0.0045)	0.0222*** (0.0052)	0.0209*** (0.0056)	0.0176*** (0.0060)	0.0090 (0.0064)	0.0030 (0.0069)
Female	0.0194*** (0.0047)	0.0302*** (0.0055)	0.0267*** (0.0062)	0.0212*** (0.0067)	0.0133* (0.0070)	0.0066 (0.0076)
Male	0.0188*** (0.0043)	0.0243*** (0.0053)	0.0232*** (0.0059)	0.0203*** (0.0063)	0.0196*** (0.0067)	0.0149** (0.0069)
No investments	0.0207*** (0.0038)	0.0323*** (0.0046)	0.0302*** (0.0052)	0.0278*** (0.0056)	0.0244*** (0.0059)	0.0168*** (0.0063)
Financial Status						
Has investments	0.0161*** (0.0056)	0.0156** (0.0069)	0.0131* (0.0075)	0.0066 (0.0081)	0.0043 (0.0085)	0.0034 (0.0087)
Earnings: below median	0.0177*** (0.0047)	0.0288*** (0.0058)	0.0273*** (0.0064)	0.0229*** (0.0069)	0.0172** (0.0072)	0.0161** (0.0078)
Earnings: above median	0.0180*** (0.0046)	0.0218*** (0.0054)	0.0183*** (0.0060)	0.0158** (0.0064)	0.0117* (0.0068)	0.0050 (0.0071)
Earnings: none	0.0312** (0.0141)	0.0478*** (0.0166)	0.0478*** (0.0185)	0.0390** (0.0196)	0.0614*** (0.0207)	0.0392* (0.0217)
Income: below median	0.0155*** (0.0039)	0.0259*** (0.0049)	0.0249*** (0.0054)	0.0187*** (0.0059)	0.0147** (0.0062)	0.0120* (0.0067)
Income: above median	0.0219*** (0.0054)	0.0257*** (0.0062)	0.0215*** (0.0068)	0.0204*** (0.0072)	0.0176** (0.0077)	0.0089 (0.0079)
Income: bottom quartile	0.0142*** (0.0053)	0.0248*** (0.0070)	0.0297*** (0.0079)	0.0239*** (0.0086)	0.0228** (0.0091)	0.0110 (0.0099)
Income: top quartile	0.0215** (0.0098)	0.0168 (0.0109)	0.0197* (0.0116)	0.0204 (0.0126)	0.0219* (0.0131)	0.0127 (0.0137)

Note: Estimates show the percentage point effect of lottery winnings, measured in hundreds of thousands, on being married in the year of the lottery win and each of the subsequent five calendar years. Attention is restricted to those who were unmarried prior to the win, revealing the effect on new marriages, and changes in marital status are measured relative to the pre-win period. The effects are differentiated by demographic and financial characteristics. Age is measured in the year of the lottery win, while financial characteristics are measured prior to the win. The sample includes lottery wins ranging between \$1,000 and \$500,000. The specifications interact the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner and include year fixed effects. Errors are clustered at the winner level. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively.

Table 7: The Effect of Resources on Marriage if Married Before Win: Heterogeneity

Year Relative to Lottery Win	T=0	T=1	T=2	T=3	T=4	T=5
Demographics						
Age 25-34	-0.0066 (0.0077)	0.0063 (0.0091)	-0.0017 (0.0096)	-0.0107 (0.0101)	-0.0123 (0.0103)	-0.0098 (0.0109)
Age 35-44	-0.0047 (0.0037)	0.0019 (0.0041)	-0.0025 (0.0045)	-0.0061 (0.0048)	-0.0112** (0.0051)	-0.0104** (0.0053)
Female	-0.0112** (0.0053)	-0.0025 (0.0062)	-0.0080 (0.0066)	-0.0120* (0.0071)	-0.0171** (0.0075)	-0.0157** (0.0078)
Male	0.0000 (0.0044)	0.0094* (0.0049)	0.0023 (0.0053)	-0.0019 (0.0057)	-0.0058 (0.0059)	-0.0058 (0.0061)
Financial Status						
No investments	-0.0046 (0.0045)	0.0088* (0.0053)	0.0020 (0.0057)	-0.0048 (0.0060)	-0.0080 (0.0063)	-0.0052 (0.0065)
Has investments	-0.0039 (0.0050)	-0.0020 (0.0055)	-0.0080 (0.0059)	-0.0085 (0.0064)	-0.0141** (0.0067)	-0.0163** (0.0070)
Earnings: below median	0.0019 (0.0045)	0.0040 (0.0050)	0.0010 (0.0055)	-0.0027 (0.0058)	-0.0095 (0.0062)	-0.0100 (0.0064)
Earnings: above median	-0.0120* (0.0063)	0.0037 (0.0072)	-0.0076 (0.0076)	-0.0118 (0.0082)	-0.0132 (0.0083)	-0.0163* (0.0089)
Earnings: none	-0.0087 (0.0083)	0.0100 (0.0102)	0.0024 (0.0108)	-0.0046 (0.0115)	-0.0063 (0.0122)	0.0076 (0.0125)
Income: below median	-0.0121 (0.0091)	0.0059 (0.0106)	-0.0070 (0.0110)	-0.0173 (0.0115)	-0.0214* (0.0118)	-0.0187 (0.0123)
Income: above median	-0.0017 (0.0034)	0.0046 (0.0039)	-0.0002 (0.0043)	-0.0024 (0.0046)	-0.0068 (0.0049)	-0.0068 (0.0051)
Income: bottom quartile	0.0157 (0.0148)	0.0278 (0.0178)	0.0234 (0.0178)	0.0105 (0.0185)	-0.0003 (0.0186)	-0.0193 (0.0195)
Income: top quartile	0.0006 (0.0036)	0.0074* (0.0042)	0.0038 (0.0046)	0.0008 (0.0051)	-0.0039 (0.0054)	-0.0060 (0.0057)

Note: Estimates show the percentage point effect of lottery winnings, measured in hundreds of thousands, on being married in the year of the lottery win and each of the subsequent five calendar years. Attention is restricted to those who were married prior to the win, revealing the effect on remaining married, and changes in marital status are measured relative to the pre-win period. The effects are differentiated by demographic and financial characteristics. Age is measured in the year of the lottery win, while financial characteristics are measured prior to the win. The sample includes lottery wins ranging between \$1,000 and \$500,000. The specifications interact the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner and include year fixed effects. Errors are clustered at the winner level. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively.

Table 8: The Effect of Resources on Births

	Births by Year Relative to Lottery Win						Any Child	Total Children
	T=0	T=1	T=2	T=3	T=4	T=5		
No children prior	0.0010 (0.0023)	0.0090*** (0.0024)	0.0023 (0.0025)	-0.0004 (0.0026)	-0.0042 (0.0027)	-0.0017 (0.0027)	0.0051 (0.0049)	0.0046 (0.0071)
Mean Dep	0.0444	0.0447	0.0470	0.0476	0.0463	0.0441	0.2127	0.2747
Observations	523,318	511,760	499,848	483,164	466,170	449,795	449,795	449,795
Children prior	0.0026 (0.0038)	0.0014 (0.0038)	-0.0010 (0.0038)	0.0020 (0.0037)	-0.0036 (0.0040)	-0.0004 (0.0038)	-0.0033 (0.0050)	-0.0015 (0.0061)
Mean Dep	0.0549	0.0509	0.0430	0.0355	0.0297	0.0244	0.2022	0.2391
Observations	648,087	633,370	617,935	597,529	576,594	556,745	556,745	556,745
Overall	0.0015 (0.0024)	0.0044* (0.0024)	-0.0001 (0.0024)	0.0003 (0.0024)	-0.0045 (0.0028)	-0.0016 (0.0025)	0.0000 (0.0036)	0.0007 (0.0047)
Mean Dep	0.0502	0.0482	0.0448	0.0409	0.0371	0.0332	0.2069	0.2550
Observations	1,171,405	1,145,130	1,117,783	1,080,693	1,042,764	1,006,540	1,006,540	1,006,540

Note: Estimates show the effect of lottery winnings, measured in hundreds of thousands, on fertility. Columns 2 through 7 present the estimated effect on births in the year of the lottery win and each of the subsequent five calendar years. Column 8 is the effect on having had at least one child since the win by year 5. The last column presents the estimated change in the cumulative number of births since the lottery win by year 5. The estimates are differentiated across those who did and did not have children prior to the lottery win, revealing the effect on new family formation and family growth. The sample includes lottery wins ranging between \$1,000 and \$500,000. The specifications interact the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner and include year and age fixed effects, as well as controls for gender, citizenship, pre-win employment status, earnings, self-employment, and investments. Errors are clustered at the winner level. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively.

Table 9: The Effect of Resources on Total Births After 5 Years: Bin Design

	No Prior Children	Prior Children	Overall
Win amount 10k-50k	-0.0010 (0.0069)	-0.0035 (0.0061)	-0.0025 (0.0046)
Win amount 50k-100k	-0.0256 (0.0157)	-0.0040 (0.0136)	-0.0159 (0.0104)
Win amount 100k-250k	0.0286 (0.0186)	0.0043 (0.0164)	0.0139 (0.0125)
Win amount 250k-500k	0.0225 (0.0368)	-0.0118 (0.0308)	0.0032 (0.0243)
Win amount 500k-1,000k	0.0087 (0.0410)	0.0203 (0.0369)	0.0155 (0.0277)
Win amount 1,000k or more	0.0617 (0.0595)	0.0735 (0.0472)	0.0695* (0.0388)
Mean Dep	0.2748	0.2391	0.2551
Observations	451,112	558,271	1,009,383

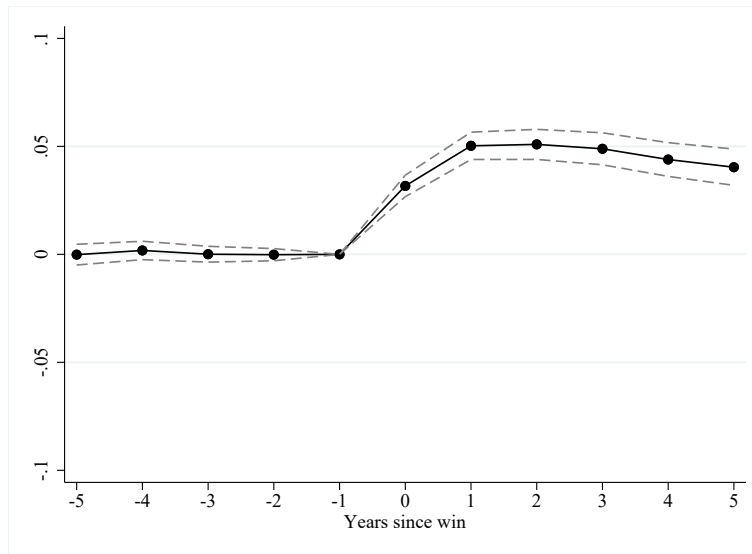
Note: Estimates show the effect of lottery winnings on the cumulative number of births five years after the lottery win. The estimates are differentiated across those who did and did not have children prior to the lottery win, revealing the effect on new family formation and family growth. The bin specifications interact six win size ranges with an indicator for being a current, rather than future, lottery winner. Win sizes are classified according to five cutoffs: \$10,000, \$50,000, \$100,000, \$500,000, and \$1,000,000 or more. The specifications include year and age fixed effects, as well as controls for gender, citizenship, pre-win employment status, earnings, self-employment, and investments. Errors are clustered at the winner level. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively.

Table 10: The Effect of Resources on Births: Heterogeneity

	Births by Year Relative to Lottery Win						Total Children
	T=0	T=1	T=2	T=3	T=4	T=5	
Demographics							
Age 25-34	0.0022 (0.0039)	0.0057 (0.0040)	0.0008 (0.0040)	-0.0023 (0.0040)	-0.0089** (0.0044)	-0.0018 (0.0042)	0.0070 (0.0082)
Age 35-44	0.0010 (0.0028)	0.0031 (0.0029)	-0.0000 (0.0028)	0.0015 (0.0028)	0.0001 (0.0029)	-0.0010 (0.0027)	-0.0016 (0.0049)
Married	0.0007 (0.0048)	0.0002 (0.0047)	0.0006 (0.0046)	-0.0016 (0.0045)	-0.0088* (0.0050)	-0.0019 (0.0045)	0.0016 (0.0080)
Single	0.0006 (0.0029)	0.0063** (0.0029)	-0.0006 (0.0031)	0.0001 (0.0030)	-0.0036 (0.0033)	-0.0030 (0.0031)	0.0030 (0.0064)
Non-filer	0.0056 (0.0053)	0.0069 (0.0059)	-0.0031 (0.0059)	0.0032 (0.0060)	-0.0007 (0.0063)	-0.0015 (0.0060)	-0.0020 (0.0116)
Female	0.0016 (0.0039)	0.0041 (0.0039)	-0.0010 (0.0040)	0.0024 (0.0038)	-0.0039 (0.0045)	0.0031 (0.0039)	-0.0029 (0.0071)
Male	0.0010 (0.0029)	0.0048 (0.0030)	0.0008 (0.0030)	-0.0007 (0.0030)	-0.0043 (0.0035)	-0.0040 (0.0031)	0.0031 (0.0063)
Financial Status							
No investments	0.0031 (0.0027)	0.0054* (0.0028)	0.0007 (0.0028)	0.0022 (0.0028)	-0.0029 (0.0031)	-0.0005 (0.0029)	0.0026 (0.0055)
Has investments	-0.0029 (0.0046)	0.0018 (0.0045)	-0.0023 (0.0048)	-0.0048 (0.0045)	-0.0090* (0.0054)	-0.0050 (0.0047)	-0.0035 (0.0091)
Earnings: below median	0.0019 (0.0037)	0.0017 (0.0036)	-0.0019 (0.0037)	0.0006 (0.0036)	-0.0073* (0.0041)	-0.0025 (0.0036)	0.0038 (0.0071)
Earnings: above median	0.0008 (0.0037)	0.0059 (0.0037)	0.0029 (0.0039)	-0.0012 (0.0039)	-0.0018 (0.0041)	-0.0028 (0.0041)	-0.0022 (0.0076)
Earnings: none	0.0013 (0.0054)	0.0078 (0.0057)	-0.0032 (0.0055)	0.0024 (0.0056)	-0.0030 (0.0063)	0.0024 (0.0058)	-0.0031 (0.0108)
Income: below median	0.0009 (0.0032)	0.0056* (0.0033)	0.0026 (0.0034)	0.0000 (0.0034)	-0.0044 (0.0038)	-0.0006 (0.0035)	0.0025 (0.0069)
Income: above median	0.0021 (0.0033)	0.0036 (0.0033)	-0.0020 (0.0034)	0.0006 (0.0032)	-0.0045 (0.0037)	-0.0026 (0.0033)	0.0003 (0.0064)
Income: bottom quartile	0.0040 (0.0043)	0.0012 (0.0046)	-0.0038 (0.0045)	0.0024 (0.0046)	-0.0044 (0.0050)	-0.0006 (0.0047)	0.0007 (0.0090)
Income: top quartile	-0.0014 (0.0050)	0.0008 (0.0048)	-0.0036 (0.0048)	-0.0021 (0.0046)	-0.0064 (0.0053)	-0.0067 (0.0047)	0.0035 (0.0091)

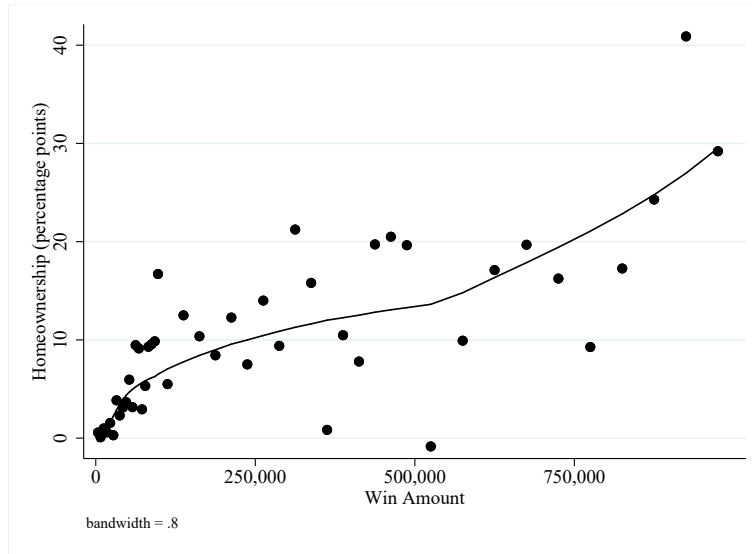
Note: Estimates show the effect of lottery winnings, measured in hundreds of thousands, on births in the year of the lottery win and each of the subsequent five calendar years, as well as the cumulative effect on births over the five year period. The effects are differentiated by demographic and financial characteristics. Age is measured in the year of the lottery win, while marital status and financial characteristics are measured prior to the win. The sample includes lottery wins ranging between \$1,000 and \$500,000. The specifications interact the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner and include year fixed effects. Errors are clustered at the winner level. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively.

Figure 1: The Effect of Lottery Wins on New Homeownership



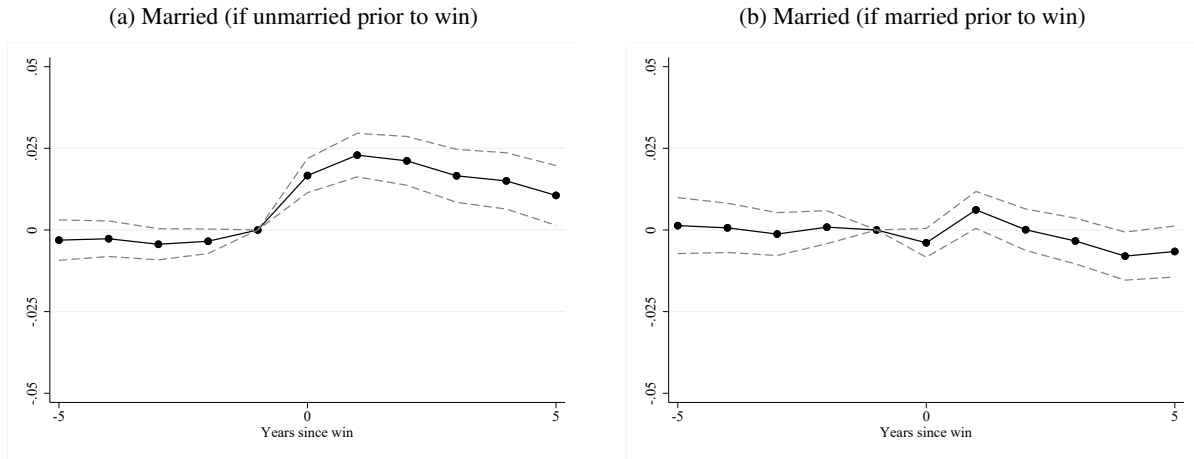
Note: The figure presents the estimated change in new homeownership per \$100,000 of lottery winnings in the years before and after the win. Attention is restricted to those who did not own a home in the year prior to the win. The figure includes 95 percent confidence intervals for the estimates. The sample includes lottery wins ranging between \$1,000 and \$500,000. Point estimates are based on a specification that interacts the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner and includes year and age fixed effects, as well as controls for gender, citizenship, pre-win employment status, earnings, self-employment, and investments. Errors are clustered at the winner level.

Figure 2: LOWESS Plot of Lottery Win Effects on New Homeownership



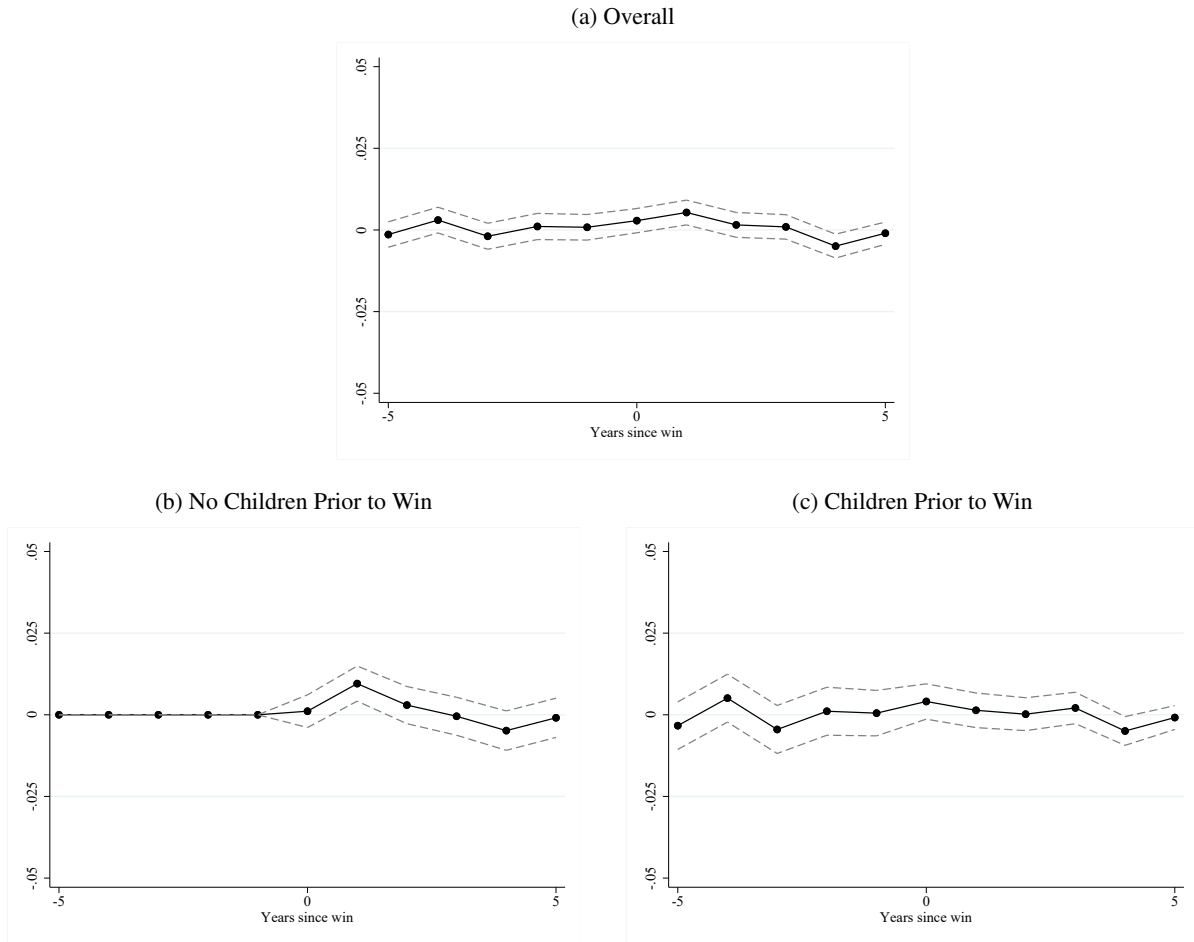
Note: The figure is a LOWESS plot fitted to the effects of lottery wins on new homeownership in the year after the lottery win. Attention is restricted to those who did not own a home in the year prior to the win. The estimates are plotted for increments of \$5,000 up to \$100,000, \$25,000 up to \$500,000, and \$50,000 up to \$1,000,000. The effects are based on a specification that interacts the win size with an indicator for being a current, rather than future, lottery winner and includes year and age fixed effects, as well as controls for gender, citizenship, pre-win employment status, earnings, self-employment, and investments. Smoothing is based on a bandwidth of 0.8.

Figure 3: The Effect of Lottery Wins on Marriage and Divorce



Note: The figures present the estimated change in being married per \$100,000 of lottery winnings in the years before and after the win. In figure (a), attention is restricted to those who were unmarried in the year prior to the win, revealing new marriages. In figure (b), attention is restricted to those who were married in the year prior to the win, revealing the likelihood of divorce. The figures include 95 percent confidence intervals for the estimates. The sample includes lottery wins ranging between \$1,000 and \$500,000. The specification interacts the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner and includes year and age fixed effects, as well as controls for gender, citizenship, pre-win employment status, earnings, self-employment, and investments. Errors are clustered at the winner level.

Figure 4: The Effect of Lottery Wins on Fertility by Year



Note: The figures present the estimated change in births per \$100,000 of lottery winnings in the years before and after the win. Figure (a) presents the overall effect of lottery wins on births for those with and without children prior to the win. In figure (b), attention is restricted to those who did not have children prior to the win, revealing new family formation. In figure (c), attention is restricted to those who had children prior to the win, revealing family growth. The figures include 95 percent confidence intervals for the estimates. The sample includes lottery wins ranging between \$1,000 and \$500,000. The specification interacts the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner and includes year and age fixed effects, as well as controls for gender, citizenship, pre-win employment status, earnings, self-employment, and investments. Errors are clustered at the winner level.

Appendix

As detailed in Section II, we are able to observe new home purchases made with mortgages using the presence of mortgage interest from Form 1098, a mandatory information return filed by lenders. This is likely to capture the significant majority of new home purchases. However, some individuals may purchase a home outright with cash and thus not be captured by mortgage interest filings. In order to capture homes purchased outright, we identify individuals who take property tax deductions reported on Schedule A of Form 1040. In particular, we identify individuals who did not take these deductions prior to the win but do so after the win. Throughout the analysis, we present estimated effects on mortgages only as well as a combined homeownership measure that includes both mortgages and potential cash purchases. These estimates are generally quite similar, with the mortgage only estimates capturing most new home purchases.

Generally, our data and those reported in the Survey of Consumer Finances (SCF) indicate that the vast majority of home purchases are financed with a mortgage. This is especially true for younger populations such as the 25 to 44-year-old lottery winners included in our analysis. For example, for this age range, the SCF indicates that 90 percent of purchases are made with a mortgage. This is consistent with the tax data, where very few cash purchases are identified using new tax itemizers that are not accompanied by a new mortgage. The high rate of home purchases made using mortgages is especially relevant in our primary linear specifications that focus on wins of less than 500,000 dollars, a range in which a mortgage will generally be necessary to afford a home. This is consistent with our finding of little difference between the effect of lottery wins on new mortgages and new homeownership including cash purchases.

Nonetheless, selection bias may pose a problem for our estimates because only those who itemize their taxes file a Schedule A. Specifically, only taxpayers whose itemized deductions—primarily property taxes, state income or sales taxes, charitable contributions, mortgage and investment interest, and medical expenses—exceed the standard deduction will file a Schedule A. While the average lottery win in our sample is not large enough to buy a house outright, measuring cash purchases using property tax itemization may suffer from two sources of (differently signed) bias. Upward bias can occur when an individual who already owns a home outright does not itemize their taxes prior to the lottery win but begins itemizing due to the win. Downward bias can occur when an individual buys a home outright, but the itemized deductions, including property taxes, are not large enough to trigger subsequent itemization. We conduct several exercises to examine whether there is likely to be systematic over or underestimation of home purchases. We then explore whether these issues are likely to affect our conclusions concerning the heterogeneity by SES, concavity of effects, and the range of the upper bound.

As noted above, upward bias could stem from existing homeowners without a mortgage being more likely to begin to itemize as a result of their lottery wins (with the reverse theoretically possible too). To address this issue, we exclude individuals who newly itemized after the win with pre-win estimated state income taxes not large enough to have itemized in the pre-win period even if they had paid the same level of property taxes as can be observed subsequent to the win. That is, we identify individuals who are most likely to have already been “hidden” homeowners

prior to the lottery win and exclude them from the primary sample. As shown in Table A7, excluding these individuals has only modest effects on the estimates. One year after the lottery win, the effect of \$100,000 is estimated to be 5.59 percentage points in the full sample and 5.36 in the primary sample that excludes potentially misclassified home purchases. The two samples produce very similar estimates, indicating that pre-win non-itemizers who own homes do not meaningfully bias the results upward.

Downward bias occurs if cash purchases are made that do not result in itemizing property taxes. We explore this concern in several ways. First, we replicate the estimates while including purchases made in 2018 or after. Due to the Tax Cuts and Jobs Act, large increases in the standard deduction and a cap on the amount of state and property taxes that can be an itemized deduction during these years has reduced the likelihood an individual will itemize and thus be revealed as a cash purchaser by about two-thirds. Excluding these years has essentially no impact on the estimates, suggesting that failing to itemize in these years is not significantly attenuating the estimates. Second, we consider only individuals who itemized their deductions prior to the lottery win (and were not already homeowners). These are individuals for whom we are highly likely to observe cash purchases due to the high rate of post-lottery win itemizing. While these individuals constitute a fraction of the overall sample, the exercise reveals essentially no evidence of cash purchases in the linear design (Table A7). We estimate that homeownership and mortgages increase by 8.86 p.p. and 8.68 p.p. per \$100,000, respectively. That is, among pre-win itemizers, nearly all purchases are made with a mortgage, so there is little concern of downward bias. We note that the homeownership response to lottery wins for this subsample is larger than for the full sample. This is due to the fact that pre-win itemizers tend to be higher earners, for whom we see larger homeownership responses, and the effects are consistent with the full sample estimates. For example, those with above median incomes in the full sample have an estimated homeownership response of 7.94 p.p. per \$100,000 (Table 3) and average income in these two groups are quite similar. Likewise, as shown in Table A8, the estimates for lower earners among pre-win itemizers are similar to those for the full sample. Including “pre-win itemizer” as an additional dimension of heterogeneity in Table A11 reveals that the higher rate of response for this group is largely accounted for by baseline earnings and assets. Finally, cash purchases could be more likely in lower-cost areas where the lottery win is more likely to be sufficient without the use of a mortgage. This could cause systematic underestimates in these lower cost areas. Instead, we see no significant evidence of higher home purchase responses in lower-cost areas after accounting for income and asset differences (Table A11). Overall, in the primary linear design, there is no evidence that missing cash purchases systematically underestimates home purchases in a meaningful way.

We now consider the implications of measuring cash purchases for some of our secondary results, including the concavity of effects, heterogeneity by SES, and an estimated upper bound. Our analysis reveals significant concavity for wins of less than \$500,000, but concavity could be overstated if cash purchases are more likely for larger wins in this range and are under observed in the data. Generally, there is little evidence that this is a concern. As corroborated

above from Table A7, nearly all purchases in this range are made with a mortgage, so the estimated concavity in this region could not be significantly altered by this issue.

A primary result in our analysis is that lower-income individuals have much lower homeownership responses than higher-income individuals. However, if low-income individuals are more (less) likely to purchase with cash, and such purchases are undermeasured, disproportionately or not, then the SES gap could be overstated (understated). Indeed, lower-income individuals are less likely to itemize their taxes. However, this is unlikely to be a significant concern given the evidence discussed above that the vast majority of purchases require a mortgage for wins of the sizes used in our primary sample. In other words, there is too little evidence of cash purchases in the range of interest to explain much of the very large gap in home purchase response by SES. That said, to examine if the result is meaningfully biased by unobserved cash purchases, we replicate the heterogeneity analysis using the full sample, excluding potentially misclassified cash purchases, and restricting attention to pre-win itemizers (Table A8). Each sample reveals compelling evidence of significant heterogeneity by baseline income, as well as little evidence that cash purchases play a significant role. In fact, the modest reduction from excluding potentially misclassified cash purchases is nearly the same for both income groups and below-median income pre-win itemizers show, if anything, smaller cash purchase responses (though both are small and we do not come close to rejecting the null that they are the same). Further, our design does not reveal evidence of smaller overall responses in lower-cost areas. That is, the smaller response of lower-income individuals is not driven by lower rates of purchases detected in the communities where these individuals are more likely to reside. Also, using mortgage interest as a proxy for housing values, we find no evidence that lower-income winners are more likely to buy low-cost houses within their communities. Additionally, we find similar homeownership responses for the largest wins (Table A10), despite the fact that this result is likely to be biased toward finding smaller responses for lower-income winners if there is bias due to cash purchases. Finally, it is worth noting that if the gap in home purchases between lower and higher income individuals is somewhat overstated due to greater cash purchases among low earners, this would nonetheless support the conclusions of our analysis. Specifically, low-income individuals would not be benefiting from the wealth accumulation that is generated by access to such leverage.

Our analysis reveals very large homeownership effects of 40 p.p. for wins exceeding \$1,000,000. Because wins of this magnitude are most likely to lead to cash purchases, and the majority of the effect operates through such purchases for wins of this size, it is plausible that we are missing a non-trivial fraction of home purchases. Thus, we note that our estimates could actually understate the already very high upper bound effects.

Overall, we conclude that the primary analysis of home purchases is not meaningfully biased upwards or downwards by our approach to observing cash purchases. This is primarily due to the fact that, in the range of interest, the vast majority of purchases are made with mortgages. This is true for the main estimates as well as our analysis of concavity and heterogeneity by SES. The one exception is the potential upper bound. Very large lottery wins result in

high rates of cash purchases. Thus, we may miss a meaningful number of cash purchases for these very large lottery wins such that the very high estimate we recover is likely a lower bound of the true upper bound.

Table A1: Lottery Win Distribution

	Number Wins	Median Win	Mean Win
Lottery Shock 1,000 to 10,000	812,612	\$2,286	\$2,935
Lottery Shock 10,000 to 50,000	55,145	\$19,306	\$22,426
Lottery Shock 50,000 to 100,000	10,092	\$72,340	\$72,835
Lottery Shock 100,000 to 250,000	6,438	\$153,383	\$157,039
Lottery Shock 250,000 to 500,000	1,686	\$358,252	\$364,381
Lottery Shock 500,000 to 1,000,000	1,261	\$625,110	\$649,597
Lottery Shock 1,000,000 or more	815	\$2,401,832	\$6,830,747

Note: This table presents summary statistics for the lottery wins included in the analysis. The sample includes the universe of state lotteries won between 2000 and 2019 by individuals aged 25 to 44. Lottery wins are reported by states on the Form W-2G. Column 1 presents the number of lottery wins in each of seven size ranges: \$1,000 to \$9,999, \$10,000 to \$49,999, \$50,000 to \$99,999, \$100,000 to \$249,999, \$249,999 to \$499,999, \$500,000 to \$999,999 and \$1,000,000 or more. Columns 2 and 3 present the median and mean of these wins.

Table A2: Lottery Winner Characteristics

	Mean	Std. Dev.
Demographic Characteristics		
Age	35.773	(5.717)
Male	0.542	(0.498)
Citizen	0.905	(0.294)
Baseline Income Sources		
Employed	0.839	(0.368)
Employment income	27,490	(35,707)
Self-employment income	1,302	(18,467)
Has investment income	0.287	(0.452)
Total Income	38,968	(50,216)
Zip code income	58,486	(43,708)
Baseline Household Characteristics		
Mortgage	0.302	(0.459)
Married	0.325	(0.468)
Number children	1.073	(1.183)

Note: This table presents summary statistics for lottery winners aged 25 to 44. Household characteristics and income sources are measured prior to the lottery win. Age, gender, and citizenship are derived from linked Social Security records. Marital status is determined using income tax filing status on the Form 1040, while the number of children is based on claimed dependents and Social Security application records. Income sources are based on the employer-reported Form W-2 and Form 1040, with investments inferred from the presence of taxable interest and dividends reported by financial institutions on the Forms 1099-INT and 1099-DIV.

Table A3: Balance in Baseline Characteristics

	Win Amt (\$100k)	Std Error	P-value
Baseline Outcomes			
Homeownership	0.005	(0.003)	0.147
Married	-0.002	(0.004)	0.613
Number children	0.001	(0.002)	0.551
Baseline Sample Stratification			
Homeownership	0.004	(0.003)	0.267
Married	-0.001	(0.004)	0.763
Any children	0.003	(0.004)	0.490
Pre-Win Trends			
Homeownership	0.001	(0.002)	0.614
Married	-0.002	(0.002)	0.304
Number births	-0.001	(0.001)	0.636
Baseline Characteristics			
Male	0.001	(0.003)	0.688
Citizen	0.000	(0.002)	0.837
Attended college	-0.017	(0.010)	0.102
Filed tax return	-0.002	(0.002)	0.431
Employed	-0.003	(0.003)	0.300
Employment income	488.81	(376.12)	0.194
Self-employed	0.001	(0.002)	0.708
Self-employment income	-246.19	(233.82)	0.292
Any K-1 passthrough income	0.003	(0.001)	0.069
Has investment income	0.001	(0.003)	0.707
Total income	385.45	(469.02)	0.411
Zip code income	189.24	(224.55)	0.399

Note: This table examines whether there is balance in the empirical design using pre-lottery outcome measures and control variables. The top panel tests for balance in the outcomes two years prior to the win; the second panel tests for balance one year prior to the win; the third panel considers pre-trends in the outcomes; and the fourth panel tests for balance in control variables. The sample includes lottery wins ranging between \$1,000 and \$500,000. The specifications interact the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner and include year and age fixed effects. Gender, and citizenship are derived from linked Social Security records. Marital status is determined using income tax filing status on the Form 1040, while the number of children is based on claimed dependents and Social Security application records. Income sources are based on the employer-reported Form W-2 and Form 1040, with the presence of investments inferred from the presence of taxable interest and dividends reported by financial institutions on the Forms 1099-INT and 1099-DIV. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively.

Table A4: The Effect of Resources on New Homeownership: Alternative Specifications and Samples

Year Relative to Lottery Win	T=0	T=1	T=2	T=3	T=4	T=5
Primary	0.0346*** (0.0029)	0.0536*** (0.0035)	0.0534*** (0.0039)	0.0501*** (0.0042)	0.0454*** (0.0044)	0.0423*** (0.0046)
Mean Dep	0.0157	0.0465	0.0722	0.0935	0.1113	0.1261
Observations	902,360	871,787	839,808	809,600	782,666	732,152
Excluding control variables	0.0350*** (0.0030)	0.0541*** (0.0036)	0.0545*** (0.0040)	0.0521*** (0.0043)	0.0484*** (0.0045)	0.0460*** (0.0048)
Mean Dep	0.0157	0.0465	0.0722	0.0935	0.1113	0.1261
Observations	902,360	871,787	839,808	809,600	782,666	732,152
Population weighted	0.0358*** (0.0035)	0.0537*** (0.0040)	0.0534*** (0.0044)	0.0509*** (0.0048)	0.0444*** (0.0050)	0.0401*** (0.0053)
Mean Dep	0.0176	0.0532	0.0788	0.1002	0.1179	0.1328
Observations	902,360	871,787	839,808	809,600	782,666	732,152
Population weighted by win size	0.0333*** (0.0031)	0.0524*** (0.0037)	0.0513*** (0.0041)	0.0497*** (0.0045)	0.0435*** (0.0047)	0.0391*** (0.0050)
Mean Dep	0.0157	0.0465	0.0722	0.0935	0.1113	0.1261
Observations	902,360	871,787	839,808	809,600	782,666	732,152
Wins of \$5,000 or more	0.0321*** (0.0032)	0.0507*** (0.0038)	0.0535*** (0.0043)	0.0506*** (0.0045)	0.0483*** (0.0048)	0.0465*** (0.0051)
Mean Dep	0.0239	0.0637	0.0936	0.1173	0.1375	0.1537
Observations	171,471	166,446	160,114	154,430	149,784	140,259
Wins of \$10,000 or more	0.0289*** (0.0036)	0.0453*** (0.0042)	0.0485*** (0.0047)	0.0434*** (0.0050)	0.0429*** (0.0053)	0.0414*** (0.0056)
Mean Dep	0.0280	0.0716	0.1001	0.1219	0.1402	0.1557
Observations	72,130	70,177	67,200	64,720	62,517	58,339
Including all lottery wins	0.0341*** (0.0028)	0.0540*** (0.0034)	0.0538*** (0.0038)	0.0512*** (0.0040)	0.0458*** (0.0042)	0.0437*** (0.0045)
Mean Dep	0.0152	0.0454	0.0706	0.0916	0.1091	0.1235
Observations	1,004,398	967,192	928,801	891,522	858,521	801,740
Balanced panel	0.0401*** (0.0036)	0.0617*** (0.0042)	0.0603*** (0.0044)	0.0554*** (0.0046)	0.0475*** (0.0046)	0.0423*** (0.0046)
Mean Dep	0.0160	0.0482	0.0745	0.0956	0.1128	0.1261
Observations	739,938	738,507	736,305	734,428	733,248	732,152
Alternate baseline year	0.0307*** (0.0033)	0.0463*** (0.0037)	0.0460*** (0.0041)	0.0455*** (0.0043)	0.0403*** (0.0044)	0.0364*** (0.0047)
Mean Dep	0.0477	0.0744	0.0963	0.1140	0.1282	0.1405
Observations	841,436	810,646	778,200	748,062	720,959	670,269

Note: Estimates show the effect of lottery winnings, measured in hundreds of thousands, on new homeownership for alternative specifications and samples. Changes in homeownership are measured relative to the pre-win period. Attention is restricted to those without a home prior to the lottery win. The top panel presents the primary estimates, while the second panel excludes covariates. In the third panel, the sample of lottery winners is weighted to match the characteristics of a random sample of the population of the same age. In the fourth panel, the sample of lottery winners is weighted such that those who win lottery amounts of different sizes match the characteristics of the random sample. The fifth panel restricts attention to wins of at least \$5,000. The sixth panel incorporates lottery wins excluded from the primary sample, including wins paid out over multiple years, and cases in which the first win cannot be identified with certainty or the lottery win year appears to be incorrectly reported. The seventh panel restricts attention to wins between 2000 and 2016, resulting in a balanced panel across years. The eighth panel uses three years prior the win rather than two years as the baseline from which changes are measured. The sample includes lottery wins of less than \$500,000. The specifications interact the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner and include year and age fixed effects. With the exception of the panel that excludes covariates, the specification also includes controls for gender, citizenship, pre-win employment status, earnings, self-employment, and investments. Errors are clustered at the winner level. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively. 62

Table A5: The Effect of Resources on New Homeownership: Alternative Win Sizes

Year Relative to Lottery Win	T=0	T=1	T=2	T=3	T=4	T=5
Win amt (100k): max 100k	0.0640*** (0.0062)	0.0897*** (0.0078)	0.0826*** (0.0087)	0.0743*** (0.0093)	0.0563*** (0.0098)	0.0493*** (0.0105)
Mean Dep	0.0154	0.0458	0.0714	0.0928	0.1105	0.1254
Observations	894,650	864,048	832,386	802,432	775,772	725,740
Win amt (100k): max 250k	0.0421*** (0.0041)	0.0711*** (0.0050)	0.0674*** (0.0055)	0.0620*** (0.0058)	0.0550*** (0.0062)	0.0453*** (0.0064)
Mean Dep	0.0156	0.0464	0.0720	0.0934	0.1112	0.1260
Observations	900,724	870,119	838,231	808,091	781,237	730,897
Win amt (100k): max 500k	0.0346*** (0.0029)	0.0536*** (0.0035)	0.0534*** (0.0039)	0.0501*** (0.0042)	0.0454*** (0.0044)	0.0423*** (0.0046)
Mean Dep	0.0157	0.0465	0.0722	0.0935	0.1113	0.1261
Observations	902,360	871,787	839,808	809,600	782,666	732,152
Win amt (100k): max 1 mil	0.0259*** (0.0021)	0.0422*** (0.0025)	0.0387*** (0.0027)	0.0361*** (0.0029)	0.0328*** (0.0031)	0.0318*** (0.0034)
Mean Dep	0.0157	0.0467	0.0723	0.0936	0.1114	0.1262
Observations	903,599	873,058	841,026	810,748	783,746	733,120
Win amt (100k): max 5 mil	0.0087*** (0.0012)	0.0209*** (0.0016)	0.0192*** (0.0016)	0.0195*** (0.0016)	0.0191*** (0.0018)	0.0177*** (0.0019)
Mean Dep	0.0158	0.0467	0.0724	0.0938	0.1115	0.1263
Observations	904,071	873,518	841,473	811,176	784,152	733,482

Note: Estimates show the effect of lottery winnings, measured in hundreds of thousands, on new homeownership in the years after the lottery win for alternative maximum win amounts ranging from \$100,000 to \$5,000,000. Changes in homeownership are measured relative to the pre-win period. Attention is restricted to those without a home prior to the lottery win. The specifications interact the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner. The specification includes year and age fixed effects, as well as controls for gender, citizenship, pre-win employment status, earnings, self-employment, and investments. Errors are clustered at the winner level. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively.

Table A6: The Effect of Resources on New Homeownership by Year 5: Bin Design

	Has Mortgage	Mortgage Interest	Owns Home (mtg or tax)	Home Value
Win amount 10k-50k	0.0024 (0.0036)	42.52 (48.41)	0.0063* (0.0038)	3,827*** (1,340)
Win amount 50k-100k	0.0346*** (0.0090)	57.79 (150.26)	0.0409*** (0.0096)	9,727*** (3,499)
Win amount 100k-250k	0.0567*** (0.0119)	269.92** (123.75)	0.0668*** (0.0125)	15,895*** (4,447)
Win amount 250k-500k	0.0935*** (0.0233)	427.96** (210.75)	0.1067*** (0.0246)	34,683** (16,676)
Win amount 500k-1,000k	0.1022*** (0.0300)	567.63** (253.98)	0.1282*** (0.0325)	24,579* (13,563)
Win amount 1,000k or more	0.2278*** (0.0404)	5,039.46*** (774.46)	0.4178*** (0.0400)	238,643*** (33,085)
Observations	749,596	748,866	733,640	731,091

Note: Estimates show the effect of lottery winnings on new homeownership outcomes five years after the lottery win. The four columns present the effect on having a mortgage, mortgage interest, having a mortgage or claiming a property tax deduction, and estimated home value. Attention is restricted to those without a home prior to the lottery win. Changes in each outcome are measured relative to the pre-win period. Home values are estimated using zip code means. The bin specification interacts six win size ranges with an indicator for being a current, rather than future, lottery winner. Win sizes are classified according to five cutoffs: \$10,000, \$50,000, \$100,000, \$500,000, and \$1,000,000 or more. The specifications include year and age fixed effects, as well as controls for gender, citizenship, pre-win employment status, earnings, self-employment, and investments. Errors are clustered at the winner level. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively.

Table A7: The Effect of Resources on New Homeownership: Itemizing Status

	Owns Home (mtg or tax)	Has Mortgage	Likely Cash Purchase
All Lottery Winners	0.0559*** (0.0036)	0.0463*** (0.0033)	0.0097*** (0.0018)
Mean Dep	0.0572	0.0483	0.0085
Observations	882,441	882,441	882,441
Exclude Potentially Misclassified	0.0536*** (0.0035)	0.0463*** (0.0033)	0.0057*** (0.0014)
Mean Dep	0.0465	0.0483	-0.0027
Observations	871,787	882,441	871,787
Pre-Win Itemizers Only	0.0886*** (0.0188)	0.0868*** (0.0166)	0.0020 (0.0106)
Mean Dep	0.1099	0.0967	0.0123
Observations	57,890	58,303	57,890

Note: Estimates show the effect of lottery winnings, measured in hundreds of thousands, on new homeownership outcomes in the year of the lottery win. Results are presented for all lottery winners, when excluding potentially misclassified home purchases, and when restricting attention to those who itemized their tax returns prior to the lottery win. Potentially misclassified home purchases occur for lottery winners who, based on their pre-win earnings and post-win property tax payments, would not have itemized prior to the lottery win. Attention is restricted to those who did not own a home prior to the win. Changes in each outcome are measured relative to the pre-win period. The sample includes lottery wins ranging between \$1,000 and \$500,000. The specifications interact the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner and include year and age fixed effects, as well as controls for gender, citizenship, pre-win employment status, earnings, self-employment, and investments. Errors are clustered at the winner level. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively.

Table A8: Heterogeneity in the Effect of Resources on New Homeownership: Itemizing Status

	Owens Home (mtg or tax)	Has Mortgage	Likely Cash Purchase
All Lottery Winners			
Below Median Income	0.0290*** (0.0040)	0.0205*** (0.0036)	0.0085*** (0.0021)
Mean Dep	0.0276	0.0201	0.0076
Observations	443,737	443,737	443,737
Above Median Income	0.0777*** (0.0057)	0.0672*** (0.0052)	0.0105*** (0.0029)
Mean Dep	0.0864	0.0769	0.0095
Observations	438,704	438,704	438,704
Exclude Potentially Misclassified			
Below Median Income	0.0252*** (0.0038)	0.0205*** (0.0036)	0.0045*** (0.0015)
Mean Dep	0.0203	0.0201	-0.0001
Observations	440,285	443,737	440,285
Above Median Income	0.0768*** (0.0056)	0.0672*** (0.0052)	0.0067*** (0.0022)
Mean Dep	0.0732	0.0769	-0.0055
Observations	431,502	438,704	431,502
Pre-Win Itemizers Only			
Below Median Income	0.0552** (0.0238)	0.0559*** (0.0202)	-0.0008 (0.0139)
Mean Dep	0.0830	0.0674	0.0150
Observations	28,938	29,135	28,938
Above Median Income	0.1200*** (0.0276)	0.1150*** (0.0250)	0.0056 (0.0160)
Mean Dep	0.1368	0.1259	0.0096
Observations	28,952	29,168	28,952

Note: Estimates show the effect of lottery winnings, measured in hundreds of thousands, on new homeownership outcomes in the year of the lottery win. Results are presented for all lottery winners, when excluding potentially misclassified home purchases, and when restricting attention to those who itemized their tax returns prior to the lottery win. Potentially misclassified home purchases occur for lottery winners who, based on their pre-win earnings and post-win property tax payments, would not have itemized prior to the lottery win. Estimates are separated for those whose pre-win earnings are below and above the median. Attention is restricted to those who did not own a home prior to the win. Changes in each outcome are measured relative to the pre-win period. The sample includes lottery wins ranging between \$1,000 and \$500,000. The specifications interact the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner and include year and age fixed effects, as well as controls for gender, citizenship, pre-win employment status, earnings, self-employment, and investments. Errors are clustered at the winner level. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively.

Table A9: The Effect of Resources on New Homeownership: Earnings Heterogeneity and Assets

	(1)	(2)	(3)	(4)
Above Med Earn * Win amount (100k)	0.0421*** (0.0087)	0.0439*** (0.0088)	0.0434*** (0.0087)	0.0448*** (0.0088)
Has Invest Inc * Win amount (100k)		-0.0122 (0.0109)		-0.0102 (0.0110)
Ln(Housing values) * Win amount (100k)			-0.0096 (0.0061)	-0.0087 (0.0061)

Note: Estimates show the effect of lottery winnings, measured in hundreds of thousands, on new homeownership in the year after the lottery win for those with earnings above the median relative to those with below median earnings. Changes in homeownership are measured relative to the pre-win period. Attention is restricted to those without a home prior to the lottery win. Column 2 controls for the effect of having investment income, column 3 controls for local housing values, and column 4 controls for both. The specifications interact the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner and include year and age fixed effects. The specification also includes controls for gender, citizenship, pre-win employment status, earnings, self-employment, and investments. Errors are clustered at the winner level. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively.

Table A10: The Effect of Resources on New Homeownership: Heterogeneity in Bin Design

Has Mortgage	No Earnings	Lower Earning	Higher Earning
Win amount 10k-50k	0.0128*** (0.0044)	0.0084*** (0.0028)	0.0210*** (0.0050)
Win amount 50k-100k	0.0377*** (0.0118)	0.0410*** (0.0072)	0.0885*** (0.0121)
Win amount 100k-250k	0.0526*** (0.0174)	0.0560*** (0.0107)	0.1324*** (0.0161)
Win amount 250k-500k	0.0822*** (0.0308)	0.0606*** (0.0183)	0.1466*** (0.0311)
Win amount 500k-1,000k	0.0786** (0.0362)	0.0706*** (0.0229)	0.1909*** (0.0353)
Win amount 1,000k or more	0.0738* (0.0424)	0.1392*** (0.0325)	0.0813* (0.0459)
Owns Home	No Earnings	Lower Earning	Higher Earning
Win amount 10k-50k	0.0133*** (0.0047)	0.0083*** (0.0029)	0.0245*** (0.0054)
Win amount 50k-100k	0.0392*** (0.0124)	0.0426*** (0.0076)	0.1023*** (0.0130)
Win amount 100k-250k	0.0534*** (0.0187)	0.0599*** (0.0114)	0.1422*** (0.0173)
Win amount 250k-500k	0.0962*** (0.0320)	0.0899*** (0.0197)	0.1758*** (0.0332)
Win amount 500k-1,000k	0.1207*** (0.0452)	0.1239*** (0.0268)	0.2759*** (0.0374)
Win amount 1,000k or more	0.3259*** (0.0626)	0.3954*** (0.0412)	0.3435*** (0.0577)
Estimated Home Value	No Earnings	Lower Earning	Higher Earning
Win amount 10k-50k	3,232* (1,677)	941 (971)	9,111*** (1,753)
Win amount 50k-100k	9,442*** (3,593)	11,068*** (2,488)	21,599*** (3,730)
Win amount 100k-250k	7,515 (5,562)	10,388*** (3,581)	36,036*** (5,311)
Win amount 250k-500k	22,540** (9,696)	12,197 (8,048)	67,379*** (20,476)
Win amount 500k-1,000k	43,550** (17,761)	28,515*** (9,014)	75,626*** (11,569)
Win amount 1,000k or more	186,167*** (47,601)	182,193*** (31,439)	152,888*** (26,939)

Note: Estimates show the effect of lottery winnings on homeownership outcomes in the year after the lottery win differentiated by pre-win earnings. The top panel presents the effect on having a mortgage, the middle panel presents the effect on owning a home, and the bottom panel presents the effect on estimated home value. Attention is restricted to those without a home prior to the lottery win. Changes in each outcome are measured relative to the pre-win period. Home values are estimated using zip code means. The bin specification interacts six win size ranges with an indicator for being a current, rather than future, lottery winner. Win sizes are classified according to five cutoffs: \$10,000, \$50,000, \$100,000, \$500,000, and \$1,000,000 or more. The specifications include year fixed effects. Errors are clustered at the winner level. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively.

Table A11: The Effect of Resources on New Homeownership Before and After the Financial Crisis

	Full Sample		Above Median Income		Below Median Income	
	2001-2006	2007-2016	2001-2006	2007-2016	2001-2006	2007-2016
Homeownership	0.0768*** (0.0067)	0.0456*** (0.0040)	0.1017*** (0.0097)	0.0658*** (0.0066)	0.0397*** (0.0081)	0.0222*** (0.0041)
Mean Dep	0.0681	0.0272	0.0996	0.0476	0.0345	0.0087
Mortgage	0.0699*** (0.0063)	0.0371*** (0.0037)	0.0932*** (0.0091)	0.0541*** (0.0061)	0.0351*** (0.0078)	0.0173*** (0.0038)
Mean Dep	0.0691	0.0296	0.1018	0.0524	0.0337	0.0088

Note: Estimates show the effect of lottery winnings, measured in hundreds of thousands, on new homeownership outcomes before and after the Financial Crisis. The results are presented for the full sample, those with above median income, and those with below median income (measured prior to the lottery win). Attention is restricted to those without a home prior to the lottery win. Changes are measured relative to the pre-win period. The sample includes lottery wins ranging between \$1,000 and \$500,000. The specifications interact the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner and include year fixed effects. Errors are clustered at the winner level. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively.

Table A12: The Effect of \$100,000 of Lottery Winnings on Imputed Wealth and Housing Equity

	Year 1 After Win		Year 5 After Win	
	Wealth	Housing Equity	Wealth	Housing Equity
All Winners	23,983*** (3,946)	8,750*** (1,286)	18,264*** (4,996)	8,439*** (2,193)
Below Median Income	16,926*** (2,951)	2,582*** (856)	5,639 (4,044)	609 (1,348)
Above Median Income	29,888*** (6,879)	13,863*** (2,227)	27,799*** (8,338)	14,661*** (3,673)
Income: Bottom Quartile	13,729*** (2,679)	3,039*** (1,036)	2,799 (3,818)	134 (1,546)
Income: Top Quartile	29,020*** (7,786)	19,014*** (4,004)	30,606*** (9,429)	19,922*** (6,431)

Note: Estimates show the effect of lottery winnings, measured in hundreds of thousands, on imputed wealth and housing equity. The estimates are presented for one and five years after the lottery win and are differentiated by pre-win earnings. Wealth is imputed using the method of Smith, Zidar, and Zwick (2020), while housing equity is imputed using median housing values and mortgage interest. The sample includes lottery wins ranging between \$1,000 and \$500,000. The specifications interact the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner and include year and age fixed effects, as well as controls for gender, citizenship, pre-win employment status, earnings, self-employment, and investments. Errors are clustered at the winner level. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively.

Table A13: Decomposition of New Marriage Effects

	Married	Ever Married	Divorced
Year 0	0.0182*** (0.0035)	0.0182*** (0.0035)	0.0000 (0.0000)
Observations	642,163	642,163	642,163
Year 1	0.0267*** (0.0042)	0.0260*** (0.0044)	-0.0007 (0.0017)
Observations	628,069	628,069	628,069
Year 2	0.0246*** (0.0046)	0.0270*** (0.0047)	0.0025 (0.0016)
Observations	620,149	620,149	620,149
Year 3	0.0207*** (0.0048)	0.0278*** (0.0050)	0.0071*** (0.0019)
Observations	613,531	613,531	613,531
Year 4	0.0184*** (0.0050)	0.0257*** (0.0051)	0.0073*** (0.0021)
Observations	608,154	608,154	608,154
Year 5	0.0118** (0.0051)	0.0206*** (0.0053)	0.0088*** (0.0023)
Observations	603,162	603,162	603,162

Note: This table decomposes the change in the net effect of lottery winnings on being married in each year after the lottery win. Column 1 presents the estimated effect of lottery winnings on being married in each year after the win. Column 2 presents the estimated effect on ever having been married and column 3 presents the effect on being divorced. The sample is restricted to those who were unmarried prior to the lottery win. The sample includes lottery wins ranging between \$1,000 and \$500,000. The specifications interact the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner and include year and age fixed effects, as well as controls for gender, citizenship, pre-win employment status, earnings, self-employment, and investments. Errors are clustered at the winner level. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively.

Table A14: The Effect of Resources on Marriage if Unmarried Prior: Alternative Specifications and Samples

Year Relative to Lottery Win	T=0	T=1	T=2	T=3	T=4	T=5
Primary	0.0189*** (0.0032)	0.0266*** (0.0039)	0.0243*** (0.0043)	0.0205*** (0.0046)	0.0172*** (0.0049)	0.0118** (0.0051)
Mean Dep	0.0485	0.0863	0.1164	0.1418	0.1624	0.1800
Observations	729,936	699,521	676,883	650,943	626,698	603,162
Excluding control variables	0.0201*** (0.0033)	0.0275*** (0.0039)	0.0255*** (0.0044)	0.0217*** (0.0047)	0.0188*** (0.0050)	0.0137*** (0.0052)
Mean Dep	0.0485	0.0863	0.1164	0.1418	0.1624	0.1800
Observations	729,936	699,521	676,883	650,943	626,698	603,162
Population weighted	0.0190*** (0.0035)	0.0283*** (0.0043)	0.0247*** (0.0049)	0.0212*** (0.0052)	0.0185*** (0.0055)	0.0132** (0.0057)
Mean Dep	0.0484	0.0862	0.1163	0.1417	0.1622	0.1798
Observations	729,924	699,519	676,881	650,941	626,696	603,162
Population weighted by win size	0.0194*** (0.0034)	0.0294*** (0.0041)	0.0268*** (0.0047)	0.0226*** (0.0050)	0.0193*** (0.0053)	0.0138** (0.0055)
Mean Dep	0.0484	0.0862	0.1163	0.1417	0.1622	0.1798
Observations	729,924	699,519	676,881	650,941	626,696	603,162
Wins of \$5,000 or more	0.0211*** (0.0035)	0.0277*** (0.0042)	0.0274*** (0.0047)	0.0240*** (0.0051)	0.0206*** (0.0053)	0.0152*** (0.0056)
Mean Dep	0.0581	0.1039	0.1399	0.1693	0.1932	0.2146
Observations	141,898	134,494	130,027	125,417	120,669	116,236
Wins of \$10,000 or more	0.0205*** (0.0039)	0.0248*** (0.0047)	0.0225*** (0.0052)	0.0203*** (0.0057)	0.0179*** (0.0059)	0.0082 (0.0063)
Mean Dep	0.0620	0.1087	0.1458	0.1743	0.1972	0.2178
Observations	59,204	55,737	54,030	52,022	49,851	47,929
Including all lottery wins	0.0192*** (0.0031)	0.0269*** (0.0037)	0.0257*** (0.0042)	0.0223*** (0.0045)	0.0185*** (0.0047)	0.0143*** (0.0050)
Mean Dep	0.0477	0.085	0.1149	0.1403	0.1609	0.1785
Observations	816,835	779,234	750,090	718,505	689,533	661,004
Balanced panel	0.0182*** (0.0035)	0.0267*** (0.0042)	0.0246*** (0.0046)	0.0207*** (0.0048)	0.0184*** (0.0050)	0.0118** (0.0051)
Mean Dep	0.0493	0.0872	0.1170	0.1421	0.1627	0.1800
Observations	642,163	628,069	620,149	613,531	608,154	603,162
Alternate baseline year	0.0144*** (0.0037)	0.0233*** (0.0042)	0.0220*** (0.0045)	0.0172*** (0.0048)	0.0113** (0.0050)	0.0058 (0.0052)
Mean Dep	0.0849	0.1178	0.1440	0.1663	0.1844	0.2002
Observations	716,174	689,880	669,603	644,930	621,599	598,898

Note: Estimates show the percentage point effect of lottery winnings, measured in hundreds of thousands, on being married for those who were unmarried prior to the win. Changes in marital status are measured relative to the pre-win period. The top panel presents the primary estimates, while the second panel excludes covariates. In the third panel, the sample of lottery winners is weighted to match the characteristics of a random sample of the population of the same age. In the fourth panel, the sample of lottery winners is weighted such that those who win lottery amounts of different sizes match the characteristics of the random sample. The fifth panel restricts attention to wins of at least \$5,000. The sixth panel incorporates lottery wins excluded from the primary sample, including wins paid out over multiple years, and cases in which the first win cannot be identified with certainty or the first win year appears to be incorrectly reported. The seventh panel restricts attention to wins between 2000 and 2016, resulting in a balanced panel across years. The eighth panel uses three years prior the win rather than two years as the baseline from which changes are measured. The sample includes lottery wins of less than \$500,000. The specifications interact the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner and include year and age fixed effects. With the exception of the panel that excludes covariates, the specification also includes controls for gender, citizenship, pre-win employment status, earnings, self-employment, and investments. Errors are clustered at the winner level. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively.

Table A15: The Effect of Resources on Marriage if Married Prior: Alternative Specifications and Samples

Year Relative to Lottery Win	T=0	T=1	T=2	T=3	T=4	T=5
Primary	-0.0042 (0.0034)	0.0047 (0.0039)	-0.0018 (0.0042)	-0.0060 (0.0044)	-0.0103** (0.0046)	-0.0098** (0.0048)
Mean Dep Observations	0.9418 463,753	0.9059 453,468	0.8765 443,717	0.8526 431,966	0.8333 420,039	0.8169 409,040
Exclude control variables	-0.0055 (0.0035)	0.0033 (0.0039)	-0.0028 (0.0042)	-0.0067 (0.0045)	-0.0106** (0.0047)	-0.0101** (0.0049)
Mean Dep Observations	0.9418 463,753	0.9059 453,468	0.8765 443,717	0.8526 431,966	0.8333 420,039	0.8169 409,040
Population weighted	-0.0059 (0.0038)	0.0035 (0.0043)	-0.0027 (0.0046)	-0.0064 (0.0050)	-0.0103** (0.0051)	-0.0092* (0.0053)
Mean Dep Observations	0.9428 463,748	0.9074 453,466	0.8785 443,717	0.8549 431,965	0.8359 420,039	0.8195 409,040
Population weighted by win size	-0.0047 (0.0037)	0.0047 (0.0043)	-0.0022 (0.0046)	-0.0062 (0.0049)	-0.0101** (0.0051)	-0.0089* (0.0053)
Mean Dep Observations	0.9428 463,748	0.9074 453,466	0.8785 443,717	0.8549 431,965	0.8359 420,039	0.8195 409,040
Wins of \$5,000 or more	0.0000 (0.0037)	0.0065 (0.0042)	0.0015 (0.0045)	-0.0026 (0.0048)	-0.0049 (0.0050)	-0.0025 (0.0052)
Mean Dep Observations	0.9460 111,740	0.9167 109,034	0.8902 106,560	0.8672 103,873	0.8486 100,971	0.8335 98,272
Wins of \$10,000 or more	-0.0001 (0.0041)	0.0043 (0.0047)	0.0000 (0.0051)	-0.0054 (0.0054)	-0.0079 (0.0057)	-0.0046 (0.0059)
Mean Dep Observations	0.9472 48,735	0.9190 47,518	0.8936 46,448	0.8717 45,131	0.8529 43,697	0.8393 42,502
Including all lottery wins	-0.0058* (0.0033)	0.0039 (0.0038)	-0.0022 (0.0041)	-0.0058 (0.0043)	-0.0106** (0.0045)	-0.0105** (0.0047)
Mean Dep Observations	0.9421 508,073	0.9065 495,345	0.8775 483,303	0.8539 469,282	0.8350 455,477	0.8186 442,420
Balanced panel	-0.0073** (0.0035)	0.0026 (0.0039)	-0.0036 (0.0042)	-0.0088* (0.0045)	-0.0121*** (0.0047)	-0.0098** (0.0048)
Mean Dep Observations	0.9424 424,641	0.9063 420,723	0.8768 417,438	0.8531 414,418	0.8336 411,731	0.8169 409,040
Alternate baseline year	-0.0007 (0.0040)	0.0092** (0.0043)	0.0018 (0.0046)	-0.0003 (0.0048)	-0.0034 (0.0049)	-0.0026 (0.0050)
Mean Dep Observations	0.8997 446,273	0.8718 436,854	0.8479 427,838	0.8283 416,942	0.8119 405,894	0.7980 395,403

Note: Estimates show the percentage point effect of lottery winnings, measured in hundreds of thousands, on being married for those who were married prior to the win. Changes in marital status are measured relative to the pre-win period. The top panel presents the primary estimates, while the second panel excludes covariates. In the third panel, the sample of lottery winners is weighted to match the characteristics of a random sample of the population of the same age. In the fourth panel, the sample of lottery winners is weighted such that those who win lottery amounts of different sizes match the characteristics of the random sample. The fifth panel restricts attention to wins of at least \$5,000. The sixth panel incorporates lottery wins excluded from the primary sample, including wins paid out over multiple years, and cases in which the first win cannot be identified with certainty or the first win year appears to be incorrectly reported. The seventh panel restricts attention to wins between 2000 and 2016, resulting in a balanced panel across years. The eighth panel uses three years prior the win rather than two years as the baseline from which changes are measured. The sample includes lottery wins of less than \$500,000. The specifications interact the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner and include year and age fixed effects. With the exception of the panel that excludes covariates, the specification also includes controls for gender, citizenship, pre-win employment status, earnings, self-employment, and investments. Errors are clustered at the winner level. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively.

Table A16: The Effect of Resources on Marriage: Alternative Win Sizes

Year Relative to Lottery Win	T=0	T=1	T=2	T=3	T=4	T=5
Unmarried Prior to Win						
Win amt (100k): max 100k	0.0161** (0.0078)	0.0350*** (0.0094)	0.0298*** (0.0105)	0.0145 (0.0112)	0.0151 (0.0119)	0.0210* (0.0123)
Mean Dep	0.0482	0.0859	0.1159	0.1413	0.1619	0.1794
Observations	723,135	693,087	670,594	644,905	620,857	597,530
Win amt (100k): max 250k	0.0235*** (0.0044)	0.0296*** (0.0054)	0.0239*** (0.0060)	0.0184*** (0.0064)	0.0151** (0.0067)	0.0105 (0.0070)
Mean Dep	0.0484	0.0862	0.1163	0.1417	0.1622	0.1798
Observations	728,489	698,182	675,583	649,709	625,510	602,040
Win amt (100k): max 500k	0.0189*** (0.0032)	0.0266*** (0.0039)	0.0243*** (0.0043)	0.0205*** (0.0046)	0.0172*** (0.0049)	0.0118** (0.0051)
Mean Dep	0.0485	0.0863	0.1164	0.1418	0.1624	0.1800
Observations	729,936	699,521	676,883	650,943	626,698	603,162
Win amt (100k): max 1 mil	0.0142*** (0.0022)	0.0179*** (0.0027)	0.0182*** (0.0030)	0.0151*** (0.0032)	0.0129*** (0.0033)	0.0091*** (0.0035)
Mean Dep	0.0485	0.0864	0.1165	0.1419	0.1625	0.1801
Observations	731,060	700,577	677,913	651,945	627,656	604,080
Win amt (100k): max 5 mil	0.0052*** (0.0012)	0.0069*** (0.0015)	0.0077*** (0.0018)	0.0059*** (0.0019)	0.0046** (0.0020)	0.0025 (0.0020)
Mean Dep	0.0486	0.0864	0.1166	0.1420	0.1625	0.1802
Observations	731,492	700,985	678,299	652,323	628,024	604,426
Married Prior to Win						
Win amt (100k): max 100k	-0.0135 (0.0088)	0.0028 (0.0100)	-0.0126 (0.0109)	-0.0194* (0.0115)	-0.0310** (0.0121)	-0.0450*** (0.0126)
Mean Dep	0.9416	0.9056	0.8761	0.8521	0.8327	0.8162
Observations	457,403	447,268	437,641	426,050	414,284	403,408
Win amt (100k): max 250k	-0.0038 (0.0046)	0.0051 (0.0052)	-0.0010 (0.0056)	-0.0080 (0.0060)	-0.0141** (0.0063)	-0.0144** (0.0066)
Mean Dep	0.9418	0.9059	0.8765	0.8525	0.8332	0.8168
Observations	462,522	452,283	442,562	430,858	418,972	408,010
Win amt (100k): max 500k	-0.0042 (0.0034)	0.0047 (0.0039)	-0.0018 (0.0042)	-0.0060 (0.0044)	-0.0103** (0.0046)	-0.0098** (0.0048)
Mean Dep	0.9418	0.9059	0.8765	0.8526	0.8333	0.8169
Observations	463,753	453,468	443,717	431,966	420,039	409,040
Win amt (100k): max 1 mil	-0.0022 (0.0021)	0.0024 (0.0024)	-0.0019 (0.0026)	-0.0064** (0.0027)	-0.0075*** (0.0029)	-0.0086*** (0.0030)
Mean Dep	0.9419	0.9060	0.8767	0.8528	0.8334	0.8170
Observations	464,882	454,563	444,784	433,008	421,054	410,020
Win amt (100k): max 5 mil	-0.0024** (0.0010)	-0.0006 (0.0011)	-0.0017 (0.0011)	-0.0021* (0.0012)	-0.0025* (0.0013)	-0.0018 (0.0014)
Mean Dep	0.9419	0.9060	0.8767	0.8528	0.8335	0.8171
Observations	465,371	455,038	445,248	433,463	421,497	410,450

Note: Estimates show the effect of lottery winnings, measured in hundreds of thousands, on being married in the years after the lottery win for alternative maximum win amounts ranging from \$100,000 to \$5,000,000. The specifications interact the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner and include year and age fixed effects, as well as controls for gender, citizenship, pre-win employment status, earnings, self-employment, and investments. Errors are clustered at the winner level. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively.

Table A17: The Effect of Resources on Marriage for Alternate Assumptions about Filing Status

Year Relative to Lottery Win	T=0	T=1	T=2	T=3	T=4	T=5
Assume all Non-filers are Single						
Unmarried	0.0204*** (0.0027)	0.0197*** (0.0031)	0.0160*** (0.0034)	0.0130*** (0.0037)	0.0106*** (0.0039)	0.0078* (0.0040)
Mean Dep	0.0504	0.0825	0.1081	0.1295	0.1472	0.1623
Observations	1,028,690	1,008,634	987,956	960,171	932,329	905,284
Married	-0.0029 (0.0035)	0.0008 (0.0040)	-0.0056 (0.0043)	-0.0089* (0.0046)	-0.0132*** (0.0048)	-0.0145*** (0.0050)
Mean Dep	0.9271	0.8829	0.8474	0.8184	0.7950	0.7746
Observations	485,907	479,688	473,019	463,714	453,627	444,448
Assume all Non-filers are Married						
Unmarried	0.0051 (0.0035)	0.0387*** (0.0041)	0.0330*** (0.0044)	0.0266*** (0.0047)	0.0265*** (0.0049)	0.0198*** (0.0051)
Mean Dep	0.0976	0.1553	0.1935	0.2243	0.2487	0.2700
Married	-0.0432*** (0.0035)	0.0066* (0.0037)	0.0010 (0.0039)	-0.0054 (0.0042)	-0.0107** (0.0043)	-0.0117*** (0.0044)
Mean Dep	0.8773	0.8443	0.8145	0.7908	0.7728	0.7575
Observations	697,662	687,203	676,272	661,600	646,366	632,157
Assume Married Filing Separately are Married						
Unmarried	0.0173*** (0.0033)	0.0282*** (0.0040)	0.0268*** (0.0044)	0.0235*** (0.0049)	0.0193*** (0.0051)	0.0119** (0.0054)
Mean Dep	0.0513	0.0918	0.1245	0.1521	0.1748	0.1939
Observations	701,881	672,398	650,519	625,458	601,870	579,144
Married	-0.0037 (0.0032)	0.0012 (0.0037)	-0.0047 (0.0040)	-0.0063 (0.0043)	-0.0090** (0.0045)	-0.0104** (0.0046)
Mean Dep	0.9470	0.9123	0.8837	0.8606	0.8416	0.8263
Observations	491,808	480,591	470,081	457,451	444,867	433,058

Note: Estimates show the effect of lottery winnings, measured in hundreds of thousands, on being married in the years after the lottery win with different treatments of non-filers and those who file as married filing separately. The top panel classifies all non-filers as single, the middle panel classifies all non-filers as married, and the bottom panel treats married filing separately as married. The sample includes lottery wins ranging between \$1,000 and \$500,000. The specifications interact the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner and include year and age fixed effects, as well as controls for gender, citizenship, pre-win employment status, earnings, self-employment, and investments. Errors are clustered at the winner level. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively.

Table A18: The Effect of Resources on Marriage by Baseline Status, Gender, and Earnings

Year Relative to Lottery Win	T=0	T=1	T=2	T=3	T=4	T=5
Unmarried Prior to Win						
Female Earnings: below median	0.0262*** (0.0070)	0.0454*** (0.0086)	0.0441*** (0.0098)	0.0326*** (0.0105)	0.0194* (0.0109)	0.0131 (0.0123)
Female Earnings: above median	0.0144** (0.0065)	0.0204*** (0.0075)	0.0150* (0.0082)	0.0149* (0.0089)	0.0094 (0.0094)	0.0041 (0.0099)
Female Earnings: none	0.0224 (0.0227)	0.0279 (0.0249)	0.0260 (0.0279)	0.0123 (0.0287)	0.0247 (0.0324)	0.0017 (0.0394)
Male Earnings: below median	0.0135** (0.0061)	0.0200*** (0.0076)	0.0185** (0.0083)	0.0184** (0.0090)	0.0162* (0.0094)	0.0180* (0.0099)
Male Earnings: above median	0.0209*** (0.0064)	0.0224*** (0.0078)	0.0213** (0.0086)	0.0163* (0.0092)	0.0131 (0.0099)	0.0051 (0.0100)
Male Earnings: none	0.0368** (0.0172)	0.0601*** (0.0210)	0.0603*** (0.0234)	0.0521** (0.0251)	0.0757*** (0.0258)	0.0569** (0.0258)
Married Prior to Win						
Female Earnings: below median	-0.0215** (0.0098)	-0.0132 (0.0111)	-0.0267** (0.0117)	-0.0239* (0.0127)	-0.0413*** (0.0130)	-0.0374*** (0.0140)
Female Earnings: above median	-0.0069 (0.0078)	-0.0058 (0.0088)	-0.0029 (0.0096)	-0.0093 (0.0103)	-0.0113 (0.0111)	-0.0179 (0.0112)
Female Earnings: none	-0.0078 (0.0098)	0.0220* (0.0117)	0.0105 (0.0134)	0.0012 (0.0144)	0.0100 (0.0147)	0.0247 (0.0160)
Male Earnings: below median	-0.0060 (0.0082)	0.0151 (0.0093)	0.0052 (0.0100)	-0.0033 (0.0106)	0.0057 (0.0107)	-0.0018 (0.0114)
Male Earnings: above median	0.0061 (0.0055)	0.0090 (0.0061)	0.0031 (0.0067)	0.0009 (0.0070)	-0.0085 (0.0074)	-0.0057 (0.0077)
Male Earnings: none	-0.0126 (0.0143)	-0.0059 (0.0178)	-0.0103 (0.0177)	-0.0142 (0.0186)	-0.0265 (0.0200)	-0.0170 (0.0195)

Note: Estimates show the percentage point effect of lottery winnings, measured in hundreds of thousands, on being married in the years after the lottery win. The results are differentiated by gender and having earnings above or below the median prior to the lottery win. Changes in marital status are measured relative to the pre-win period. The sample includes lottery wins ranging between \$1,000 and \$500,000. The specifications interact the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner and include year and age fixed effects, as well as controls for gender, citizenship, pre-win employment status, earnings, self-employment, and investments. Errors are clustered at the winner level. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively.

Table A19: The Effect of Resources on Marriage With and Without Common Property Laws

Year Relative to Lottery Win	T=0	T=1	T=2	T=3	T=4	T=5
Not Common Property State						
Unmarried	0.0199*** (0.0034)	0.0264*** (0.0042)	0.0239*** (0.0046)	0.0198*** (0.0050)	0.0159*** (0.0052)	0.0113** (0.0055)
Mean Dep	0.0467	0.083	0.1121	0.1366	0.1564	0.1734
Observations	628,253	601,550	581,125	558,853	537,902	517,121
Married	-0.0066* (0.0037)	0.0010 (0.0042)	-0.0057 (0.0045)	-0.0110** (0.0049)	-0.0157*** (0.0051)	-0.0156*** (0.0053)
Mean Dep	0.9411	0.9048	0.8750	0.8507	0.8315	0.8144
Observations	376,225	367,471	359,162	349,869	340,080	330,954
Common Property State						
Unmarried	0.0127 (0.0088)	0.0267*** (0.0099)	0.0256** (0.0113)	0.0259** (0.0124)	0.0277** (0.0131)	0.0197 (0.0135)
Mean Dep	0.0588	0.1054	0.1417	0.1726	0.1972	0.2182
Observations	101,671	97,969	95,756	92,088	88,794	86,041
Married	0.0055 (0.0080)	0.0198** (0.0093)	0.0142 (0.0102)	0.0160 (0.0106)	0.0146 (0.0109)	0.0183 (0.0115)
Mean Dep	0.9499	0.9188	0.8933	0.8728	0.8545	0.8409
Observations	87,523	85,995	84,555	82,096	79,959	78,086

Note: Estimates show the percentage point effect of lottery winnings, measured in hundreds of thousands, on being married in the years after the lottery win for states that do and do not have common property laws. Changes in marital status are measured relative to the pre-win period. The estimates are differentiated across those who were and were not married prior to the lottery win, revealing the effect on new marriages and divorces. The sample includes lottery wins ranging between \$1,000 and \$500,000. The specifications interact the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner and include year and age fixed effects, as well as controls for gender, citizenship, pre-win employment status, earnings, self-employment, and investments. Errors are clustered at the winner level. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively.

Table A20: The Effect of Resources on New Spouse Characteristics if Unmarried Before Win

Year Relative to Lottery Win	T=0	T=1	T=2	T=3	T=4	T=5
Overall	0.0189*** (0.0032)	0.0266*** (0.0039)	0.0243*** (0.0043)	0.0205*** (0.0046)	0.0172*** (0.0049)	0.0118** (0.0051)
Mean Dep	0.0485	0.0863	0.1164	0.1418	0.1624	0.1800
Below Expected Earnings	0.0093*** (0.0023)	0.0116*** (0.0028)	0.0078** (0.0032)	0.0102*** (0.0034)	0.0090** (0.0037)	0.0038 (0.0039)
Mean Dep	0.0252	0.0441	0.0592	0.0719	0.0819	0.0904
Above Expected Earnings	0.0095*** (0.0024)	0.0150*** (0.0029)	0.0165*** (0.0033)	0.0103*** (0.0035)	0.0082** (0.0037)	0.0080** (0.0039)
Mean Dep	0.0233	0.0422	0.0572	0.0699	0.0804	0.0896
Similar Wages	0.0090*** (0.0024)	0.0112*** (0.0029)	0.0094*** (0.0032)	0.0088** (0.0035)	0.0095** (0.0038)	0.0065 (0.0039)
Mean Dep	0.0239	0.0420	0.0570	0.0694	0.0795	0.0882
Dissimilar Wages	0.0099*** (0.0023)	0.0154*** (0.0028)	0.0149*** (0.0032)	0.0117*** (0.0035)	0.0077** (0.0037)	0.0054 (0.0039)
Mean Dep	0.0246	0.0442	0.0594	0.0724	0.0829	0.0918
Older Than Expected	0.0121*** (0.0024)	0.0158*** (0.0029)	0.0148*** (0.0033)	0.0134*** (0.0037)	0.0108*** (0.0038)	0.0072* (0.0040)
Mean Dep	0.0252	0.0435	0.0586	0.0712	0.0814	0.0899
Younger Than Expected	0.0067*** (0.0022)	0.0109*** (0.0028)	0.0095*** (0.0032)	0.0071** (0.0034)	0.0064* (0.0037)	0.0047 (0.0040)
Mean Dep	0.0233	0.0428	0.0578	0.0706	0.0809	0.0900
Similar Age	0.0092*** (0.0022)	0.0128*** (0.0028)	0.0108*** (0.0031)	0.0062* (0.0034)	0.0055 (0.0037)	0.0014 (0.0039)
Mean Dep	0.0231	0.0430	0.0580	0.0704	0.0806	0.0895
Dissimilar Age	0.0097*** (0.0026)	0.0138*** (0.0030)	0.0135*** (0.0034)	0.0143*** (0.0037)	0.0117*** (0.0039)	0.0104** (0.0041)
Mean Dep	0.0254	0.0433	0.0584	0.0714	0.0818	0.0904
Same Education	0.0050*** (0.0012)	0.0080*** (0.0016)	0.0066*** (0.0019)	0.0049** (0.0020)	0.0033 (0.0021)	0.0026 (0.0022)
Mean Dep	0.0079	0.0148	0.0201	0.0222	0.0248	0.0282
Not Same Education	0.0012 (0.0010)	0.0034*** (0.0012)	0.0033** (0.0013)	0.0030** (0.0015)	0.0028* (0.0016)	0.0011 (0.0018)
Mean Dep	0.0044	0.0079	0.0104	0.0113	0.0127	0.0147

Note: Estimates show the percentage point effect of lottery winnings, measured in hundreds of thousands, on being married to partners with specific characteristics. A partner's expected characteristics are determined using the new marriage partners for individuals in the control group with similar characteristics. Attention is restricted to those who were not married prior to the win. The sample includes lottery wins ranging between \$1,000 and \$500,000. The specifications interact the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner and include year and age fixed effects, as well as controls for gender, citizenship, pre-win employment status, earnings, self-employment, and investments. Errors are clustered at the winner level. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively.

Table A21: The Effect of Resources on Spouse Characteristics if Married Before Win

Year Relative to Lottery Win	T=0	T=1	T=2	T=3	T=4	T=5
Overall	-0.0042 (0.0034)	0.0047 (0.0039)	-0.0018 (0.0042)	-0.0060 (0.0044)	-0.0103** (0.0046)	-0.0098** (0.0048)
Mean Dep	0.9418	0.9059	0.8765	0.8526	0.8333	0.8169
Below Expected Earnings	-0.0018 (0.0026)	-0.0010 (0.0030)	-0.0036 (0.0032)	-0.0044 (0.0034)	-0.0063* (0.0036)	-0.0056 (0.0038)
Mean Dep	0.4789	0.4597	0.4445	0.4316	0.4209	0.4120
Above Expected Earnings	-0.0024 (0.0025)	0.0057** (0.0028)	0.0018 (0.0030)	-0.0016 (0.0033)	-0.0040 (0.0034)	-0.0042 (0.0036)
Mean Dep	0.4629	0.4462	0.4320	0.4210	0.4124	0.4049
Similar Wages	0.0001 (0.0027)	0.0019 (0.0030)	0.0007 (0.0033)	-0.0010 (0.0035)	-0.0051 (0.0037)	-0.0056 (0.0039)
Mean Dep	0.4695	0.4514	0.4367	0.4245	0.4148	0.4069
Dissimilar Wages	-0.0043* (0.0024)	0.0027 (0.0028)	-0.0025 (0.0030)	-0.0050 (0.0033)	-0.0052 (0.0034)	-0.0042 (0.0036)
Mean Dep	0.4723	0.4545	0.4398	0.4281	0.4185	0.4100
Older Than Expected	-0.0054** (0.0027)	-0.0007 (0.0032)	-0.0040 (0.0033)	-0.0052 (0.0035)	-0.0054 (0.0037)	-0.0047 (0.0038)
Mean Dep	0.4778	0.4533	0.4377	0.4254	0.4158	0.4075
Younger Than Expected	0.0012 (0.0025)	0.0053* (0.0028)	0.0022 (0.0031)	-0.0008 (0.0033)	-0.0048 (0.0035)	-0.0051 (0.0037)
Mean Dep	0.4640	0.4526	0.4389	0.4272	0.4175	0.4094
Similar Age	-0.0016 (0.0022)	0.0034 (0.0025)	0.0019 (0.0028)	-0.0008 (0.0031)	-0.0022 (0.0034)	-0.0005 (0.0036)
Mean Dep	0.4581	0.4490	0.4342	0.4222	0.4129	0.4045
Dissimilar Age	-0.0027 (0.0030)	0.0012 (0.0034)	-0.0037 (0.0036)	-0.0052 (0.0038)	-0.0080** (0.0039)	-0.0093** (0.0041)
Mean Dep	0.4837	0.4569	0.4424	0.4304	0.4204	0.4124
Same Education	0.0002 (0.0012)	0.0014 (0.0013)	0.0007 (0.0014)	0.0010 (0.0014)	0.0008 (0.0014)	0.0003 (0.0014)
Mean Dep	0.0798	0.0724	0.0654	0.0576	0.0509	0.0461
Not Same Education	0.0001 (0.0008)	-0.0001 (0.0010)	0.0003 (0.0011)	-0.0001 (0.0010)	0.0002 (0.0011)	-0.0009 (0.0010)
Mean Dep	0.0432	0.0391	0.0350	0.0307	0.0273	0.0248

Note: Estimates show the percentage point effect of lottery winnings, measured in hundreds of thousands, on being married to partners with specific characteristics. A partner's expected characteristics are determined using the partners for individuals in the control group with similar characteristics. Attention is restricted to those who were married prior to the win. The sample includes lottery wins ranging between \$1,000 and \$500,000. The specifications interact the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner and include year and age fixed effects, as well as controls for gender, citizenship, pre-win employment status, earnings, self-employment, and investments. Errors are clustered at the winner level. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively.

Table A22: The Effect of Resources on Births if No Children Prior: Alternative Specifications and Samples

	Births by Year Relative to Lottery Win						Total Children
	T=0	T=1	T=2	T=3	T=4	T=5	
Primary	0.0010 (0.0023)	0.0090*** (0.0024)	0.0023 (0.0025)	-0.0004 (0.0026)	-0.0042 (0.0027)	-0.0017 (0.0027)	0.0046 (0.0071)
Mean Dep	0.0444	0.0447	0.0470	0.0476	0.0463	0.0441	0.2747
Observations	523,318	511,760	499,848	483,164	466,170	449,795	449,795
Excluding control variables	0.0013 (0.0023)	0.0092*** (0.0024)	0.0025 (0.0026)	-0.0001 (0.0026)	-0.0038 (0.0027)	-0.0013 (0.0027)	0.0075 (0.0072)
Mean Dep	0.0444	0.0447	0.0470	0.0476	0.0463	0.0441	0.2550
Observations	523,318	511,760	499,848	483,164	466,170	449,795	449,795
Population weighted	0.0010 (0.0026)	0.0078*** (0.0026)	0.0025 (0.0029)	-0.0015 (0.0029)	-0.0063* (0.0033)	-0.0018 (0.0032)	0.0007 (0.0082)
Mean Dep	0.0444	0.0447	0.0470	0.0476	0.0463	0.0441	0.2747
Observations	523,318	511,760	499,848	483,164	466,170	449,795	449,795
Population weighted by win size	0.0002 (0.0025)	0.0085*** (0.0027)	0.0036 (0.0029)	0.0003 (0.0030)	-0.0057* (0.0032)	0.0003 (0.0031)	0.0044 (0.0080)
Mean Dep	0.0444	0.0447	0.0470	0.0476	0.0463	0.0441	0.2747
Observations	523,318	511,760	499,848	483,164	466,170	449,795	449,795
Wins of \$5,000 or more	0.0019 (0.0025)	0.0099*** (0.0026)	0.0027 (0.0028)	0.0006 (0.0028)	-0.0042 (0.0030)	0.0012 (0.0029)	0.0098 (0.0078)
Mean Dep	0.0461	0.0484	0.0501	0.0514	0.0504	0.0480	0.2954
Observations	109,986	107,627	105,023	101,744	98,177	94,881	94,881
Wins of \$10,000 or more	0.0037 (0.0027)	0.0098*** (0.0029)	0.0038 (0.0031)	0.0021 (0.0031)	-0.0059* (0.0033)	-0.0013 (0.0032)	0.0098 (0.0087)
Mean Dep	0.0450	0.0472	0.0506	0.0499	0.0499	0.0466	0.2898
Observations	46,163	45,135	44,070	42,594	40,850	39,429	39,429
Including all lottery wins	0.0009 (0.0022)	0.0078*** (0.0023)	0.0040 (0.0025)	-0.0009 (0.0025)	-0.0032 (0.0026)	-0.0013 (0.0026)	0.0052 (0.0068)
Mean Dep	0.0441	0.0445	0.0468	0.0474	0.0462	0.0440	0.2740
Observations	588,737	572,604	555,978	535,159	514,478	494,100	494,100
Balanced panel	0.0015 (0.0025)	0.0083*** (0.0026)	0.0009 (0.0027)	0.0007 (0.0028)	-0.0050* (0.0027)	-0.0017 (0.0027)	0.0046 (0.0071)
Mean Dep	0.0447	0.0449	0.0472	0.0475	0.0463	0.0441	0.2550
Observations	449,795	449,795	449,795	449,795	449,795	449,795	449,795

Note: Estimates show the effect of lottery winnings, measured in hundreds of thousands, on fertility for those without children prior in the baseline period. Columns 2 through 7 present the estimated effect on births in the year of the lottery win and each of the subsequent five calendar years. The last column presents the estimated change in the cumulative number of births since the lottery win by year 5. The top panel presents the primary estimates, while the second panel excludes covariates. In the third panel, the sample of lottery winners is weighted to match the characteristics of a random sample of the population of the same age. In the fourth panel, the sample of lottery winners is weighted such that those who win lottery amounts of different sizes match the characteristics of the random sample. The fifth panel restricts attention to wins of at least \$5,000. The sixth panel incorporates lottery wins excluded from the primary sample, including wins paid out over multiple years, and cases in which the first win cannot be identified with certainty or the first win year appears to be incorrectly reported. The seventh panel restricts attention to wins between 2000 and 2016, resulting in a balanced panel across years. The sample includes lottery wins of less than \$500,000. The specifications interact the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner and include year and age fixed effects. With the exception of the panel that excludes covariates, the specification also includes controls for gender, citizenship, pre-win employment status, earnings, self-employment, and investments. Errors are clustered at the winner level. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively.

Table A23: The Effect of Resources on Births if Has Children Prior: Alternative Specifications and Samples

	Births by Year Relative to Lottery Win						Total Children
	T=0	T=1	T=2	T=3	T=4	T=5	
Primary	0.0026 (0.0038)	0.0014 (0.0038)	-0.0010 (0.0038)	0.0020 (0.0037)	-0.0036 (0.0040)	-0.0004 (0.0038)	-0.0015 (0.0061)
Mean Dep	0.0549	0.0509	0.0430	0.0355	0.0297	0.0244	0.2391
Observations	648,087	633,370	617,935	597,529	576,594	556,745	556,745
Excluding control variables	0.0022 (0.0038)	0.0009 (0.0038)	-0.0018 (0.0038)	0.0010 (0.0037)	-0.0048 (0.0041)	-0.0018 (0.0038)	-0.0010 (0.0062)
Mean Dep	0.0549	0.0509	0.0430	0.0355	0.0297	0.0244	0.2550
Observations	648,087	633,370	617,935	597,529	576,594	556,745	556,745
Population weighted	0.0013 (0.0046)	-0.0001 (0.0046)	-0.0041 (0.0046)	-0.0020 (0.0044)	-0.0066 (0.0050)	-0.0034 (0.0046)	-0.0023 (0.0074)
Mean Dep	0.0549	0.0509	0.0430	0.0355	0.0297	0.0244	0.2391
Observations	648,087	633,370	617,935	597,529	576,594	556,745	556,745
Population weighted by win size	0.0033 (0.0045)	0.0010 (0.0045)	-0.0036 (0.0045)	0.0003 (0.0043)	-0.0043 (0.0048)	-0.0017 (0.0045)	-0.0018 (0.0071)
Mean Dep	0.0549	0.0509	0.043	0.0355	0.0297	0.0244	0.2391
Observations	648,087	633,370	617,935	597,529	576,594	556,745	556,745
Wins of \$5,000 or more	0.0008 (0.0042)	-0.0008 (0.0042)	-0.0035 (0.0042)	-0.0002 (0.0040)	-0.0064 (0.0044)	-0.0019 (0.0042)	0.0015 (0.0066)
Mean Dep	0.0566	0.0532	0.0446	0.0362	0.0295	0.0237	0.2451
Observations	132,072	129,037	125,735	121,875	117,468	113,567	113,567
Wins of \$10,000 or more	-0.0002 (0.0046)	-0.0012 (0.0046)	-0.0059 (0.0046)	-0.0015 (0.0045)	-0.0068 (0.0049)	-0.0050 (0.0046)	0.0014 (0.0074)
Mean Dep	0.0550	0.0524	0.0444	0.0350	0.0287	0.0224	0.2385
Observations	57,368	56,073	54,681	52,864	50,688	48,949	48,949
Including all lottery wins	0.0015 (0.0037)	0.0004 (0.0037)	-0.0014 (0.0037)	0.0019 (0.0036)	-0.0037 (0.0039)	-0.0005 (0.0037)	-0.0015 (0.0059)
Mean Dep	0.0545	0.0504	0.0429	0.0353	0.0296	0.0243	0.2380
Observations	723,909	704,664	684,304	659,098	634,077	609,611	609,611
Balanced panel	0.0040 (0.0041)	0.0018 (0.0041)	-0.0017 (0.0040)	0.0026 (0.0038)	-0.0038 (0.0041)	-0.0004 (0.0038)	-0.0010 (0.0061)
Mean Dep	0.0554	0.0510	0.0432	0.0354	0.0297	0.0244	0.2550
Observations	556,745	556,745	556,745	556,745	556,745	556,745	556,745

Note: Estimates show the effect of lottery winnings, measured in hundreds of thousands, on fertility for those with children prior in the baseline period. Columns 2 through 7 present the estimated effect on births in the year of the lottery win and each of the subsequent five calendar years. The last column presents the estimated change in the cumulative number of births since the lottery win by year 5. The top panel presents the primary estimates, while the second panel excludes covariates. In the third panel, the sample of lottery winners is weighted to match the characteristics of a random sample of the population of the same age. In the fourth panel, the sample of lottery winners is weighted such that those who win lottery amounts of different sizes match the characteristics of the random sample. The fifth panel restricts attention to wins of at least \$5,000. The sixth panel incorporates lottery wins excluded from the primary sample, including wins paid out over multiple years, and cases in which the first win cannot be identified with certainty or the first win year appears to be incorrectly reported. The seventh panel restricts attention to wins between 2000 and 2016, resulting in a balanced panel across years. The sample includes lottery wins of less than \$500,000. The specifications interact the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner and include year and age fixed effects. With the exception of the panel that excludes covariates, the specification also includes controls for gender, citizenship, pre-win employment status, earnings, self-employment, and investments. Errors are clustered at the winner level. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively.

Table A24: The Effect of Resources on Births: Alternative Win Sizes

	T=0	Births by Year Relative to Lottery Win					Total Children
		T=1	T=2	T=3	T=4	T=5	
No prior children							
Win amt (100k): max 100k	-0.0054 (0.0060)	0.0036 (0.0063)	-0.0097 (0.0067)	-0.0110* (0.0064)	-0.0137** (0.0066)	-0.0025 (0.0067)	-0.0421** (0.0179)
Mean Dep	0.0444	0.0446	0.0469	0.0475	0.0463	0.0441	0.2744
Observations	517,665	506,226	494,449	477,933	461,128	444,902	444,902
Win amt (100k): max 250k	0.0008 (0.0033)	0.0111*** (0.0036)	-0.0021 (0.0037)	-0.0005 (0.0037)	-0.0058 (0.0036)	0.0008 (0.0037)	0.0011 (0.0099)
Mean Dep	0.0444	0.0447	0.0470	0.0476	0.0463	0.0441	0.2746
Observations	522,031	510,519	498,647	482,013	465,074	448,743	448,743
Win amt (100k): max 500k	0.0010 (0.0023)	0.0090*** (0.0024)	0.0023 (0.0025)	-0.0004 (0.0026)	-0.0042 (0.0027)	-0.0017 (0.0027)	0.0046 (0.0071)
Mean Dep	0.0444	0.0447	0.0470	0.0476	0.0463	0.0441	0.2747
Observations	523,318	511,760	499,848	483,164	466,170	449,795	449,795
Win amt (100k): max 1 mil	-0.0000 (0.0015)	0.0040** (0.0017)	0.0006 (0.0016)	-0.0003 (0.0018)	-0.0005 (0.0017)	-0.0005 (0.0018)	0.0029 (0.0047)
Mean Dep	0.0444	0.0447	0.0470	0.0476	0.0463	0.0441	0.2747
Observations	524,344	512,763	500,831	484,120	467,083	450,660	450,660
Win amt (100k): max 5 mil	-0.0004 (0.0007)	0.0007 (0.0006)	0.0012 (0.0010)	-0.0007 (0.0009)	0.0012 (0.0010)	-0.0002 (0.0010)	0.0014 (0.0025)
Mean Dep	0.0444	0.0447	0.0470	0.0476	0.0463	0.0442	0.2748
Observations	524,742	513,151	501,202	484,481	467,433	450,992	450,992
Prior children							
Win amt (100k): max 100k	0.0056 (0.0098)	0.0063 (0.0098)	0.0026 (0.0097)	0.0113 (0.0095)	-0.0022 (0.0103)	0.0091 (0.0095)	-0.0131 (0.0157)
Mean Dep	0.0549	0.051	0.0430	0.0355	0.0297	0.0244	0.2391
Observations	641,318	626,756	611,474	591,266	570,573	550,914	550,914
Win amt (100k): max 250k	0.0096* (0.0055)	0.0040 (0.0054)	0.0067 (0.0054)	0.0083 (0.0053)	0.0039 (0.0057)	0.0055 (0.0052)	-0.0013 (0.0087)
Mean Dep	0.0549	0.0509	0.0430	0.0355	0.0297	0.0244	0.2391
Observations	646,588	631,930	616,545	596,195	575,334	555,537	555,537
Win amt (100k): max 500k	0.0026 (0.0038)	0.0014 (0.0038)	-0.0010 (0.0038)	0.0020 (0.0037)	-0.0036 (0.0040)	-0.0004 (0.0038)	-0.0015 (0.0061)
Mean Dep	0.0549	0.0509	0.0430	0.0355	0.0297	0.0244	0.2391
Observations	648,087	633,370	617,935	597,529	576,594	556,745	556,745
Win amt (100k): max 1 mil	-0.0001 (0.0024)	0.0010 (0.0025)	0.0008 (0.0025)	0.0012 (0.0025)	-0.0011 (0.0026)	0.0008 (0.0025)	0.0001 (0.0042)
Mean Dep	0.0549	0.0509	0.0430	0.0355	0.0297	0.0244	0.2391
Observations	649,288	634,536	619,065	598,625	577,648	557,747	557,747
Win amt (100k): max 5 mil	0.0000 (0.0013)	0.0009 (0.0015)	0.0006 (0.0014)	0.0010 (0.0013)	0.0004 (0.0013)	0.0006 (0.0013)	0.0027 (0.0022)
Mean Dep	0.0549	0.0509	0.0430	0.0355	0.0297	0.0244	0.2391
Observations	649,757	634,991	619,507	599,048	578,057	558,137	558,137

Note: Estimates show the effect of lottery winnings, measured in hundreds of thousands, on births in the years after the lottery win for alternative maximum win amounts ranging from \$100,000 to \$5,000,000. The last column presents the estimated change in the cumulative number of births since the lottery win by year 5. The specifications interact the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner and include year and age fixed effects, as well as controls for gender, citizenship, pre-win employment status, earnings, self-employment, and investments. Errors are clustered at the winner level. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively.

Table A25: The Effect of Resources on Births: Alternate Age Ranges

	Births by Year Relative to Lottery Win						Total Children
	T=0	T=1	T=2	T=3	T=4	T=5	
Age 20-24							
No children prior	-0.0014 (0.0040)	0.0058 (0.0046)	-0.0040 (0.0045)	0.0019 (0.0049)	-0.0071 (0.0054)	0.0033 (0.0065)	-0.0087 (0.0090)
Mean Dep	0.0500	0.0538	0.0581	0.0625	0.066	0.0692	0.2132
Observations	216,473	212,483	208,330	201,962	195,547	189,178	27,295
Children prior	-0.0070 (0.0271)	-0.0125 (0.0281)	0.0103 (0.0279)	0.0038 (0.0284)	-0.0330 (0.0265)	-0.0135 (0.0281)	0.0101 (0.0561)
Mean Dep	0.1404	0.1487	0.1395	0.1231	0.1123	0.0972	0.2132
Observations	49,105	48,430	47,732	46,705	45,554	44,346	4,759
Overall	-0.0039 (0.0055)	0.0011 (0.0059)	-0.0041 (0.0059)	-0.0005 (0.0062)	-0.0152** (0.0065)	-0.0034 (0.0073)	-0.0074 (0.0099)
Mean Dep	0.0667	0.0714	0.0732	0.0739	0.0747	0.0745	0.2132
Observations	265,578	260,913	256,062	248,667	241,101	233,524	32,054
Age 20-39							
No children prior	0.0008 (0.0022)	0.0083*** (0.0024)	0.0011 (0.0025)	0.0004 (0.0026)	-0.0058** (0.0028)	0.0000 (0.0029)	0.0081 (0.0057)
Mean Dep	0.0497	0.0514	0.0545	0.0566	0.0568	0.0563	0.1873
Observations	664,490	651,207	637,448	617,498	597,276	577,695	86,795
Children prior	0.0019 (0.0049)	-0.0002 (0.0049)	-0.0027 (0.0049)	-0.0005 (0.0047)	-0.0092* (0.0051)	-0.0037 (0.0049)	0.0064 (0.0089)
Mean Dep	0.0731	0.0699	0.0605	0.0508	0.0433	0.0359	0.1873
Observations	552,192	541,432	530,078	515,081	499,705	485,240	66,952
Overall	0.0006 (0.0026)	0.0037 (0.0026)	-0.0015 (0.0027)	-0.0010 (0.0026)	-0.0086*** (0.0031)	-0.0029 (0.0028)	0.0071 (0.0050)
Mean Dep	0.0603	0.0598	0.0572	0.0540	0.0507	0.0470	0.1873
Observations	1,216,682	1,192,639	1,167,526	1,132,579	1,096,981	1,062,935	153,747

Note: Estimates show the effect of lottery winnings, measured in hundreds of thousands, on fertility for those aged 20 to 24 and 20 to 39. Columns 2 through 7 present the estimated effect on births in the year of the lottery win and each of the subsequent five calendar years. The last column presents the estimated change in the cumulative number of births since the lottery win by year 5. The estimates are differentiated across those who did and did not have children prior to the lottery win, revealing the effect on new family formation and family growth. The sample includes lottery wins ranging between \$1,000 and \$500,000. The specifications interact the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner and include year and age fixed effects. Errors are clustered at the winner level. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively.

Table A26: The Effect of Resources on Births if No Prior Children: Heterogeneity

	Births by Year Relative to Lottery Win						Total Children
	T=0	T=1	T=2	T=3	T=4	T=5	
Demographics							
Single	0.0004 (0.0024)	0.0091*** (0.0028)	0.0010 (0.0031)	0.0002 (0.0031)	-0.0026 (0.0035)	-0.0048 (0.0034)	0.0025 (0.0086)
Married	0.0032 (0.0079)	0.0090 (0.0070)	0.0103 (0.0070)	-0.0032 (0.0072)	-0.0168*** (0.0065)	0.0077 (0.0063)	0.0112 (0.0179)
Non-filer	0.0024 (0.0041)	0.0127** (0.0059)	-0.0017 (0.0052)	0.0027 (0.0061)	0.0033 (0.0056)	-0.0027 (0.0057)	0.0158 (0.0146)
Female	-0.0023 (0.0047)	0.0043 (0.0045)	0.0091* (0.0052)	0.0001 (0.0048)	-0.0078 (0.0056)	0.0020 (0.0047)	-0.0038 (0.0133)
Male	0.0020 (0.0026)	0.0108*** (0.0028)	-0.0002 (0.0029)	-0.0004 (0.0031)	-0.0027 (0.0031)	-0.0028 (0.0032)	0.0081 (0.0084)
Age 25-34	0.0016 (0.0033)	0.0108*** (0.0035)	0.0050 (0.0038)	0.0002 (0.0039)	-0.0070* (0.0042)	0.0009 (0.0042)	0.0111 (0.0107)
Age 35-44	0.0030 (0.0027)	0.0065** (0.0031)	-0.0003 (0.0030)	-0.0013 (0.0028)	0.0018 (0.0026)	-0.0041* (0.0024)	0.0031 (0.0079)
Financial Status							
No investments	-0.0010 (0.0026)	0.0091*** (0.0028)	0.0026 (0.0029)	0.0004 (0.0031)	-0.0018 (0.0030)	-0.0009 (0.0031)	0.0075 (0.0083)
Has investments	0.0059 (0.0044)	0.0088* (0.0047)	0.0017 (0.0051)	-0.0014 (0.0047)	-0.0101* (0.0056)	-0.0039 (0.0052)	-0.0008 (0.0136)
Earnings: below median	0.0033 (0.0037)	0.0102*** (0.0039)	0.0043 (0.0039)	0.0030 (0.0041)	-0.0052 (0.0044)	0.0010 (0.0040)	0.0143 (0.0107)
Earnings: above median	-0.0015 (0.0035)	0.0072* (0.0038)	0.0022 (0.0045)	-0.0065 (0.0044)	-0.0029 (0.0042)	-0.0101** (0.0047)	-0.0124 (0.0122)
Earnings: none	0.0013 (0.0049)	0.0097** (0.0049)	-0.0040 (0.0045)	0.0026 (0.0051)	-0.0050 (0.0051)	0.0054 (0.0056)	0.0106 (0.0144)
Income: below median	0.0008 (0.0029)	0.0070** (0.0032)	0.0028 (0.0034)	-0.0021 (0.0035)	-0.0032 (0.0035)	0.0003 (0.0037)	0.0059 (0.0098)
Income: above median	0.0011 (0.0034)	0.0110*** (0.0036)	0.0017 (0.0038)	0.0012 (0.0038)	-0.0054 (0.0040)	-0.0039 (0.0038)	0.0035 (0.0101)
Income: bottom quartile	0.0015 (0.0035)	0.0096** (0.0045)	-0.0028 (0.0041)	0.0045 (0.0048)	-0.0034 (0.0042)	0.0011 (0.0046)	0.0108 (0.0121)
Income: top quartile	0.0005 (0.0056)	0.0140** (0.0055)	0.0042 (0.0056)	-0.0008 (0.0055)	-0.0073 (0.0062)	-0.0030 (0.0058)	0.0094 (0.0152)

Note: Estimates show the effect of lottery winnings, measured in hundreds of thousands, on births in the year of the lottery win and each of the subsequent five calendar years, as well as the cumulative effect on births over the five year period. Attention is restricted to lottery winners who did not have children prior to the win. The effects are differentiated by demographic and financial characteristics. Age is measured in the year of the lottery win, while marital status and financial characteristics are measured prior to the win. The sample includes lottery wins ranging between \$1,000 and \$500,000. The specifications interact the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner and include year fixed effects. Errors are clustered at the winner level. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively.

Table A27: The Effect of Resources on Births if Has Prior Children: Heterogeneity

	Births by Year Relative to Lottery Win						Total Children
	T=0	T=1	T=2	T=3	T=4	T=5	
Demographics							
Single	0.0017 (0.0056)	0.0032 (0.0057)	-0.0023 (0.0057)	0.0006 (0.0055)	-0.0044 (0.0058)	0.0003 (0.0056)	0.0020 (0.0095)
Married	0.0003 (0.0057)	-0.0023 (0.0056)	-0.0015 (0.0055)	-0.0002 (0.0054)	-0.0055 (0.0059)	-0.0043 (0.0055)	-0.0012 (0.0086)
Non-filer	0.0138 (0.0125)	0.0068 (0.0124)	-0.0011 (0.0134)	0.0100 (0.0128)	-0.0010 (0.0132)	0.0056 (0.0131)	-0.0215 (0.0189)
Female	0.0036 (0.0053)	0.0043 (0.0053)	-0.0054 (0.0053)	0.0040 (0.0050)	-0.0017 (0.0055)	0.0039 (0.0052)	-0.0020 (0.0082)
Male	0.0002 (0.0055)	-0.0017 (0.0054)	0.0025 (0.0054)	-0.0004 (0.0054)	-0.0059 (0.0059)	-0.0050 (0.0055)	-0.0007 (0.0089)
Age 25-34	0.0026 (0.0076)	-0.0009 (0.0075)	-0.0047 (0.0075)	-0.0053 (0.0073)	-0.0108 (0.0076)	-0.0048 (0.0077)	-0.0008 (0.0122)
Age 35-44	0.0003 (0.0040)	0.0018 (0.0042)	0.0009 (0.0040)	0.0037 (0.0040)	-0.0004 (0.0042)	0.0013 (0.0039)	-0.0032 (0.0062)
Financial Status							
No investments	0.0078* (0.0044)	0.0038 (0.0045)	0.0008 (0.0044)	0.0056 (0.0043)	-0.0020 (0.0046)	0.0019 (0.0045)	0.0013 (0.0072)
Has investments	-0.0112 (0.0076)	-0.0049 (0.0073)	-0.0059 (0.0077)	-0.0081 (0.0074)	-0.0081 (0.0080)	-0.0065 (0.0072)	-0.0071 (0.0114)
Earnings: below median	0.0009 (0.0058)	-0.0046 (0.0056)	-0.0063 (0.0057)	-0.0006 (0.0055)	-0.0083 (0.0059)	-0.0049 (0.0055)	-0.0042 (0.0090)
Earnings: above median	0.0043 (0.0060)	0.0063 (0.0059)	0.0052 (0.0059)	0.0048 (0.0058)	0.0009 (0.0060)	0.0051 (0.0061)	0.0083 (0.0093)
Earnings: none	0.0025 (0.0095)	0.0063 (0.0102)	-0.0018 (0.0099)	0.0025 (0.0099)	-0.0010 (0.0107)	-0.0011 (0.0098)	-0.0155 (0.0159)
Income: below median	0.0018 (0.0057)	0.0050 (0.0059)	0.0031 (0.0059)	0.0034 (0.0058)	-0.0048 (0.0063)	-0.0001 (0.0058)	-0.0004 (0.0095)
Income: above median	0.0032 (0.0050)	-0.0009 (0.0050)	-0.0036 (0.0049)	0.0011 (0.0048)	-0.0029 (0.0051)	-0.0010 (0.0049)	-0.0009 (0.0078)
Income: bottom quartile	0.0076 (0.0086)	-0.0078 (0.0088)	-0.0043 (0.0086)	0.0012 (0.0084)	-0.0053 (0.0093)	-0.0016 (0.0085)	-0.0092 (0.0134)
Income: top quartile	-0.0022 (0.0071)	-0.0067 (0.0068)	-0.0073 (0.0067)	-0.0021 (0.0066)	-0.0045 (0.0069)	-0.0079 (0.0065)	-0.0003 (0.0106)

Note: Estimates show the effect of lottery winnings, measured in hundreds of thousands, on births in the year of the lottery win and each of the subsequent five calendar years, as well as the cumulative effect on births over the five year period. Attention is restricted to lottery winners who had children prior to the win. The effects are differentiated by demographic and financial characteristics. Age is measured in the year of the lottery win, while marital status and financial characteristics are measured prior to the win. The sample includes lottery wins ranging between \$1,000 and \$500,000. The specifications interact the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner and include year fixed effects. Errors are clustered at the winner level. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively.

Table A28: Birth in Year 1 in Conjunction with Working or Attending College in Subsequent Years

	Year 1		Year 2		Year 3	
	No Work	Work	No Work	Work	No Work	Work
All	0.0015*** (0.0006)	0.0010 (0.0011)	0.0018*** (0.0005)	0.0005 (0.0010)	0.0017*** (0.0006)	0.0005 (0.0010)
Mean Dep	0.0108	0.0414	0.0113	0.0411	0.0116	0.0408
Observations	2,218,591	2,218,591	2,316,535	2,316,535	2,316,535	2,316,535
All (no prior kids)	0.0018*** (0.0006)	0.0015 (0.0011)	0.0010* (0.0005)	0.0022** (0.0011)	0.0013** (0.0006)	0.0019* (0.0010)
Mean Dep	0.0042	0.0185	0.0045	0.0176	0.0049	0.0172
Observations	984,030	984,030	1,035,078	1,035,078	1,035,078	1,035,078
Women	0.0023** (0.0010)	0.0000 (0.0017)	0.0034*** (0.0010)	-0.0010 (0.0017)	0.0039*** (0.0010)	-0.0015 (0.0017)
Mean Dep	0.0108	0.0414	0.0113	0.0411	0.0116	0.0408
Observations	1,017,435	1,017,435	1,062,363	1,062,363	1,062,363	1,062,363
Women (no prior kids)	0.0009 (0.0009)	0.0001 (0.0020)	0.0010 (0.0012)	-0.0000 (0.0019)	0.0023* (0.0013)	-0.0013 (0.0018)
Mean Dep	0.0042	0.0185	0.0045	0.0176	0.0049	0.0172
Observations	309,348	309,348	324,886	324,886	324,886	324,886
	Year 1		Year 2		Year 3	
	No College	College	No College	College	No College	College
All	0.0023** (0.0012)	0.0001 (0.0003)	0.0024** (0.0011)	-0.0001 (0.0003)	0.0021* (0.0011)	0.0002 (0.0003)
Mean Dep	0.0487	0.0035	0.0488	0.0035	0.0488	0.0036
Observations	2,218,591	2,218,591	2,316,535	2,316,535	2,316,535	2,316,535
All (no prior kids)	0.0034*** (0.0011)	-0.0000 (0.0003)	0.0031*** (0.0011)	0.0001 (0.0003)	0.0035*** (0.0011)	-0.0003 (0.0003)
Mean Dep	0.0211	0.0015	0.0207	0.0013	0.0208	0.0013
Observations	984,030	984,030	1,035,078	1,035,078	1,035,078	1,035,078
Women	0.0024 (0.0019)	-0.0000 (0.0005)	0.0024 (0.0019)	-0.0000 (0.0005)	0.0019 (0.0019)	0.0005 (0.0006)
Mean Dep	0.0487	0.0035	0.0488	0.0035	0.0488	0.0036
Observations	1,017,435	1,017,435	1,062,363	1,062,363	1,062,363	1,062,363
Women (no prior kids)	0.0012 (0.0021)	-0.0002 (0.0007)	0.0018 (0.0021)	-0.0008 (0.0007)	0.0017 (0.0021)	-0.0007 (0.0007)
Mean Dep	0.0211	0.0015	0.0207	0.0013	0.0208	0.0013
Observations	309,348	309,348	324,886	324,886	324,886	324,886

Note: Estimates show the effect of lottery winnings, measured in hundreds of thousands, on births in conjunction with working or attending college. The estimates are presented in the year of the lottery win and the two subsequent calendar years. The effects are differentiated across those who did and did not have children prior to the win and for the full sample and women only. The sample includes lottery wins ranging between \$1,000 and \$500,000. The specifications interact the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner and include year and age fixed effects, as well as controls for gender, citizenship, pre-win employment status, earnings, self-employment, and investments. Errors are clustered at the winner level. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively.

Table A29: Outcome Interactions Year After Win: Births, Marriage, and Homeownership

	No Children and Not Married in Baseline			
	Birth & Married	Birth & Unmarried	No Birth & Married	No Birth & Not Married
Win amount (100k)	0.0048** (0.0020)	0.0043* (0.0022)	0.0186*** (0.0052)	-0.0278*** (0.0058)
Mean Dep	0.0132	0.0255	0.0860	0.8753
Observations	292,625	292,625	292,625	292,625
	No Children and No House in Baseline			
	Birth & House	Birth & No House	No Birth & House	No Birth & No House
Win amount (100k)	0.0050*** (0.0015)	0.0036 (0.0024)	0.0404*** (0.0047)	-0.0490*** (0.0051)
Mean Dep	0.0048	0.0333	0.0580	0.9039
Observations	360,209	360,209	360,209	360,209
	Not Married and No House in Baseline			
	Married & House	Married & No House	Not Married & House	Not Married & No House
Win amount (100k)	0.0162*** (0.0027)	0.0153*** (0.0043)	0.0443*** (0.0046)	-0.0758*** (0.0061)
Mean Dep	0.0111	0.0639	0.0536	0.8715
Observations	422,891	422,891	422,891	422,891
	No Children, Not Married, and No House in Baseline			
	Birth & Married & House	Birth & Married & No House	Birth & Not Married & House	Birth & Not Married & No House
Win amount (100k)	0.0049*** (0.0017)	0.0022 (0.0021)	0.0022 (0.0016)	0.0007 (0.0020)
Mean Dep	0.0015	0.0071	0.0020	0.0313
Observations	193,808	193,808	193,808	193,808
	No Children, Not Married, and No House in Baseline			
	No Birth & Married & House	No Birth & Married & No House	No Birth & Not Married & House	No Birth & Not Married & No House
Win amount (100k)	0.0103*** (0.0034)	0.0151*** (0.0051)	0.0392*** (0.0065)	-0.0746*** (0.0085)
Mean Dep	0.0096	0.0567	0.0516	0.8401
Observations	193,808	193,808	193,808	193,808

Note: Estimates show the effect of lottery winnings, measured in hundreds of thousands, on births, marriage, and homeownership in conjunction. The estimates are presented in the year after the lottery win. The top three panels examine: births and marriage, births and homeownership, and marriage and homeownership. In order to examine new household formation, attention is restricted to lottery winners who had a value of 0 (no children, not married, not a homeowner) for the two outcomes of interest in each panel prior to the lottery win. The bottom two panels consider all three outcomes in conjunction. The sample includes lottery wins ranging between \$1,000 and \$500,000. The specifications interact the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner and include year and age fixed effects, as well as controls for gender, citizenship, pre-win employment status, earnings, self-employment, and investments. Errors are clustered at the winner level. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively.

Table A30: Comparison of Lottery Winners to Population Sample

	Lottery Winners	Population Sample
Baseline Household Characteristics		
Mortgage	0.30	0.35
Married	0.33	0.43
Number children	1.07	1.01
Baseline Household Characteristics (adjusted for income)		
Mortgage	0.36	0.35
Married	0.40	0.43
Number children	1.11	1.01

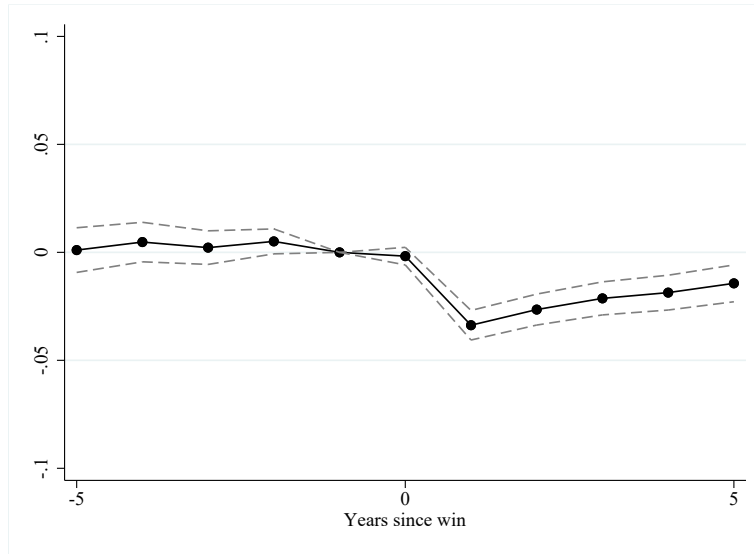
Note: This table presents outcome statistics for lottery winners aged 25 to 44 and a random sample of the population of the same age. To ensure comparability, attention is restricted to lottery winners and non-winners for which there is an information return. Household characteristics are measured prior to the lottery win. Having a mortgage is measured using the Form 1098, a mandatory third-party reporting form filed by lenders receiving mortgage interest. Marital status is determined using income tax filing status on the Form 1040, while the number of children is based on claimed dependents and Social Security application records. Household characteristics adjusted for income account for differences between the lottery winners and the population sample in terms of wages, income, and employment status.

Table A31: The Effect of Resources on Debt Cancellation

Year Relative to Lottery Win	T=0	T=1	T=2	T=3	T=4	T=5
Win amount (100k)	0.0040** (0.0016)	-0.0013 (0.0015)	-0.0034** (0.0016)	-0.0017 (0.0016)	-0.0039** (0.0018)	-0.0043** (0.0019)
Observations	911,769	882,441	852,707	824,232	798,201	748,043

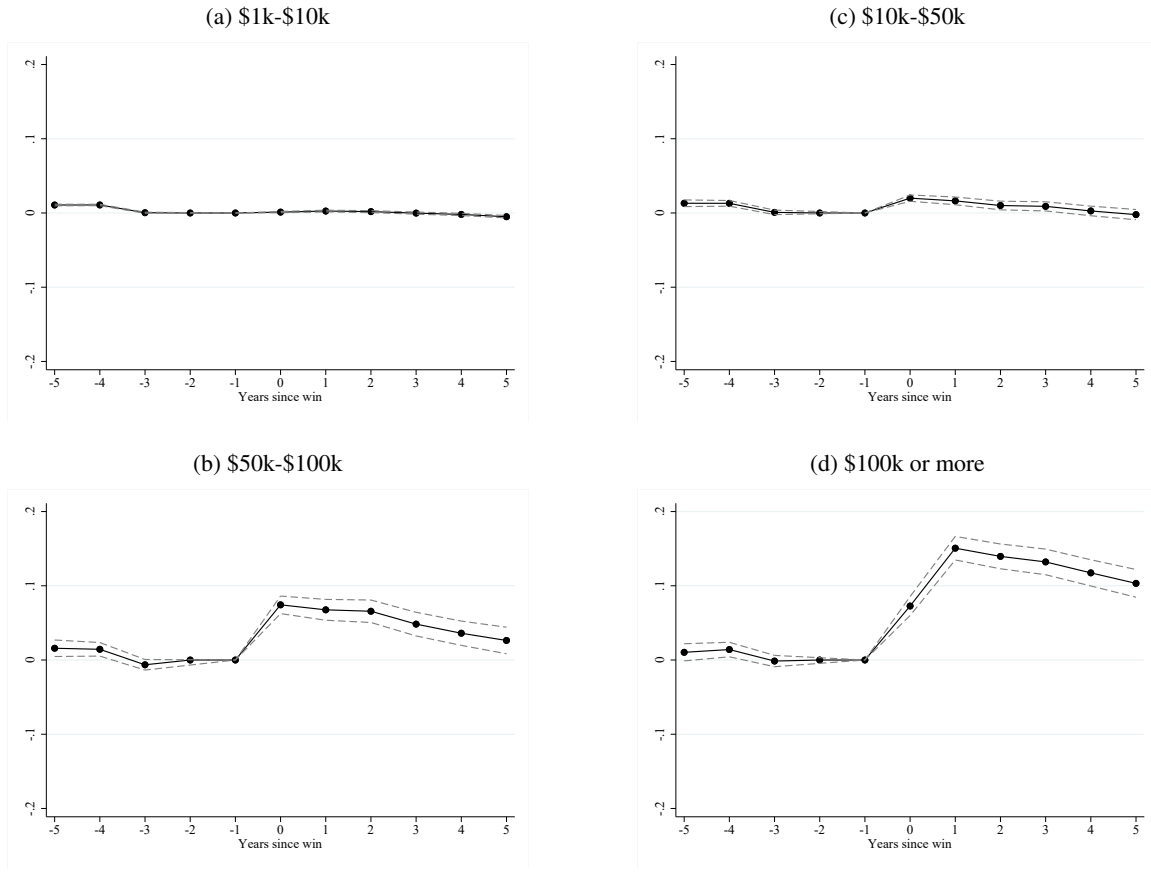
Note: Estimates show the effect of lottery winnings, measured in hundreds of thousands, on debt cancellation in the year of the lottery win and each of the subsequent five calendar years. Changes are measured relative to the pre-win period. Debt cancellation is measured using the Form 1099-C. The sample includes lottery wins ranging between \$1,000 and \$500,000. The specifications interact the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner and include year and age fixed effects, as well as controls for gender, citizenship, pre-win employment status, earnings, self-employment, and investments. Errors are clustered at the winner level. The symbols *, **, and *** represent statistical significance at 10, 5, and 1 percent respectively.

Figure A1: The Effect of Lottery Wins on Having a Mortgage (for Pre-Win Homeowners)



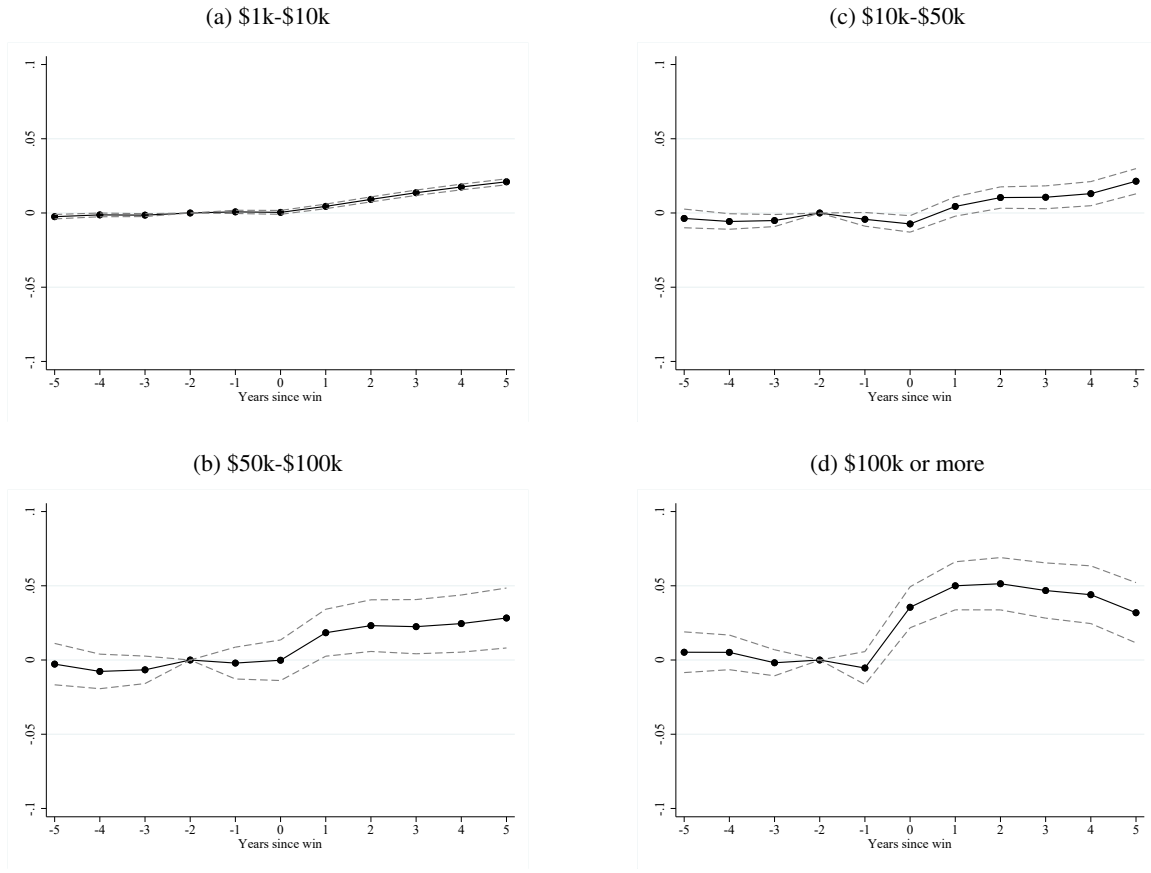
Note: The figure presents the estimated change in having a mortgage per \$100,000 of lottery winnings for those who had a mortgage in the year prior to the win. This reveals the rate at which mortgages are paid off in the years after a lottery win. The figure includes 95 percent confidence intervals for the estimates. The sample includes lottery wins ranging between \$1,000 and \$500,000. The specification interacts the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner and includes year and age fixed effects, as well as controls for gender, citizenship, pre-win employment status, earnings, self-employment, and investments. Errors are clustered at the winner level.

Figure A2: New Homeownership by Lottery Win Size



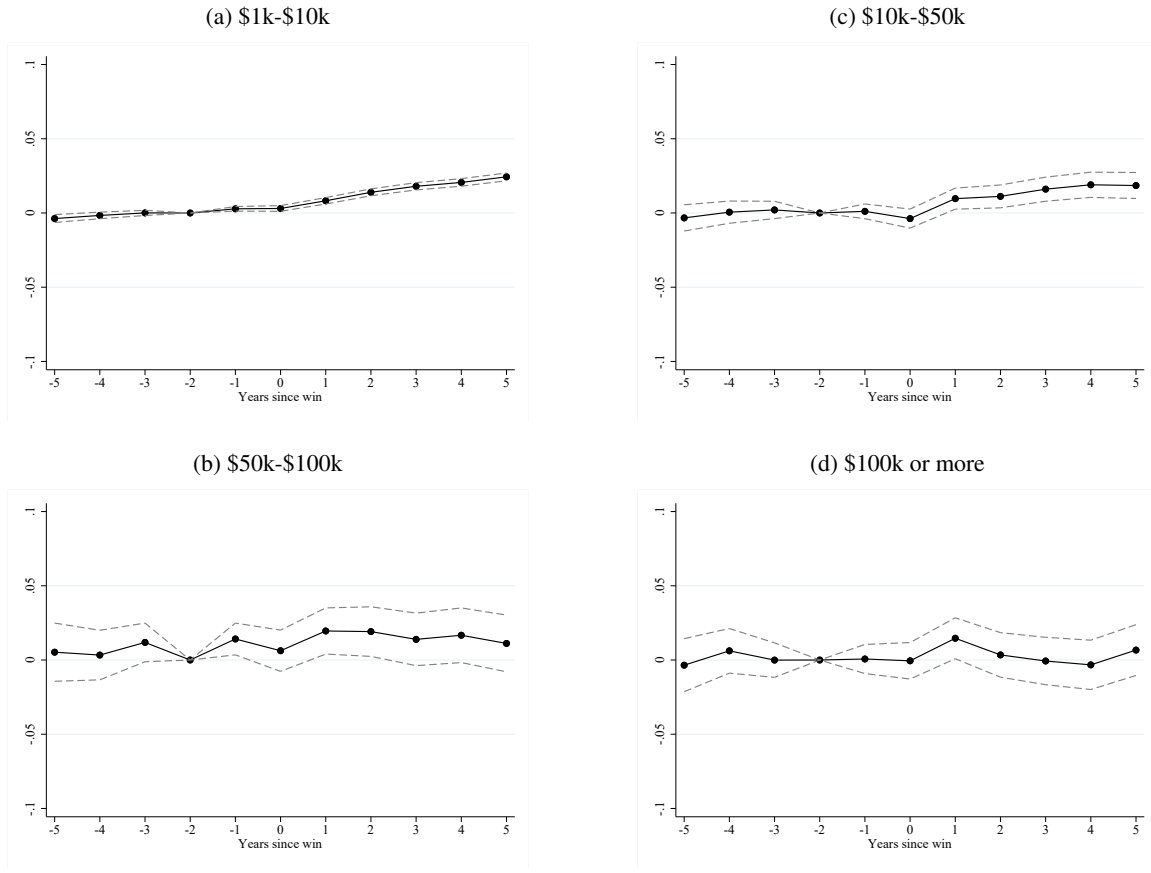
Note: The figures present the estimated change in homeownership in the years before and after lottery wins. The results are presented for four win size ranges. Attention is restricted to lottery winners who did not own a home in the year prior to the win, revealing new homeownership. The figures include 95 percent confidence intervals for the estimates. The estimates are based on specifications that interact the four win size ranges with an indicator for being a current, rather than future, lottery winner, and include year and age fixed effects, as well as controls for gender, citizenship, pre-win employment status, earnings, self-employment, and investments.

Figure A3: New Marriages by Lottery Win Size



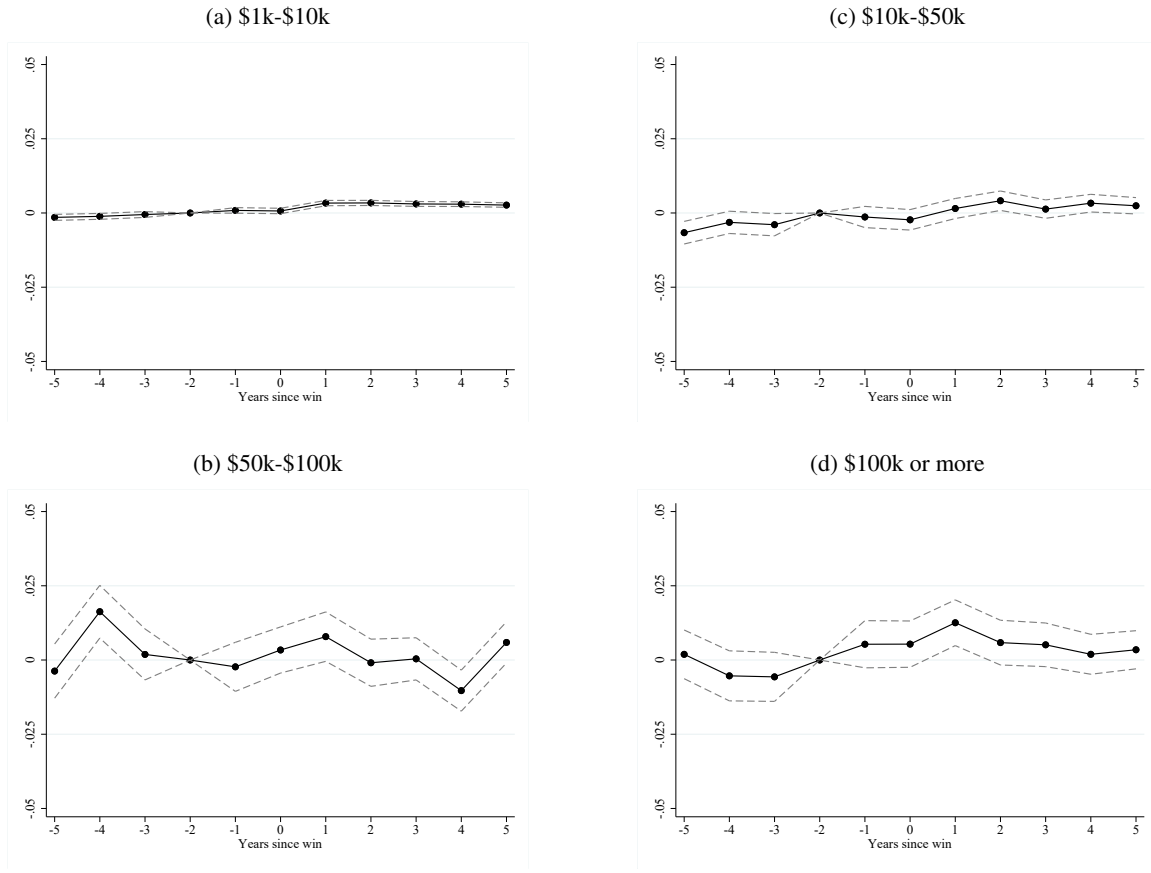
Note: The figures present the estimated change in marriage in the years before and after lottery wins. The results are presented for four win size ranges. Attention is restricted to lottery winners who were not married prior to the win, revealing new marriages. The figures include 95 percent confidence intervals for the estimates. The estimates are based on specifications that interact the four win size ranges with an indicator for being a current, rather than future, lottery winner, and include year and age fixed effects, as well as controls for gender, citizenship, pre-win employment status, earnings, self-employment, and investments.

Figure A4: Remains Married by Lottery Win Size



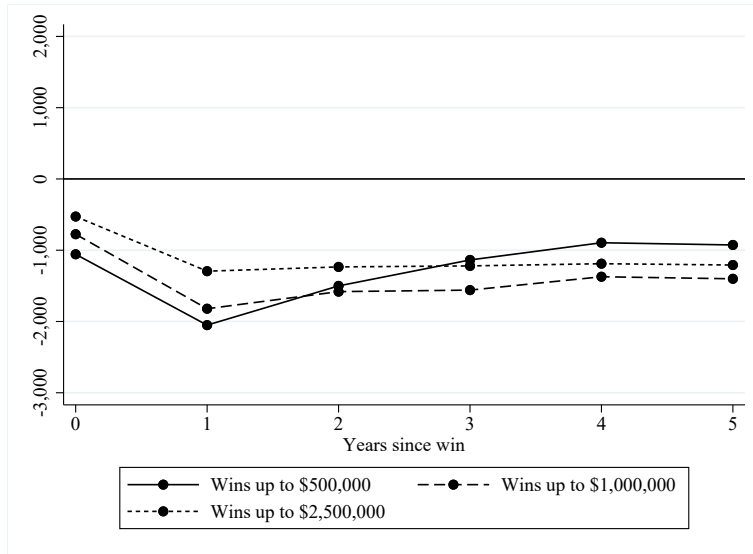
Note: The figures present the estimated change in marriage in the years before and after lottery wins. The results are presented for four win size ranges. Attention is restricted to lottery winners who were married in the year prior to the win, revealing the effect of wins on divorce. The figures include 95 percent confidence intervals for the estimates. The estimates are based on specifications that interact the four win size ranges with an indicator for being a current, rather than future, lottery winner, and include year and age fixed effects, as well as controls for gender, citizenship, pre-win employment status, earnings, self-employment, and investments.

Figure A5: Births by Lottery Win Size



Note: The figures present the estimated change in births in the years before and after lottery wins. The results are presented for four win size ranges. The figures include 95 percent confidence intervals for the estimates. The estimates are based on specifications that interact the four win size ranges with an indicator for being a current, rather than future, lottery winner, and include year and age fixed effects, as well as controls for gender, citizenship, pre-win employment status, earnings, self-employment, and investments.

Figure A6: The Effect of Lottery Wins on Earnings



Note: The figure presents the estimated change in earnings per \$100,000 of lottery winnings in the years after the win. The sample includes lottery wins ranging between \$1,000 and three alternate maximum levels: \$500,000, \$1,000,000, and \$2,500,000. The specification interacts the win amount (in hundreds of thousands of dollars) with an indicator for being a current, rather than future, lottery winner and includes year and age fixed effects, as well as controls for gender and citizenship. Errors are clustered at the winner level.