

A Taxing Journey: Tax Adaptions and Interstate Migration in the Early 20th Century

**Prof. Dr. Kirsten Wandschneider | Goethe
University Frankfurt**

**Tuesday
19 May 2026
6:15 – 7:45 pm
(CEST)
Room 8**

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UNITED STATES INTERNAL REVENUE.

RETURN OF ANNUAL NET INCOME OF INDIVIDUALS.
(As provided by Act of Congress, approved October 3, 1913.)

RETURN OF NET INCOME RECEIVED OR ACCRUED DURING THE YEAR ENDED DECEMBER 31, 191....
(FOR THE YEAR 1913, FROM MARCH 1, TO DECEMBER 31.)

This talk provides causal evidence that the earliest state income tax adoptions in the United States generated substantial migration responses. Exploiting the staggered introduction of personal and corporate income taxes across states between 1900 and 1930, before major federal fiscal interventions complicated the policy landscape, Dr. Wandschneider links individuals across full-count census records to construct bilateral migration flows between all state pairs. Building on a structural migration gravity model with multilateral resistance, she estimates that personal income tax adoptions increased interstate migration flows by 8.7%, with corporate tax adoptions generating an 11.3% increase. These effects are concentrated among young, high-income individuals and peak approximately six years after adoption, while homeowners, farmers, and licensed professionals show no significant mobility response. Migration responses are largest within 35 miles of state borders. These findings demonstrate that foot voting operated from the very beginning of state income taxation, with implications for understanding fiscal federalism and contemporary tax competition.

Kirsten Wandschneider is Professor of Economic and Social History at the Goethe University in Frankfurt a. M., Germany. Her research interests are in European economic and social history (with a particular focus on the development of financial markets and financial institutions), currencies and exchange rates, international trade relations, and quantitative and econometric methods. Dr. Wandschneider is also editor of the *European Review of Economic History*, and a Research Fellow (Economic History Programme) at the Centre for Economic Policy Research (CEPR).