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METHODOLOGY AND DATA COMPANION

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# Same Income, Four Times the Giving

## Methodology and data companion to the working paper

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*A full white paper, with the complete introduction, related literature, data and design, results, discussion, limitations, conclusion, and references, is available on request.*



| At a glance | |
|---|---|
| **Research question** | Do recognizably Jewish neighborhoods report more charitable giving than economically similar neighborhoods with the same income? |
| **Data** | IRS 2022 ZIP-level tax statistics (public), with Census and Jewish-population figures for context only. |
| **Unit of analysis** | The ZIP code, a neighborhood-level aggregate of tax returns, rather than a person or household. |
| **Statistical method** | Propensity-score matching, a way of comparing neighborhoods that look alike on income. |
| **Headline finding** | Jewish-community ZIPs report 4.34% of income in giving versus 1.16% in matched neighborhoods, about 3.7 times as much. |
| **What it shows** | A descriptive pattern across neighborhoods, not a causal claim about any individual. |

## The question behind the paper

Comparing charitable giving across neighborhoods sounds simple, yet a raw comparison usually measures wealth rather than generosity. Higher-income places give more dollars almost by definition, so a ranking of ZIP codes by giving mostly recovers a ranking by income. This paper asks a narrower and more useful question. Holding income roughly constant, do recognizably Jewish neighborhoods report more charitable giving than otherwise comparable neighborhoods? The goal is a fair, like-with-like comparison that a reader can follow and, in principle, reproduce.

The study works at the level of the neighborhood, using ZIP codes as the unit. It does not try to identify who is Jewish, who donates, or how much any household gives. It estimates an association between living in a defined set of community neighborhoods and the giving those neighborhoods report on their tax returns.

## Where the data come from

**IRS tax statistics.** Every quantitative input is public. The core source is the Internal Revenue Service 2022 ZIP Code Data file, part of the Statistics of Income program. For each ZIP code it reports the number of tax returns, total adjusted gross income, and the itemized charitable contributions claimed on Schedule A, broken out by income band. These aggregates are the raw material for the giving comparison.

**Context layers.** Two further sources appear for context only and never enter the calculation. The American Community Survey (2023 five-year estimates) supplies population and household figures, and the Berman Jewish DataBank provides approximate regional Jewish-population counts. The Census does not record religion, so these figures give a rough sense of scale rather than a precise Jewish share of any ZIP.

**The community list.** The list of Jewish-community neighborhoods was assembled by the author. Ten well-known clusters, among them Lakewood, Monsey, the Five Towns, Borough Park, and Pico-Robertson, were translated into 29 specific ZIP codes. This frame is analyst-

defined and should be read as a set of community-proxy geographies rather than a count of who is Jewish. All of the numbers rest on the public IRS, Census, and DataBank sources described above.

## The statistical method, named and explained

The method is propensity-score matching. For each ZIP code the analysis first estimates a propensity score, the modeled likelihood that a neighborhood belongs to the Jewish-community frame given its income structure alone, using the number of returns, average income, and the mix of income bands. Each Jewish-community ZIP is then paired with control ZIPs in the same state whose scores are almost identical, meaning neighborhoods that look economically alike but differ in whether they sit inside the community frame. Because the matched neighborhoods share nearly the same income profile, the remaining gap in giving reflects the community frame rather than differences in wealth. In short, the technique approximates a controlled comparison in a setting where a true experiment would be impossible.

Two supporting steps guard the result. Balance is checked with standardized mean differences, a simple measure confirming that matched neighborhoods really do have comparable incomes, and after matching the residual differences are small. Reliability is gauged with a bootstrap, which redraws the 29 treated ZIPs at random two thousand times and recomputes the gap each time, so the spread of those results forms the reported confidence interval.

## Key results from the paper

**Table 1. Headline matched comparison of Jewish-community and control ZIPs.**

| Outcome | Treated | Matched control | ATT (difference) | Bootstrap 95% CI |
|---|---|---|---|---|
| **Overall charitable giving** | $78.2m | $21.6m | $56.6m | $29.1m to $89.5m |
| **Giving as a share of AGI** | 4.34% | 1.16% | +3.18 pp | 1.80 to 4.82 pp |
| **Giving per tax return** | $6,620 | $1,855 | +$4,765 | $2,141 to $8,535 |
| **Share of returns that give** | 16.25% | 13.61% | +2.63 pp | 1.37 to 4.00 pp |

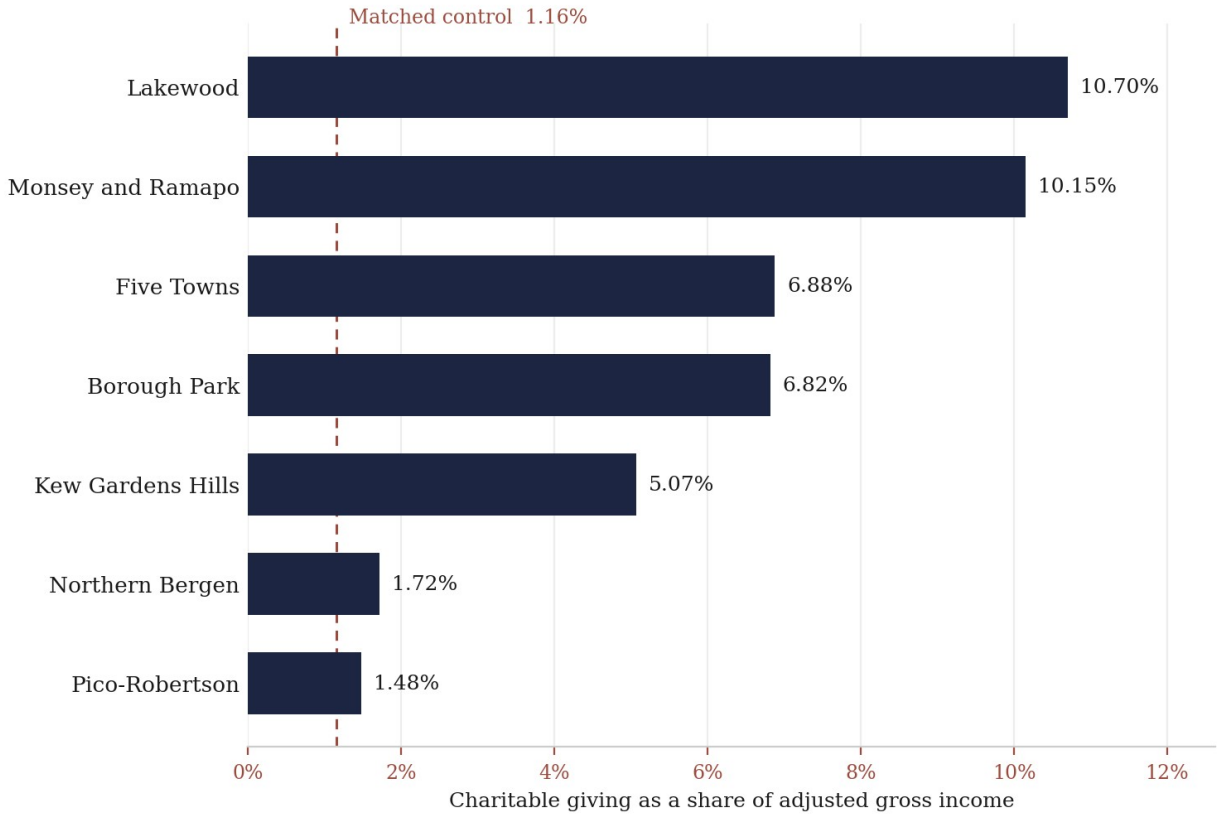
*Note. ATT is each treated ZIP mean minus the mean of its matched controls. Confidence intervals come from resampling the 29 treated ZIPs 2,000 times; an interval above zero indicates a gap unlikely to arise from chance alone.*

**Table 2. Stability of the giving gap across matching choices.**

| Matching specification | Giving/AGI gap | Largest residual imbalance |
|---|---|---|
| **Primary (1:3, 0.20 SD caliper)** | +3.18 pp | 0.114 |
| **1:1 to 1:3 ratios, 0.10 to 0.30 SD** | +3.04 to +3.18 pp | under 0.18 |
| **Expanded 1:6, with replacement** | +3.14 pp | 0.179 |
| **Expanded 1:6, without replacement** | +3.19 pp | 0.163 |

*Note. Residual imbalance is the largest standardized mean difference left between the groups after matching; values under roughly 0.10 to 0.20 indicate well-matched neighborhoods. The gap barely moves across specifications.*

**Figure 1. Giving as a share of income varies sharply across communities (selected clusters).**




*Note. Descriptive means across the ZIPs in each cluster, shown for selected clusters. The dashed line marks the matched-control level of 1.16 percent. Several clusters hold only one or two ZIPs, so these figures are illustrative rather than precise community estimates.*

## How to read the results

Table 1 carries the headline. Jewish-community ZIPs report 4.34% of adjusted gross income in charitable contributions, against 1.16% in their matched neighborhoods, a difference of about 3.2 percentage points, or roughly 3.7 times as much per dollar of income. Expressing giving as a share of income is what makes the comparison fair, since it already accounts for how wealthy each neighborhood is. The reported figure is an average treatment effect on the treated, which reads plainly as the average gap between each Jewish-community ZIP and its economically matched counterparts.

Table 2 shows why the finding is credible. The gap holds near 3.1 to 3.2 percentage points whether the design pairs each neighborhood with three matches or six, and whether the matching tolerance is tight or loose. A result that survives these variations is unlikely to be an artifact of one modeling choice. Figure 1 then shows the other side of the story, which is that the average hides real variation. Giving runs above ten percent of income in Lakewood and Monsey and closer to the control level in Pico-Robertson and Northern Bergen, so the pattern is concentrated rather than uniform.

One phrase captures the right reading. This is a strong descriptive association at the neighborhood level, measured on reported itemized giving. It is not a per-person figure, and it does not establish that Jewish identity or religious practice causes the difference.

## What the numbers do not claim

A few boundaries keep the interpretation honest without undercutting the finding. Tax data capture only itemized gifts claimed on Schedule A, so the measure understates true generosity by missing non-itemizers, donor-advised funds, and in-kind giving, and it is best read as a floor. ZIP codes aggregate returns rather than people, and a ZIP can extend beyond a community. The set of community neighborhoods was chosen by the analyst rather than sampled at random, and the design is observational, so unmeasured differences between places may explain part of the gap. A secondary comparison of inland communities in Detroit and Cleveland is smaller and exploratory, and the paper treats it that way.

## Reproducing the analysis

Because the inputs are public, the comparison can be rebuilt from scratch. The giving figures come from the IRS 2022 ZIP Code Data file, the demographic context from the 2023 American Community Survey five-year estimates, and the Jewish-population context from the Berman Jewish DataBank. The matching and bootstrap follow standard, well-documented procedures from the observational-study literature, and the full community frame is listed in the working paper.