

Results

Descriptive statistics are shown in Table 1. An alpha of .05 was used for each test. Polynomial regression was used to taxes paid per year using household net worth and household income. Linear and quadratic relationships were considered, as was an interaction. The nonlinear terms were based on centered data. The test of nonlinearity was significant, indicating at least one nonlinear term was necessary, $F(3, 94) = 44.73$, $MSE = 0.13$, $p < .001$, $R^2 \text{ Change} = .28$. We could predict taxes paid using net worth and household income, $F(4, 95) = 96.18$, $MSE = 0.13$, $p < .001$, $Adj. R^2 = .79$. Household income was linearly related to taxes paid whereas net worth was quadratically related to taxes paid. Income influenced the relationship of net worth to taxes paid (i.e., there was a significant interaction). See Table 2 for the final regression model.

Table 1

Descriptive Statistics and Zero-order Correlations for All Variables

Variable	Zero-order Correlations				
	<i>M</i>	<i>SD</i>			
Taxes	6.39	0.80	1	.53*	.67*
Net worth	371.02	220.46		1	.42*
Income	57.05	30.02			1

$N = 100$; * $p < .05$; All variables measured in thousands of dollars.

Table 2

Linear Regression Model for Predicting Taxes Paid

Predictor	B	SE(B)	<i>B</i>
Constant	5.50	0.11	
Net worth	.002*	.00	.54
Net worth ²	.0085*	.002	.32
Income	-7.3E-06*	.000	-.56
Net worth * Income	1.7E-05*	.000	.15

* $p < .05$; All variables measured in thousands of dollars.