

THE UNIVERSITY OF CALIFORNIA, SAN DIEGO
Department of Economics

Government Revenues

Economics 230
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Roger Gordon

I. Positive and normative models of taxes

A. Tax incidence (1 classes)

*Fullerton-Metcalf, "Tax Incidence," NBER Working Paper No. 8829.

B. Excess burden of a tax (1 class)

*Auerbach, "The Theory of Excess Burden and Optimal Taxation," in *Handbook of Public Economics*, vol. 1, ed. by Auerbach and Feldstein, North Holland, 1985, pp. 61-86.

C. Equity issues (1 class)

Harsanyi, "Cardinal Welfare, Individualistic Ethics and Interpersonal Comparisons of Utility," *Journal of Political Economy*, University of Chicago Press, 1955, pp. 309-321.

Kaplow, "A Fundamental Objection to Tax Equity Norms," *National Tax Journal*, 1995, pp. 497-514.

D. Optimal commodity tax and expenditure policies (1 class)

*Stern, "The Theory of Optimal Commodity and Income Taxation: An Introduction." In Newbery and Stern, *The Theory of Taxation For Developing Countries*, World Bank, 1987.

*Atkinson-Stern, "Pigou, Taxation and Public Goods," *Review of Economic Studies*, 1974, pp. 119-127.

Kaplow, "Transition Policy: A Conceptual Framework," NBER WP #9596, 2003.

E. Optimal income taxes (1 class)

*Saez, Emmanuel, "Using Elasticities to Derive Optimal Income Tax Rates," NBER WP No. 7628, 2000.

Saez, Emmanuel, "The Desirability of Commodity Taxation under Non-Linear Income Taxation and Heterogeneous Tastes," NBER Working Paper No. 8029.

Akerlof, "The Economics of Tagging as Applied to the Optimal Income Tax," *American Economic Review*, 1978, pp. 8-19.

F. Tax Avoidance and Income Shifting (1 class)

Feldstein, "The Effect of Marginal Tax Rates on Taxable Income: A Panel Study of the 1986 Tax Reform Act," *Journal of Political Economy*, 1995, pp. 551-72.

Gruber and Saez, "The Elasticity of Taxable Income: Evidence and Implications," NBER WP #7512, 2000.

Gordon and Slemrod, "Are 'Real' Responses to Taxes Simply Income Shifting Between Corporate and Personal Tax Bases?" NBER WP #6576, 1998.

Kopczuk, "Tax Bases, Tax Rates and the Elasticity of Reported Income," NBER WP #10044, 2003.

G. Tax Enforcement (1 class)

Andreoni, Erard, and Feinstein, "Tax Compliance," *Journal of Economic Literature*, 1998, pp. 818-60.

II. U.S. tax structure

A. Personal taxation

1. Analysis of taxation of labor supply (2 classes)

*Hausman, "Taxes and Labor Supply," In *Handbook of Public Economics*, vol. I, ed. by Auerbach and Feldstein, pp. 213-263.

Eissa and Liebman, "Labor Supply Response to the Earned Income Tax Credit," *Quarterly Journal of Economics*, 1996, pp. 605-37.

Trostel, "The Effect of Taxation on Human Capital," *Journal of Political Economy*, 1993, pp. 327-50.

Gentry and Hubbard, "The Effects of Progressive Income Taxation on Job Turnover," NBER WP #9226.

Anderson-Meyer, "Using a Natural Experiment to Estimate the Effects of the Unemployment Insurance Payroll Tax on Wages, Employment, Claims, and Denials," NBER WP #6808, 1998.

2. Analysis of taxation of income from savings (1 class)

*Bernheim, "Taxation and Savings," NBER WP #7061.

Judd, "Welfare Cost of Factor Taxation in a Perfect-Foresight Model," *Journal of Political Economy*, 1987, pp. 675-709.

3. Portfolio composition (1 classes)

*Stiglitz, "The General Theory of Tax Avoidance," *National Tax Journal*, National Tax Association, 1985, pp. 325-337.

Gordon, "Taxation of Investment and Savings in a World Economy," *American Economic Review*, 1986, pp. 1086-1102.

Poterba, "Taxation, Risk-Taking, and Household Portfolio Behavior," NBER WP #8340, 2001.

Auerbach, Burman, and Siegel, "Capital-Gains Taxation and Tax Avoidance: New Evidence from Panel Data," NBER WP #6399, 1998.

Auerbach, "Retrospective Capital Gains Taxation," NBER WP #2792, 1991.

4. Deductible or excludable items (1 class)

*Feenberg, "Are Tax Price Models Really Identified: The Case of Charitable Giving," *National Tax Journal*, National Tax Association, 1987, pp. 629-633.

Bakija, Gale, and Slemrod, "Charitable Bequests and Taxes on Inheritances and Estates," NBER Working Paper No. 9661, 2003.

Finkelstein, "Interactions of Partial Public Insurance Programs and Residual Private Insurance Markets: Evidence from the U.S. Medicare Program," NBER WP #9031, 2002.

Gruber-Poterba, "Tax Incentives and the Decision to Purchase Health Insurance," *Quarterly Journal of Economics*, 1994, pp. 701-33.

Kaplow, "Transfer Motives and Tax Policy," NBER Working Paper No. 6340, 1997.

B. Corporate income taxation

1. Behavioral effects

a. Dividends (1 class)

*Poterba-Summers, "The Economic Effects of Dividend Taxation," in *Recent Advances in Corporate Finance*, ed. by Altman and Subrahmanyam, Richard D. Irwin, 1985, pp. 227-284.

Bernheim-Wantz, "A Tax-Based Test of the Dividend Signaling Hypothesis," *American Economic Review*, 1995, pp. 532-551.

b. Financial Policy (1 class)

*Auerbach, "Taxation and Corporate Financial Policy," NBER WP #8203, 2001.

Gordon-Lee, "Do Taxes Affect Corporate Debt Policy? Evidence from U.S. Corporate Tax Return Data," NBER WP #7433, 1999.

Gordon and MacKie-Mason, "How Much do Taxes Discourage Incorporation," NBER WP #3781, 1991.

c. Investment decisions (2 classes)

*Hassett and Hubbard, "Tax Policy and Investment," NBER Working Paper No. 5683, 1998.

Goolsbee, "Investment, Tax Incentives, Prices, and the Supply of Capital Goods," NBER WP #6192, 1997.

Gordon, Kalambokidis, and Slemrod, "A New Summary Measure of the Effective Tax Rate on Investment," NBER WP #9535, 2003.

Gordon and Cullen, "Taxes and Entrepreneurial Activity: Theory and Evidence for the U.S.," NBER WP #9015, 2002.

d. *International issues (1 class)*

*Gordon-Hines, "International Taxation," NBER WP #8854, 2002.

Altshuler and Grubert, "Repatriation Taxes, Repatriation Strategies and Multinational Financial Policy," NBER WP # 8144, 2001.

C. *Estate taxation (1 class)*

*Kaplow, "A Framework for Assessing Estate and Gift Taxation," NBER Working Paper No. 7775, 2000.

Kopczuk, "The Trick is to Live: Is the Estate Tax Social Security for the Rich?" NBER WP #9188, 2002.

D. *Government debt (1 class)*

*Kotlikoff, "Taxation and Savings," *Journal of Economic Literature*, 1984, pp. 1576-1629.

E. *Inflation (1 class)*

*Auerbach, "Inflation and the Tax Treatment of Firm Behavior," *American Economic Review*, May 1981, pp. 419-42.

Feldstein, "Capital Income Taxes and the Benefits of Price Stability," NBER Working Paper No. 6200, 1997.