

## LECTURE OUTLINE

- 0. Organizational Matters
- I. National Public Finance
  - A. Institutions and Overview
- M 1. The Individual Income Tax
  - a. Introduction
  - b. Tax Bases
  - c. Effect of a Tax on Capital
  - d. Effect of a Tax on Labor
  - e. Deductions
  - f. Tax Preferences
  - g. The Alternative Minimum Tax
  - h. Tax Rates
  - i. The Choice of Taxable Unit
  - j. Inflation and the Income Tax
  - k. Credits
  - l. State and Local Income Taxes
- M 2. The Corporate Income Tax
  - a. Justification
  - b. Structure
    - i. Introduction
    - ii. Income Definition
    - iii. Exemptions and Deductions
    - iv. Rates
    - v. Credits
    - vi. Other Provisions
    - vii. State Corporate Income Taxes
    - viii. Conclusions
- B. The Personal Income Tax
- M 1. Charitable Contributions

- a. Feldstein & Reece
  - b. Kingma
  - c. Greene and McClelland
  
- M      2.    Medical Expenditures - Gouveia and Strauss
  
- P      3.    Labor Supply
  - a. MaCurdy (first lecture)
  - b. Heim and Meyer ("Work Costs and Nonconvex Preferences...", first lecture)
  - c. Heim and Meyer ("Structural Models of Labor Supply...", second lecture)
  - d. Feldstein (third lecture)
  - e. Goolsbee (third lecture)
  
- M      4.    Capital Gains and Losses
  - a. Stiglitz
  - b. Feldstein (JPE)
  - c. Feldstein (Econometrica)
  - d. Feldstein and Yitzhaki
  - e. Poterba
  
- P      5.    Housing
  - a. McDonald and Moffitt (first lecture)
  - b. Lee and Trost (first lecture)
  - c. Rosen (second lecture)
  - d. Bartik (second lecture)
  
- P      6.    Incidence
  - a. Besley and Rosen (first lecture)
  - b. Gruber and Koszegi (first lecture)
  - c. Poterba (second lecture)
  - d. Mitrusi and Poterba (second lecture)
  
- M    C.    Issues in Corporate Taxation
  - 1. Modigliani — Miller
  - 2. Fullerton and King
  - 3. Poterba
  
- P    D.    Growth and Taxation - Engen and Skinner

- P E. Social Security
  - 1. Feldstein and Feldstein
  - 2. Gustman and Steinmeier
  
- M F. Tax Reform
  - 1. Consumption or Expenditure Taxes
    - a. Flat-Rate Consumption Taxes
    - b. Efficiency and Equity Analysis of Consumption Taxes
    - c. The Consumption Tax Base
    - d. Turnover Taxes
    - e. Value Added Tax — Theory
    - f. Value Added Tax — Administration
    - g. Equity and Efficiency Analysis of VAT
  - 2. The Flat Tax
    - a. Motivation
    - b. The Proposal
    - c. Analysis
  - 3. Corporate Integration
  
- II. Public Deficits and Debt
  
- M
  - A. Ricardian Equivalence
  - B. Feldstein
  - C. Poterba and Summers, Summers
  
- III. Applied General Equilibrium Models
  
- M
  - A. Introduction (Shoven and Whalley, JEL)
  - B. Ballard, Shoven and Whalley
  - C. Ballard, Fullerton, Shoven and Whalley
  
- IV. Local Public Finance
  
- P
  - A. Multi-Tiered Government and the First Best

- B. Multi-Tiered Government and the Second Best
- C. Multi-Tiered Government in the U.S.
  - 1. Legal Features
  - 2. Intergovernmental Relations
  - 3. Expenditure Shares
    - a. Data
    - b. Interpretation
  - 4. Fiscal Federalism
    - a. Feldstein (first lecture)
    - b. Knight (first and second lecture)
    - c. Gordon (second lecture)
- D. The Tiebout Hypothesis
  - 1. Theory
  - 2. Empirical Work
- E. Property Taxation
  - 1. Musgrave (first lecture)
  - 2. Oates (first lecture)
  - 3. Palmon and Smith (first lecture)
  - 4. Carrol and Yinger (second lecture)
  - 5. Oates and Schwab (second lecture)