

Pub Pol 495-004: Policy Seminar—Current Issues in Tax Policy

Ford School of Public Policy

Fall 2016

Instructor:

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Office hours: Wednesdays before class (Please sign up on Canvas)

Canvas Website: <https://umich.instructure.com/courses/105604>

Class Meetings: Mondays and Wednesdays, 1:00 – 2:30, 1230 Weill Hall

Course Description and Objectives: Oliver Wendell Holmes famously said that "Taxes are what we pay for civilized society," but who should pay and how much? In this course, we will develop the interdisciplinary tools of policy analysis and economics to engage in several current debates in tax policy at the local, state, federal, and international levels.

As a Policy Seminar, our emphasis will be on written and oral communication skills, teamwork, and discussion. My goal for this course is *not* to turn students into experts on tax policy. Rather, we will use tax policy topics as fodder to hone our analytical thinking, communication strategies, and other skills that are essential to the public policy profession.

My goals for this course include:

- Exploring the vital role that tax policy plays in our democratic society
- Applying the tools of policy analysis to current policy debates
- Developing skills to critically examine the arguments of others, both written and oral
- Providing opportunities to improve policy writing skills in multiple formats
- Providing opportunities to play different roles in oral policy discussions, presentations, and debates
- Encouraging students to improve their skills in providing critical and constructive feedback to their peers

Texts and Readings: Several chapters will be assigned from the following books:

Fisher (2016) *State and Local Public Finance*. 4th Edition

Sheffrin (2013) *Tax Fairness and Folk Justice*.

Additional readings will be posted on Canvas. Also, since this course focuses heavily on writing, I highly recommend *Economical Writing*, by Dierdre McCloskey. It's been called the "Strunk & White of economics" and, if you ask me, policy writing too.

Grading and Assignments:

Overall breakdown:	Case studies	20%
	Debates	30%
	White paper	40%
	General participation	10%

- *Case studies*—We will devote five sessions this semester to in-depth case studies that will give us the opportunity to apply some of the theories and tools we develop in class to evaluate current tax policy topics. Each student will choose two topics and prepare an issue brief to present and share with classmates. A detailed assignment description will be posted on Canvas.
- *Debates*—We will devote six sessions this semester to holding mock debates. Similar to the case studies, the debates will allow us to apply our knowledge, but you will be further challenged by having to argue different sides of the issues. Students will be assigned to three teams, and each team will be assigned a role for each debate. Deliverables for these group projects will be described in a detailed assignment description posted on Canvas.
- *White paper*—The main project for the semester is the development of a 15-20 page "white paper" on the tax policy topic of your choice. The white paper will require you to do outside research on your topic and develop an expert opinion and policy recommendations. Details and due dates will be posted on Canvas.

Other Course Policies:

- Please let me know immediately if you have a conflict or disability that might inhibit you from meeting due dates or otherwise fully participating in the class. I will make appropriate accommodations.
- No extra credit.
- Additional information about the Ford School's community norms and academic expectations is available at <http://fordschool.umich.edu/academics/expectations>. Please let me know if you have any questions about how these apply in our class.

Schedule of Topics

W	6-Sep	Introduction
M	12-Sep	Tax policy basics
W	14-Sep	Purposes and principles of good tax policy
M	19-Sep	Excise taxes and externalities
W	21-Sep	Case Study--Carbon tax
M	26-Sep	Debate--Soda tax
W	28-Sep	Taxing consumption
M	3-Oct	Consumption, cont.
W	5-Oct	Case Study--Marketplace Fairness Act
M	10-Oct	Debate--Should the U.S. adopt a VAT?
W	12-Oct	Taxing income
M	17-Oct	No class--Study break
W	19-Oct	Taxing business income
M	24-Oct	Capital gains, estate tax, AMT
W	26-Oct	Case Study--Taxes and inequality
M	31-Oct	Debate--"Buffett Rule"
W	2-Nov	Case Study--Clinton & Trump Tax Plans
M	7-Nov	Debate--Clinton vs. Trump
W	9-Nov	Property tax issues
M	14-Nov	Taxes and federalism, tax competition
W	16-Nov	Case study--tax incentives
M	21-Nov	Debate--Should municipal bonds be tax exempt?
W	23-Nov	Office Hours only
M	28-Nov	International tax issues
W	30-Nov	Debate--Worldwide vs. territorial taxation
M	5-Dec	Peer reviews
W	7-Dec	Presentations
M	12-Dec	Presentations