For the first class, please prepare the materials for Unit 1A, Introduction.
Tax Policy Seminar
Fall 2017
Professor Ariel Stevenson
Ajs24@nyu.edu

Course Description

Tax policy considerations touch on many of society’s deepest-held beliefs, informing decisions about welfare and distributional justice, allocation of the cost of government, and even the public treatment of private indulgences (i.e. “sin” taxes). In this seminar we will start from first principles to understand the basic goals and theories that underlie our tax system, including concepts of income, progressivity, efficiency and equity, and ability to pay, among others. With a foundation established, we will then explore specific tax policy topics, including tax expenditures, consumption taxation, estate and gift taxation, compliance and enforcement, and current tax policy initiatives. Students will be encouraged to consider not only what the tax law currently is, but what ideal tax law ought to be. The goal of the seminar is to provide students the tools to discuss and analyze tax policy, professionally or otherwise.

Schedule and Attendance
Our class will meet on Monday afternoon from 4:10 – 6:00p.m. in FH 318. Note that, due to Labor Day, the first class will meet on Wednesday, Sep. 6th (still from 4:10-6:00p.m. in FH 318).

Attendance in this class is required, as your participation will count for 20% of your grade. If you are unable to attend class on a particular day, please e-mail me in advance. Absences are excused for medical, emergency, religious, or similar reasons. Unexcused absences will adversely affect your grade in the course. Whether an absence is excused or unexcused, you are responsible for all material covered during any class that you miss.

Syllabus and Assignments
A brief list of the topics that we will cover in this class is included on Page 3 of this course description. Assignments and materials for each topic will be posted on NYU Classes under “Course Materials.” I will announce the assignment for the following week at the end of each class. Please bring a copy of all readings to class each week.

The assignment for our first class is to prepare the materials for Section I(A), Introduction.

Course Materials
Course materials will be posted on NYU Classes. If you would like deeper background on tax policy in general, I recommend the following books (portions of these books will also be assigned as course reading):

**Reading Responses**
All students are required to prepare 3 short response papers during the semester, which will be posted to the course website in addition to being e-mailed to me. Students will sign up for response paper topics after the first week. The first response papers are due during the third week of class.

Responses should be no longer than 1 page, and should offer critical analysis of the readings assigned for that topic. For example, students may wish to compare alternative viewpoints from different readings, discuss a current tax policy issue in the context of themes addressed in the materials, express agreement or disagreement with an author’s conclusions, or respond to a classmate’s prior post. Merely summarizing the readings is insufficient.

Adequate completion of these papers will comprise 10% of your grade. Students will earn full credit for papers that are responsive to the topic and demonstrate thoughtful engagement with the materials.

Response papers are due **no later than 9:00am on the morning of class.** Students should e-mail response papers to me (at ajs24@nyu.edu), as well as post them on the course website on NYU Classes, in the Class Discussion tab, under the appropriate topic heading. This is to enable all students to read classmates’ response papers. Late papers, or those that otherwise fail to follow these instructions, will be penalized.

**Grading & Exam**
Assessment will be based on class participation (20%), response papers (10%), and an exam (70%).

The exam will be an in-class, three-hour exam. It will be open-book and consist of essay questions. More information on the exam will be provided at the end of the semester.

**No Video or Audio Recording**
Please do not video or audio record any class or part of a class using any type of device. If you would like a class to be recorded due to a medical or family emergency, or religious holiday, please contact me to discuss your situation.

**Office Hours**
I will hold office hours on Tuesday afternoons, 2:00 – 4:00p.m. My office is in Vanderbilt Hall, Room 430D.

If you would like to meet with me but are unable to attend office hours, please e-mail me to schedule an alternate time.
SYLLABUS

I. Fundamentals
   A. Introduction – what is tax policy?
   B. Tax goals and ideal attributes – simplicity, efficiency, fairness
   C. Theories of distributive justice
   D. Progressivity
   E. Administration and compliance

II. The Tax Base
   A. Income tax v. consumption tax
      i. Basic theories
      ii. Direct consumption taxation – qualified accounts v. tax prepayment accounts
      iii. Indirect consumption taxation – the Value Added Tax (VAT)
   B. Tax expenditures
   C. Realization requirement
   D. Capital gain preference

III. The Corporate Tax

IV. Taxes and Social Policy – taxation of the family and social welfare benefits

V. The Estate Tax and Taxing Wealth