ECON 3405 A - Introduction to Public Economics: Taxation

Fall Term, 2017

Carleton University
Department of Economics
Instructor: Eric Stephens
eric.stephens@carleton.ca
Loeb Building D-898

Meeting Times:

Lectures: Mondays, 11:35-2:25 p.m, Southam Hall 404.
Office hours: Fridays 12-2 p.m.
Website: Accessible through cuLearn at https://www.carleton.ca/culearn

Course Objectives:

This course provides an introduction to some of the key economic issues related to taxation. Topics include taxation and the income distribution, equity and efficiency, incidence, income taxes, corporate taxes, consumption and wealth taxes.

Prerequisites:

ECON 1000 or FYSM 1003. Students who believe they have taken a similar background course or courses from another university must provide appropriate documentation to the Department of Economics Undergraduate Administrator, Amanda Wright. Credit will not be given if taken concurrently with or after ECON 4401 (no longer offered) or ECON 4404.

Required Textbook:

The course will follow Public Finance in Canada Harvey S. Rosen, Jean-Francois Wen, Tracy Snoddon. McGraw-Hill Ryerson Ltd., 4th Canadian Edition. The 5th edition may be available at the bookstore this semester, either edition is fine. All other course materials will be provided on the web-page at https://www.carleton.ca/culearn.
Topics:

The following table outlines the list of major topics to be discussed throughout the semester along with the accompanying section in the text. The amount of time devoted to each will vary.

<table>
<thead>
<tr>
<th>Topic</th>
<th>Chapters</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introductory material</td>
<td>1,2,3</td>
</tr>
<tr>
<td>Taxation and the Income Distribution</td>
<td>14</td>
</tr>
<tr>
<td>Taxation and Efficiency</td>
<td>15</td>
</tr>
<tr>
<td>Efficiency and Equity</td>
<td>16</td>
</tr>
<tr>
<td>Income Taxation</td>
<td>17</td>
</tr>
<tr>
<td>Taxation and Behaviour</td>
<td>18</td>
</tr>
<tr>
<td>Consumption Taxes</td>
<td>19</td>
</tr>
<tr>
<td>Wealth Taxes</td>
<td>20</td>
</tr>
<tr>
<td>Corporate Taxes</td>
<td>21</td>
</tr>
</tbody>
</table>

Grading:

Marks are based on two assignments (of equal weight), a midterm and a final exam (the final exam is cumulative). Weights are as follows:

- Assignments 10 %
- Midterm 35 %
- Final 55 %

Assignments are to be handed in at the beginning of lecture on the day specified. Each student MUST write up his/her assignments independently. In addition to the assignments, students are encouraged to work through as many textbook problems as possible, since these are the best way to learn the course material.

There will be no make-up midterm exam. Students who can document a compelling reason for missing the midterm examination will be excused. Students must inform the instructor of such an absence in advance if possible. The weight of a midterm examination missed for valid reasons will be placed on the final exam. The final examination will be scheduled by the University.

See Academic Regulation 2.3 for the official meanings of final grades, and note that it stipulates that no course grades are final until approved by the Faculty Dean. Further, course grades may be scaled upwards or downwards in a rank-preserving manner to better fit the relevant departmental distributional norm. Application to write a deferred final examination must be made at the Registrars Office.

Plagiarism:

Please be aware that plagiarism is serious offence at Carleton and should be recognized and avoided. For further information, please see Pammett on Plagiarism and Paraphrasing at http://www.carleton.ca/economics/courses/writing-preliminaries/.
Accommodation Statement:

You may need special arrangements to meet your academic obligations during the term. For an accommodation request the processes are as follows:

**Pregnancy obligation:** write to me with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. For more details visit the Equity Services website: [http://www2.carleton.ca/equity/](http://www2.carleton.ca/equity/)

**Religious obligation:** write to me with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. For more details visit the Equity Services website: [http://www2.carleton.ca/equity/](http://www2.carleton.ca/equity/)

**Academic Accommodations for Students with Disabilities:** The Paul Menton Centre for Students with Disabilities (PMC) provides services to students with Learning Disabilities (LD), psychiatric/mental health disabilities, Attention Deficit Hyperactivity Disorder (ADHD), Autism Spectrum Disorders (ASD), chronic medical conditions, and impairments in mobility, hearing, and vision. If you have a disability requiring academic accommodations in this course, please contact PMC at 613-520-6608 or pmc@carleton.ca for a formal evaluation. If you are already registered with the PMC, contact your PMC coordinator to send me your *Letter of Accommodation* at the beginning of the term, and no later than two weeks before the first in-class scheduled test or exam requiring accommodation (if applicable). After requesting accommodation from PMC, meet with me to ensure accommodation arrangements are made. Please consult the PMC website for the deadline to request accommodations for the formally-scheduled exam (if applicable) at [http://www2.carleton.ca/pmc/new-and-current-students/dates-and-deadlines/](http://www2.carleton.ca/pmc/new-and-current-students/dates-and-deadlines/)

You can visit the Equity Services website to view the policies and to obtain more detailed information on academic accommodation at [http://www2.carleton.ca/equity/](http://www2.carleton.ca/equity/)