

UNIVERSITY OF CALIFORNIA, IRVINE
DEPARTMENT OF ECONOMICS

DAVID R. AGRAWAL

TuTh 11:00-12:20

ECON 272B

PUBLIC ECONOMICS

Fall 2025

SSPA 3218

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Nature of Syllabus: The course syllabus is a general plan for the course; deviations announced to the class by the instructor may be necessary.

Course Objectives and Learning Outcomes: The principal objective of this course is to provide an understanding of the role of government intervention in the economy from both a theoretical and an empirical perspective. The emphasis will be on learning techniques that can be applied to produce original research and to critically analyze existing research in the field of public economics. The focus in this half of the course will be on tax policy and translating empirical estimates into welfare measures. The course will help you: 1) to provide a working knowledge of modern theoretical and empirical techniques for investigating how taxes affect economic behavior and how tax policy should be designed, 2) to sharpen how to think critically about the economics of taxation, and 3) to gain experience in identifying and answering tax-related research questions.

Textbooks and Readings: The required textbook for the course is *Tax Systems* by Joel Slemrod and Christian Gillitzer (1st edition, MIT Press). The book is out of print, but is available in online form from the university library. We will also make extensive use of journal articles listed at the end of this syllabus. While this course will include examples from taxes around the world, it will also draw on U.S. examples. If you are not familiar with the U.S. tax system, the 2nd edition of *Taxes in America: What Everyone Needs to Know* by Leonard Burman and Joel Slemrod is a useful resource. In addition, useful resources include the book titles below. I recommend that anyone wishing to do research in public economics seriously consider all of these textbooks.

- A. Auerbach and M. Feldstein, *Handbook of Public Economics*, Volumes 1, 2, 3, and 4. (Amsterdam: North Holland, 1985, 1987, 2002, 2002).

- A. Auerbach, R. Chetty, M. Feldstein, E. Saez. Handbook of Public Economics, Volume 5. (Amsterdam: North Holland, 2013).
- L. Kaplow. The Theory of Taxation and Public Economics. (Princeton: Princeton University Press, 2010).
- B. Salanie, Economics of Taxation, 2nd edition (Cambridge: MIT Press, 2011).
- G. Myles, Public Economics (New York: Cambridge University Press, 1995).
- A. Atkinson and J. Stiglitz, Lectures in Public Economics (New York: McGraw Hill, 1980).
- J. Slemrod and J. Bakija. Taxing Ourselves: A Citizen's Guide to the Debate over Tax Reform. Fifth edition. (Cambridge: MIT Press, 2017).
- H. Rosen and T. Gayer. Public Finance. Tenth edition. (McGraw-Hill, 2013).
- D. Wildasin. Urban Public Finance. (Abingdon, UK: Routledge 2013).
- M. Keen and J. Slemrod. Rebellion, Rascals, and Revenue: Tax Follies and Wisdom through the Ages. (Princeton University Press 2021).
- D.R. Agrawal, J.M. Poterba, and O. Zidar. Policy Responses to Tax Competition. (University of Chicago Press, 2025).

Online Materials: We will use the canvas system (<https://canvas.eee.uci.edu/>) for this semester. It is important you check this website regularly as I will post assignments to canvas and will use the announcements tool to send you important information. You are responsible for maintaining and checking your University email account and the canvas announcements on a daily basis. Please use your university email account for your academic correspondence to me so that it does not go to my spam folder.

Select readings will be made available online through canvas. My lecture notes are also posted to canvas.

Copyright: All course content created by the course instructor including but not limited to this document, lecture slides, homework assignments, exams, and answer keys are copyrighted by the course instructor. Unauthorized distribution or sale of copyrighted course materials to any other person or website, violates the UCI student code of conduct. Students found to be in violation will be reported to the university administration.

Grades: Grades for the class will be assigned based on the following information.

Requirement	% of Final Grade
Final Exam	20%
Paper Summaries	15%
Paper/Mini-papers	50%
Referee Report	15%
Problem Sets	0%

Problem Sets: Problem sets will be listed on canvas. You may work in groups on the problem sets and studying in groups is highly encouraged. However, you must write up your own solution to each problem set. I welcome solutions that are typeset and all solutions show all work. Problem sets will not be graded, but will help you prepare for the exam.

Final Exam: The course will contain a final exam. The final exam is cumulative. The final exam will be given in its university appointed time slot. An excused absence from the final exam will be given if you contact me *before* the exam and for an unexpected emergency (illness that prevents you from taking the exam or could harm the health of others; a documented family emergency). You must provide appropriate documentation.

Paper Summaries: Graduate education requires careful reading of academic articles. Students are expected to be familiar with the broad literature, but will be assigned one of the readings for four out of the six modules to write a paper summary.¹ For the assigned paper in each module, students will write a two-page (typewritten) summary of a paper for the module. The summary must be turned in before the start of the first class where we discuss papers in that module. The summary must address the following (please number answers in the write-up): (1) What is the main question? (2) What does economic theory predict about the main question? (3) What data are used? (4) What are the key parameters to be identified? (5) What is the identification strategy of the empirical approach? (6) What are the threats to identification and does the author adequately address them? (7) What are the main findings of the paper? (8) How does the paper contribute to the relevant literature?

Referee Report: The referee report is a critical assessment of an unpublished paper that I will provide to students to review. This report should be no longer than 5 pages and typically is 2 single spaced pages. The report should (1) assess the paper's contribution to the relevant literature; (2) discuss key weaknesses of the paper; and (3) make suggestions for improvement. Students should also prepare a one page cover letter containing a confidential recommendation for the journal editor (accept, revise and resubmit, reject) along with a brief justification. Students will be assigned a random article.

Paper/Mini-papers: Students may either write one long paper, due in the last day of class, or two short papers one due in the middle of the class and the other on the last day of class. The long paper (which will be your default choice if you do not turn in a short one midway through the term) will be a standard research paper. If you select this option,

¹This is inspired by Melissa S. Kearney's syllabus.

you should consult with me before beginning the research agenda. The short papers will be less complete. They will motivate a piece of research (a different one for each paper), describe its methods and the related literature. The only thing distinguishing it from a standard paper is that the actual analysis will not be finished. Note, a critical component of the evaluation of the short papers will include their feasibility. If the work could never be done, they will not be well received. Given this course is on urban economics, all papers written for this course should be related to this broad theme, but need not relate to material covered this term. While papers can be typed in any software, I especially am pleased to see papers written in L^AT_EX or L^yX. If you don't know these, now is a good time to learn.

Letter of Introduction: By the fourth lecture, please write a one-page letter of introduction of yourself to me. Include your name and anything about yourself that you would like to share such as your future research interests. I want to learn about you and your interests throughout the semester and this will help start that process. Please upload it to canvas.

Accommodations: If you require special accommodation, then you must submit documentation from the Disability Service Center (DSC) to me within the first two weeks of the quarter and you must inform me in writing at least one week in advance of each instance for which an accommodation will be required.

Academic Honesty: I take academic integrity seriously and you should too. The minimum academic penalty for cheating on a homework assignment or exam is a zero grade for the assignment or exam in question and the maximum academic penalty will be a failing grade for the course. Additional administrative penalties may be imposed by the university. I will report suspected academic misconduct to the Office of Academic Integrity & Student Conduct. Review the university's policies at: <https://conduct.uci.edu/>. Questions about proper procedures are always appropriate – and welcome – before work is submitted. Especially important for doctoral students is to understand appropriate attribution and plagiarism.

Artificial Intelligence: In this class, you should complete your work without using AI-generated sources to augment, think through, or write your assignments. There is one exception: you are welcome to use AI tools for editing (spell-check and grammar-check) as long as you do not use them for thinking or drafting. If using AI for editing, a footnote on the front page should include a note stating the AI tool you used on prompt(s) you gave it. If you submit work that appears to have been written using AI sources, I will ask you to meet with me to discuss your thinking and writing process. If, after our conversation, I conclude it's more likely than not that you did not personally complete an assignment you submitted under your name, I will report a violation of the campus Academic Integrity Policy to the campus Office of Academic Integrity & Student Conduct and award a score of zero on the assignment.

Children in the Classroom: All babies (nursing, bottle-feeding, etc.) are welcome in class

as often as is necessary. For older children I understand that disruptions to childcare may happen. Rather than missing class, you are welcome to bring your child to class. If bringing a child to class, feel free to bring activities and (quiet) toys to keep them having fun.

Schedule: The following list indicates when we will cover various topics. As this is my first time teaching this class, its highly likely we will deviate from this schedule or that I will not cover certain topics. The required readings will be provided as we progress.

Day	Module	Readings	What is due?
09/25	Why Public Economics is Great!	SG1	
09/30	Inequality		
10/02	Welfare Analysis		
10/07	Welfare Analysis		
10/09	Optimal Income Tax and Optimal Progressivity	SG2	
10/14	Optimal Commodity Tax		
10/16	Consumption vs. Income vs. Wealth		
10/21	Empirical Evidence on Behavioral Responses		
10/23	Tax Base	SG8	
10/28	Tax Base		
10/30	Optimal Tax Systems	SG7, SG9	
11/04	Optimal Tax Systems		
11/06	Wealth and Estate Taxation		Paper 1 Due
11/11	HOLIDAY		
11/13	Mobility		
11/18	Local Public Economics		
11/20	Local Public Economics		
11/25	Tax Competition		
11/27	HOLIDAY		
12/02	Fiscal Federalism		
12/04	Fiscal Federalism		Referee Report Due
12/09	EXAM 10:30-12:30		Final Exam & Paper 2 Due

MODULES: The following is a list of topics that we will cover. Reading articles will be added as we progress.

TOOLS OF WELFARE ANALYSIS: EFFICIENCY AND EQUITY:

- Vertical equity

T. Piketty and E. Saez, "Income Inequality in the United States: 1913-1998." *Quarterly Journal of Economics*, 118 No. 1 (February, 2003): 1-39.

T. Piketty, E. Saez, and G. Zucman. "Distributional National Accounts: Methods and Estimates for the United States." *Quarterly Journal of Economics*, 131 No. 2 (May, 2018): 519-578.

G. Auten and D. Splinter, "Income Inequality in the United States: Using Tax Data to Measure Long-Term Trends." Working paper, August 23, 2018.

J. Slemrod, "The Economics of Taxing the Rich," in J. Slemrod (ed.), *Does Atlas Shrug? The Economic Consequences of Taxing the Rich* (Cambridge and New York: Harvard University Press and the Russell Sage Foundation, 2000): 3-28.

Smith, M., D. Yagan, O. Zidar, and E. Zwick (2019). "Capitalists in the twenty-first century". *The Quarterly Journal of Economics* 134 (4), 1675-1745.

Smith, M., D. Yagan, O. Zidar, and E. Zwick (2022). "The rise of pass-throughs and the decline of the labor share". *American Economic Review: Insights* 4 (3), 323-340.

Baselgia, E., and I. Martinez (Forthcoming). "Using rich lists to study the super-rich and top wealth inequality: Insights from Switzerland". *The Review of Economics and Statistics*.

- Horizontal equity

R. Musgrave, "ET, OT, and SBT," *Journal of Public Economics*, 6 No. 1/2 (July-August, 1976): 3-16.

L. Kaplow, "Horizontal Equity: Measures in Search of a Principle," *National Tax Journal*, 42 No. 2 (June, 1989): 139-154.

L. Kaplow and S. Shavell, "Any Non-Welfarist Method of Policy Assessment Violates the Pareto Principle." *Journal of Political Economy*, 109 No. 2 (April 2001): 281-286.

- Social welfare maximization and the theory of sufficient statistics.

Arnold C. Harberger. 1964. *The Measurement of Waste*. *The American Economic Review*, Vol. 54, No. 3, *Papers and Proceedings of the Seventy-sixth Annual Meeting of the American Economic Association*, pp. 58- 76

Raj Chetty. 2009. *Sufficient Statistics for Welfare Analysis: A Bridge Between Structural and Reduced-Form Methods*, *Annu. Rev. Econ.* 1:451-87.

Dahlby, B., 2008. *The marginal cost of public funds: Theory and applications*. MIT press.

- The marginal value of public funds.

Slemrod, Joel and Shlomo Yitzhaki (Mar. 1996). *The Cost of Taxation and the Marginal Efficiency Cost of Funds*. *IMF Staff Papers* 43.1, 172-198.

Slemrod, Joel and Shlomo Yitzhaki (2001). Integrating Expenditure and Tax Decisions: The Marginal Cost of Funds and the Marginal Benefit of Projects. *National Tax Journal* 54.2, 189–202.

Nathan Hendren. 2016. "The policy elasticity". *Tax Policy and the Economy* 30 (1).

Finkelstein, A. and Hendren, N., 2020. Welfare analysis meets causal inference. *Journal of Economic Perspectives*, 34(4), pp.146-167.

Hendren, N. and Sprung-Keyser, B., 2020. A unified welfare analysis of government policies. *The Quarterly Journal of Economics*, 135(3), pp.1209-1318.

Boning, W.C., Hendren, N., Sprung-Keyser, B. and Stuart, E., 2025. A welfare analysis of tax audits across the income distribution. *The Quarterly Journal of Economics*, 140(1), pp.63-112.

Agrawal, D.R., Hoyt, W.H. and Ly, T., 2022. A new approach to evaluating the welfare effects of decentralized policies. Available at SSRN 4009872.

Bastani, S., 2024. The marginal value of public funds: a brief guide and application to tax policy. *International Tax and Public Finance*.

- Excess burden

A. Auerbach and J. Hines, "Taxation and Economic Efficiency," in A. Auerbach and M. Feldstein (eds.), *Handbook of Public Economics*, Vol. 3 (Amsterdam: North-Holland, 2002) pp. 1347-1421.

A. Auerbach, "The Theory of Excess Burden and Optimal Taxation," in A. Auerbach and M. Feldstein (eds.), *Handbook of Public Economics*, Vol. 1 (Amsterdam: North-Holland, 1985).

Chipman, John S. and James C. Moore. "Compensating Variation, Consumer's Surplus and Welfare." *American Economic Review*, 70(5), 1980, 933-49.

D. Corlett and E. Hauge, "Complementarity and the Excess Burden of Taxation." *Review of Economic Studies* 21(1): 21-30, 1953

P. Diamond and D. McFadden, "Some Uses of the Expenditure Function in Public Finance," *Journal of Public Economics* 3 (1974), 3-21.

D. Fullerton, "Reconciling Recent Estimates of the Marginal Welfare Cost of Taxation", *American Economic Review*, 81(1), March 1991, 302-308.

A. Harberger, "The Measurement of Waste", *American Economic Review*, 54(3), 1964, 58-76.

OPTIMAL TAXATION

- Optimal progressivity

J. Mirrlees, "An Exploration in the Theory of Optimum Income Taxation," *Review of Economic Studies*, 38 No. 2 (April, 1971): 175-208.

N. Stern, "On the Specification of Models of Optimum Income Taxation," *Journal of Public Economics*, 6 No. 1-2 (July/August, 1976): 123-62.

J. Seade, "On the Shape of Optimal Tax Schedules," *Journal of Public Economics*, 7 No. 2 (April, 1977): 202-35.

E. Sheshinski. "The Optimal Linear Income Tax." *Review of Economic Studies*, 68 (1972): 297-302.

- J. Slemrod, S. Yitzhaki, J. Mayshar, and M. Lundholm, "The Optimal Two-Bracket Linear Income Tax," *Journal of Public Economics*, 53 No. 2 (February, 1994): 269-90.
- H. Varian, "Redistributive Taxation as Social Insurance," *Journal of Public Economics*, 14 No. 1 (August, 1980): 49-68.
- P. Diamond, "Optimal Income Taxation: An Example with a U-Shaped Pattern of Optimal Marginal Tax Rates," *American Economic Review*, 88 No. 1 (March, 1998): 83-95.
- E. Saez, "Using Elasticities to Derive Optimal Income Tax Rates," *Review of Economic Studies*, 68 No. 1 (January, 2001): 205-29.
- C. Rothschild and F. Scheuer. "Optimal Taxation with Rent-Seeking." *The Review of Economic Studies*, 83 No. 3 (July, 2016): 1225-1262.
- B. Lockwood, C. Nathanson, and E.G. Weyl. "Taxation and the Allocation of Talent." *Journal of Political Economy*, 125 No. 5 (October, 2017): 1635-1682.
- Optimal commodity taxation

F.P. Ramsey. 1927. A Contribution to the Theory of Taxation. *The Economic Journal*, Vol. 37, No. 145, pp. 47-61.

P. Diamond and J. Mirrlees, "Optimal Taxation and Public Production I: Production Efficiency," *American Economic Review*, 61 No. 1 (March, 1971): 8-27.

P. Diamond and J. Mirrlees, "Optimal Taxation and Public Production II: Tax Rules," *American Economic Review*, 61 No. 3, Pt. 1 of 2 (June, 1971): 261-78.

A. Sandmo, "Optimal Taxation: An Introduction to the Literature," *Journal of Public Economics*, 6 No. 1-2 (July / August, 1976): 37-54.

A. Deaton, "Econometric Issues in Tax Design for Developing Countries," in D. Newbery and N. Stern (eds.), *The Theory of Taxation for Developing Countries* (Oxford: Oxford University Press, 1987) pp. 92-113.

M. J. Boskin and E. Sheshinski, "Optimal Tax Treatment of the Family: Married Couples," *Journal of Public Economics*, 20 No. 3 (April, 1983): 281-401.

P. Diamond, "A Many-Person Ramsey Tax Rule," *Journal of Public Economics*, 4, 1975, 335-342.

James R. Hines Jr. and Michael J. Keen, Certain effects of random taxes, *Journal of Public Economics*, November 2021, 203 (104412), 1-13.
 - Externalities and Internalities

A. Sandmo, "Optimal Taxation in the Presence of Externalities," *Swedish Journal of Economics*, 77 No. 1 (1975): 86-98.

L. Bovenberg and R. de Mooij, "Environmental Levies and Distortionary Taxation." *American Economic Review*, 84, No. 4 (September, 1994): 1085-1089.

B. Lockwood and D. Taubinsky, "Regressive Sin Taxes," NBER WP No. 23085, March 2017.
 - Consumption vs. Income

D. Bradford, "The Choice between Income and Consumption Taxes," in D. Bradford (ed.), *Taxation, Wealth, and Saving*. (Cambridge, MA: MIT Press, 2000), pp. 41-63.

Wildasin, D., 1990. RM Haig: Pioneer advocate of expenditure taxation?. *Journal of*

Economic Literature, pp.649-654.

Saez, E. and Zucman, G., 2022, May. Wealth taxation: lessons from history and recent developments. In AEA Papers and Proceedings (Vol. 112, pp. 58-62). 2014 Broadway, Suite 305, Nashville, TN 37203: American Economic Association.

Saez, E. and Zucman, G., 2019. Progressive wealth taxation. *Brookings Papers on Economic Activity*, 2019(2), pp.437-533.

Scheuer, F. and Slemrod, J., 2021. Taxing our wealth. *Journal of Economic Perspectives*, 35(1), pp.207-230.

MEASURING THE BEHAVIORAL RESPONSE TO TAXATION AND THE TAX Base

- Labor supply elasticities

R. Blundell, A. Duncan and C. Meghir, "Estimating Labor Supply Responses Using Tax Reforms," *Econometrica* 66 (July 1998), 827-862.

J. Hausman "Taxes and Labor Supply", in A. Auerbach and M. Feldstein, eds, *Handbook of Public Finance*, Vol I, North Holland 1985, sections 1-3.

C. Meghir and David Phillips, "Labour supply and taxes", in *Dimensions of Tax Design: the Mirrlees Review*, Oxford University Press, 2010.

- Bunching

E. Saez. "Do Filers Bunch at Kink Points?" *American Economic Journal: Economic Policy*, 2 No. 3 (August, 2010): 180-212.

H. Kleven. "Bunching." *Annual Review of Economics*, 8 (2016): 435-464.

- Recent Evidence

Kleven, H. J. and E. A. Schultz (2014). "Estimating taxable income responses using Danish tax reforms". *American Economic Journal: Economic Policy* 6 (4), 271–301.

Piketty, T., E. Saez, and S. Stantcheva (2014). "Optimal taxation of top labor incomes: A tale of three elasticities". *American Economic Journal: Economic Policy* 6 (1), 230–271.

Bachas, P., L. Gadenne, and A. Jensen (Forthcoming). "Informality, consumption taxes and redistribution." *The Review of Economic Studies*.

Benzarti, Y. and D. Carloni (2019). "Who really benefits from consumption tax cuts? Evidence from a large VAT reform in France". *American Economic Journal: Economic Policy* 11 (1), 38–63.

Einav, L., D. Knoepfle, J. Levin, and N. Sundaresan (2014). "Sales taxes and internet commerce." *American Economic Review* 104 (1), 1–26.

Bertrand, M., E. Kamenica, and J. Pan (2015). "Gender identity and relative income within households". *The Quarterly Journal of Economics* 130(2), 571-614.

Bitler, M. P., J. B. Gelbach, and H. W. Hoynes (2006). "What mean impacts miss: Distributional effects of welfare reform experiments". *American Economic Review* 96(4), 988-1012.

Golosov, M., M. Graber, M. Mogstad, and D. Novgorodsky (2024). "How Americans respond to idiosyncratic and exogenous changes in household wealth and unearned income". *The Quarterly Journal of Economics* 139(2), 1321-1395.

- Keane, M. (2011). "Labor Supply and Taxes: A Survey." *Journal of Economic Literature* 49(4), 961-1075.
- Kleven, H. (2024). "The EITC and the extensive margin: A reappraisal". *Journal of Public Economics*.
- Martinez, I. Z., E. Saez, and M. Siegenthaler (2021). "Intertemporal labor supply substitution? Evidence from the Swiss income tax holidays". *American Economic Review* 111 (2), 506–546.
- Sigurdsson, J. (Forthcoming). "Labor supply responses and adjustment frictions: A tax-free year in Iceland." *American Economic Journal: Economic Policy*.
- Sourcing Rules

Lockwood, B., 1993. Commodity tax competition under destination and origin principles. *Journal of Public Economics*, 52(2), pp.141-162.

Keen, M. and Lahiri, S., 1998. The comparison between destination and origin principles under imperfect competition. *Journal of International Economics*, 45(2), pp.323-350.

Agrawal, D.R. and Brueckner, J.K., 2025. Taxes and telework: The impacts of state income taxes in a work-from-home economy. *Journal of Urban Economics*, 145, p.103732.

Agrawal, D.R. and Hoyt, W.H., 2018. Commuting and taxes: Theory, empirics and welfare implications. *The Economic Journal*, 128(616), pp.2969-3007.

Rork, J.C. and Wagner, G.A., 2012. Is there a connection between reciprocity and tax competition?. *Public Finance Review*, 40(1), pp.86-115.

Auerbach, A.J., Devereux, M.P., Keen, M. and Vella, J., 2017. Destination-based cash flow taxation.

Serrato, J.C.S. and Zidar, O., 2018. The structure of state corporate taxation and its impact on state tax revenues and economic activity. *Journal of Public Economics*, 167, pp.158-176.

Agrawal, D.R. and Shybalkina, I., 2024. Remittance rules and the distribution of local tax revenue: Evidence after Wayfair. *National Tax Journal*, 77(4), pp.813-831.

Marion, J. and Muehlegger, E., 2018. Tax compliance and fiscal externalities: Evidence from US diesel taxation. *Journal of Public Economics*, 160, pp.1-13.

Agrawal, D.R. and Shybalkina, I., 2023. Online shopping can redistribute local tax revenue from urban to rural America. *Journal of Public Economics*, 219, p.104818.
 - Information Reporting

J. Naritomi. "Consumers as Tax Auditors." *American Economic Review* 109: 9 2019. 3031-3072.

J. Slemrod, B. Collins, J. Hoopes, D. Reck, and M. Sebastiani, "Does Credit-Card Information Reporting Improve Small-Business Tax Compliance?" *Journal of Public Economics*, 149 (May, 2017): 1-19.

G. Fack and C. Landais. "The Effect of Tax Enforcement on Tax Elasticities: Evidence from Charitable Contributions in France." *Journal of Public Economics*, 133 (January, 2016): 23-40.

M. Almunia and D. Lopez-Rodriguez. "Under the Radar: The Effect of Monitoring

Firms on Tax Compliance." *American Economic Journal: Economic Policy*, 10 No. 1 (February, 2018): 1-38.

N. Johannesen, P. Langtieg, D. Reck, M. Risch, and J. Slemrod. "Taxing Hidden Wealth: The Consequences of U.S. Enforcement Initiatives on Evasive Foreign Accounts." University of Michigan working paper, November, 2017.

- Withholding

A. Brockmeyer, and M. Hernandez. "Taxation, Information, and Withholding: Evidence from Costa Rica." World Bank Policy Research Working Paper, 2017.

- Public Disclosure

M. Hasegawa, J. Hoopes, R. Ishida, and J. Slemrod. "The Effect of Public Disclosure on Reported Taxable Income: Evidence from Individuals and Corporations in Japan." *National Tax Journal*, 66 No. 3 (September, 2013): 571-608.

E. Bø, J. Slemrod, and T.O. Thoresen. "Taxes on the Internet: Deterrence Effects of Public Disclosure." *American Economic Journal: Economic Policy*, 7 No. 1 (February, 2015): 36-62.

J. Hoopes, Jeffrey, L. Robinson, and J. Slemrod. "Tax-Return Disclosure." *Journal of Accounting and Economics*, 66 No. 1 (August, 2018): 142-162.

J. Slemrod, O. Ur Rehman and M. Waseem. "Pecuniary and Non-Pecuniary Motivations for Tax Compliance: Evidence from Pakistan." Working paper.

IMPLEMENTING TAX SYSTEMS

- Policy background

R. Bird, "The Administrative Dimension of Tax Reform in Developing Countries," in M. Gillis (ed.), *Tax Reform in Developing Countries* (Durham and London: Duke University Press, 1989) pp. 315-346.

- Lines and notches

A. Blinder and H. Rosen, "Notches," *American Economic Review*, 75 No. 4 (September 1985): 736-747.

H. Kleven and J. Slemrod. "A Characteristics Approach to Optimal Taxation and Tax-Driven Product Innovation." Working paper, May 2008.

- Extending optimal tax theory

J. Slemrod, "Optimal Taxation and Optimal Tax Systems," *Journal of Economic Perspectives*, 4 No. 1 (Winter, 1990): 157-178.

J. Slemrod and S. Yitzhaki, "Tax Avoidance, Evasion, and Administration," in A. Auerbach and M. Feldstein (eds.), *Handbook of Public Economics*, Vol. 3 (Amsterdam: North-Holland, 2002,) pp. 1423-1470.

S. Yitzhaki, "A Note on Optimal Taxation and Administrative Costs," *American Economic Review*, 69 No. 3 (June, 1979): 475-480.

N. Stern, "Optimum Taxation with Errors in Administration," *Journal of Public Economics*, 17 No. 2 (March, 1982): 181-211.

- J. Mayshar, "Taxation with Costly Administration," *Scandinavian Journal of Economics*, 93 No. 1 (1991): 75-88.
- J. Slemrod and S. Yitzhaki, "The Optimal Size of a Tax Collection Agency," *Scandinavian Journal of Economics*, 89 No. 2 (1987): 183-192.
- J. Slemrod, "Fixing the Leak in Okun's Bucket," *Journal of Public Economics*, 55 No. 1 (September, 1994): 41-51.
- J. Slemrod and W. Kopczuk, "The Optimal Elasticity of Taxable Income," *Journal of Public Economics*, 84 No. 1 (April, 2002): 91-112.
- J. Slemrod and S. Yitzhaki, "The Cost of Taxation and the Marginal Efficiency Cost of Funds," *IMF Staff Papers*, 43 No. 1 (March, 1996).
- R. Chetty. "Is the Taxable Income Elasticity Sufficient to Calculate Deadweight Loss? The Implications of Evasion and Avoidance." *American Economic Journal—Policy*, 1:2. 2009. 31-52.
- R. Gordon and W. Li, "Tax Structure in Developing Countries: Many Puzzles and a Possible Explanation." *Journal of Public Economics* 93: 7, 2009, 855-866.
- R. Chetty. "Is the Taxable Income Elasticity Sufficient to Calculate Deadweight Loss? The Implications of Evasion and Avoidance." *American Economic Journal: Economic Policy*, 1 No. 2 (August, 2009): 31-52.
- C. Gillitzer and J. Slemrod. "Does Evasion Invalidate the Welfare Sufficiency of the ETI?" *BE Journal of Economic Analysis & Policy*, 16 No. 4 (October, 2016): 1-10.
- M. Keen and J. Slemrod. "Optimal Tax Administration." *Journal of Public Economics*, 152 (August, 2017): 133-142.
- The role of firms and the informal economy

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