



Taxation and Labor Supply (Arbeitseinkommens- und Verbrauchsbesteuerung)

Dozent	Raum	Telefon	Sprechstunde
Prof. Dr. Thiess Büttner Dr. Boryana Madzharova	LG 6.111 LG 5.118	5302-200 5302-9405	n.V. über Sekretariat n.V.

Contents:

The course is concerned with the effects of taxation and welfare programs on the labor supply of private households from a theoretical as well as an empirical perspective. The lecture covers implications for the supply of hours, participation decisions, and tax evasion. Various details of the tax system are considered including progressive income taxes and allowances, consumption taxes, and also welfare aid. Key contributions and controversies are reviewed and also recent approaches to empirical testing and identifying tax effects in the data are discussed.

Learning Objectives:

Students are able to apply the economic decision model to questions of household taxation and to analyse the consequences of key features of the tax system on labour supply decisions including hours and participation. Students understand, how the microeconomic theory can be used to make quantitative assessments of tax systems and to analyse the main empirical results and studies which are used in the current policy studies. Moreover, they are acquainted with new econometric approaches to study effects of taxation on labour supply decisions.

Literature:

Prescott, E. C., (2004), Why do Americans work so much more than Europeans, Federal Reserve Bank of Minneapolis Quarterly Review, 28, 2-13.

Frequency of the Course:

Lecture: Monday 3:00 pm – 4:30 pm, LG 5.154, starting from 07.04.2014

Tutorials: Time and place will be announced in the first lecture