



University of Missouri

Economics 4316/7316: State and Local Public Finance Spring 2025 (Term II)

(All hyperlinks are in **bold MU blue**)

INSTRUCTOR

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Adjunct Instructor

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FORMAT

Asynchronous, online, via **Canvas**

TEXT

Required:

State and Local Public Finance, Fifth Edition

Ronald C. Fisher, 2022, Routledge (available at MU bookstore)

Suggested:

Local Tax Policy: A Primer, Fourth Edition

David Brunori, 2020, Rowman & Littlefield (available at MU bookstore)

State Tax Policy: A Primer, Fifth Edition

David Brunori, 2022, Rowman & Littlefield (available at MU bookstore)

I will lecture some from these books, but **purchase is not required**, and **I will not assign readings from these books**.

Recommended:

Microeconomics Textbook

An intermediate microeconomics textbook would be a useful resource.

PREREQUISITES

Intermediate Microeconomics (ECONOM 4351/7351) or

Managerial Economics (ECONOM 3251) or permission of the instructor.

I assume you understand the *theory of consumer choice in a two-good case* (mathematically and using indifference curves and budget constraints), *elasticity*, and (*very*) *basic differential calculus*.

Much of the material in the first week reviews these concepts as we will employ them in the class. I also provide a brief introduction to *regression analysis*. This review is oriented toward *understanding* regression results, which you will find in many of the readings, rather than *conducting* a regression analysis.

I assume you are familiar with **Microsoft 365** (Office) or a similar product. The University has training resources available. See **Office Online** [University of Missouri site]. Especially important is that you have some basic familiarity with **Microsoft Excel**.

TIME ZONE

The University of Missouri lies in the central time zone. We will act accordingly.

READINGS

There is a bibliography for all the assigned, referenced, and sometimes suggested readings. All articles and other documents are posted on **Canvas** in the relevant week unless otherwise stated (e.g., books cannot be posted).

COURSE OVERVIEW

Course Summary

This eight-week course considers the fiscal policies and practices of state and local governments in the United States through the lens of applied microeconomics and data analysis. Also considered are intergovernmental relations (fiscal relationships between federal, state, and local governments). The course is thoroughly grounded in economics but also covers principles that are applicable to the fields of law, political science, and public administration.

Unfortunately, there will be some important and interesting state and local government finance issues we will not be able to cover in the allotted time for the course.

Learning Objectives

By the end of the course, students should be able to:

- Apply the tools of applied microeconomics to analyze public policy problems and issues.
- Locate relevant research literature and articulate the research question, main findings, and conclusions of scholarly/academic articles in economics and public policy.
- Articulate the concepts of social welfare functions and social welfare optima.
- Articulate the appropriate roles of government in a market economy.
- Articulate recent trends in state and local public sector spending and revenue collection.
- Articulate the way subnational governments are structured in the United States.
- Explain the basic concepts underlying fiscal federalism and the proper assignment of expenditure and revenue functions to alternative levels of government.
- Apply public choice theories to analyze political decision-making and contrast this phenomenon with economic decision-making.
- Find the optimal level of provision for public goods.
- Explain the concept of optimal taxation.
- Articulate how to optimally set taxes and subsidies in the presence of externalities to reach a socially desirable outcome.
- Articulate pricing conundrums and alternatives associated with natural monopolies.
- Articulate the reasoning for and appropriate structure of alternative forms of intergovernmental grants.
- Explain the principles of sound taxation and their inherent trade-offs.
- Identify efficiency gains and losses from taxes and subsidies.
- Explain the efficiency aspects of various instruments for collecting state and local revenue.
- Explain the concepts of horizontal and vertical equity, the trade-offs between them, the trade-offs between equity and efficiency, and the equity aspects of alternative state and local government revenue-raising methods and spending priorities.
- Explain key features of property taxes, sales and use taxes, income taxes, and user charges as they are applied at the state and local level.

COURSE FORMAT

Reading Assignments

Each week there will be assigned readings from the textbook and, in some weeks, assigned supplemental readings, usually academic journal articles. Supplementary materials are available for download from [Canvas](#). You are expected to **read all the assigned material**, and exams may draw material from supplemental readings in addition to the textbook, video lectures, and lecture materials. Additional readings (1) explain topics I think are important but are not in the textbook, (2) expand on topics in the textbook, and/or (3) provide empirical or practical content around topics in the textbook. In some weeks I *suggest* optional readings. While optional, I

highly recommend that you read them, or at least skim through them. What you get out of the class is a function of what you put into it. I will reference numerous journal articles in the video lectures and lecture materials, mostly empirical analyses that support the theoretical material in the textbook. Most of these referenced articles are available for download from [Canvas](#) and are cited in the course bibliography.

Lectures

I record lectures using Panopto. There will be, in most cases, 3 – 6 lectures broken into clearly defined subtopics for the week. I may post a written lecture instead of a recorded lecture, which will be in PDF or PowerPoint. The lectures will sometimes cover material that is not in the readings, so **be careful to fully view each one**. Lectures may be as short as 10-15 minutes or as long as an hour, depending on the content. Viewing the video lectures is required.

Assignments

Optional Course Paper. Every year, I struggle with whether to require a paper. Being able to write well (content as well as style and grammar) is critically important for a university graduate. In the last two terms I taught State and Local Public Finance, I required a paper, but, because the term is compressed, I get concerned about the time crunch between Week 2, when I make the assignment, and mid-Week 7, when papers are due.

For this class, I am experimenting with an **optional** paper. That is, you may choose whether to write a paper or not. If you do not write a paper, your exams will carry more weight in determining your final grade. You must commit to either writing a paper or not by **March 24 at 6:00 pm CDT**. **If you do not respond by March 24, I will assume you do not plan to write a paper. There is no changing your mind under any circumstances.** If you commit and do not submit a paper, you will earn a zero for 20 percent of your grade. More information about the paper will be distributed in Week 2 of the course.

Exams. The exams will be mostly of the short-answer variety, which may include true/false, multiple choice, or fill-in-the-blank. Some questions will require calculations. Do not be fooled by the modality of these exams. I do not engage in trickery (I want you to do well), but you will need to understand the material well to perform well. You should not expect these questions to be any “easier” than questions in a free response exam. I assure you they are not.

To grade material *expediently* so that you have *timely feedback*, exams will be typed out and distributed to you as a PDF document, but **you will enter final answers in Canvas through its “quiz” function**. The due date applies to entry in Canvas. Canvas is quite unforgiving, and **answers must be entered exactly as I instruct you to enter them** or Canvas will mark them as incorrect. For example, if “b” is the correct answer, as far as Canvas is concerned, “B” is incorrect. For questions involving calculations, you will be instructed how to round and enter the number into Canvas. **I will give detailed instructions on each exam, and as relevant, for specific questions.**

I strongly recommend that you complete the exam on paper before entering your answers into Canvas. You will receive an immediate grade from Canvas, but I often scale grades upward to ensure a reasonable grade distribution and enter them into the Canvas gradebook manually, which overrides the Canvas “quiz” score. Thus, **the score reported to you after completing the exam is unlikely to be (but could be) your final score**. The scaling of grades will be determined separately for graduate students and undergraduate students.

You may submit your exam up to three (3) times in Canvas, and your highest grade will be kept. Canvas will not tell you which answers are right or wrong.

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Grading

For those opting to write a paper, your grade will be determined by your performance as follows:

Assignment	Share of Grade	Due Date
Exam I	20 percent	April 05
Exam II	20 percent	April 19
Exam III	20 percent	May 03
Paper	20 percent	May 09 (Friday)
Exam IV	20 percent	May 16 (Friday)

For those opting not to write a paper, your grade will be determined by your performance as follows:

Assignment	Share of Grade	Due Date
Exam I	25 percent	April 05
Exam II	25 percent	April 19
Exam III	25 percent	May 03
Exam IV	25 percent	May 16 (Friday)

This course will use a plus/minus grading system, determined as follows:

Grading Scale					
99 +	A +	82 – 87	B	70 – 71	C –
92 – 98	A	80 – 81	B –	68 – 69	D +
90 – 91	A –	78 – 79	C +	62 – 67	D
88 – 89	B +	72 – 77	C	60 – 61	D –
				< 60	F

The exams are not proctored or timed, and you are free to consult the readings, lectures, and other course materials, but only course materials (no outside resources). The exams are designed not only for assessment but also as a learning opportunity.

Timing and Due Dates: Each week, instructional materials will become available on **Monday at 11:00 am CDT**. Exams will become available on **Tuesday at 11:00 am CDT** on exam weeks. Students are expected to read, study, and review all of the posted material during the week and before attempting the exam. Exams must be completed and submitted by **Saturday at 11:59 pm CDT** each exam week. The exception is the final week, when, *by university policy*, **all work must be submitted by Friday, May 10 at 11:59 pm CDT (no exceptions)**.

The course paper, if you choose that option, is due **Friday, May 2 at 11:59 pm CDT**.

Late assignments may receive a penalty *per* 24-hour period in which the assignment is late (all students will be treated equitably).

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Discussion Forums

The Discussions page will serve as the communications hub for the course. There will be a discussion forum each week. Questions about the material or the exams should be entered in the discussion forum *first* for the benefit of all students. You may also comment on the material. Indeed, comments are strongly encouraged. You are free to email me with questions should I not respond in a timely fashion, but I will regularly review the discussion boards. Students are encouraged to respond to other student questions, but for exam questions, **do not provide the answer or point directly to the answer** (e.g., slide deck 5A, slide 17), or a penalty will likely be assessed.

Online Etiquette. Your instructor and fellow students wish to foster a safe online learning environment. All opinions, no matter how different or controversial they may be perceived, must be respected in the tolerant spirit of academic discourse. You are encouraged to comment, question, or critique an idea but you are not to attack an individual. Our differences, some of which are outlined in the University's nondiscrimination statement, will add richness to this learning experience. Please consider that sarcasm and humor can be misconstrued in online interactions and generate unintended disruptions. Working as a community of learners, we can build a polite and respectful course ambiance. I reserve the right to penalize the final grade for unacceptable online behavior according to these guidelines.

Class Participation

An unfortunate aspect of asynchronous courses is that traditional class discussion is not possible. However, I will sometimes pose questions or comments or seek your insights in the discussion forums so that we can have some dialogue in the class. I hope the class will be fully engaged in the discussions. Discussions will help you to better understand the material.

Start each new question with a new post, not as a response to another question. Proper titling of posts will allow other students with similar or related questions to easily find the relevant discussion and, thus, will help to reduce redundant material.

Because of the nature of the course, there is no participation grade. When there is a grade, I have found few early entries and a huge number of entries in the last couple of weeks, so much so that I cannot keep up with them. But do please participate in the forums.

ADMINISTRATIVE MATTERS

(This material is required by the University to be in the syllabus.
Please read over it, as some of it might apply to you specifically.)

Disability Services

If you anticipate barriers related to the format or requirements of this course, please let me know as soon as possible. If disability-related accommodations are necessary, please register with the [Office of Disability Services](#) [(573) 882-4696] and notify me of your eligibility for reasonable accommodations. For other University of Missouri resources for persons with disabilities, see [Accommodations Basics](#).

Academic Integrity

Academic integrity is fundamental to the activities and principles of a university. All members of the academic community must be confident that each person's work has been responsibly and honorably acquired, developed, and presented. Any effort to gain an advantage not given to all students is dishonest whether or not the effort is successful. The academic community regards breaches of the academic integrity rules as extremely serious matters.

In addition, students are expected to adhere to this honor pledge on all graded work whether or not they are explicitly asked in advance to do so: “**I strive to uphold the University values of respect, responsibility, discovery, and excellence. On my honor, I pledge that I have neither given nor received unauthorized assistance on this work.**”

Intellectual Pluralism

The University of Missouri community welcomes intellectual diversity and respects student rights. Students who have questions or concerns regarding the atmosphere in this class (including respect for diverse opinions) may contact the departmental chair or divisional director or the [MU Equity Office](#).

Acceptable Use

The [University of Missouri's Acceptable Use Policy](#) (AUP) for information technology applies to university websites. The AUP addresses federal and state laws, university regulations, intellectual property rights, software licensing requirements, and prohibitions against plagiarism and obscenity. This policy applies to all users including faculty, staff, students, and guest users of University of Missouri computer networks, equipment, or connecting resources.

Copyright

To help you understand copyright in course materials, student work, and pages published on University of Missouri websites, see [UM System Copyright Information](#).

Executive Order No. 38

When you record something that happens in a course (a lecture, class discussions, meetings, etc.) it has an impact on the rights of the people captured in that recording. For example, your instructor and the University may have rights to the intellectual property contained in that recording. At the same time, another student who may have been recorded has the right to privacy. To protect these rights, MU employs a policy ([Executive Order No. 38](#)) to govern both situations you may encounter while taking a course—when your instructor allows recordings and when s/he does not allow them.

FERPA

The University of Missouri maintains educational records of students in accordance with the [Family Educational Rights and Privacy Act of 1974](#) (FERPA). Related topics include privacy policies at MU, the display of student directory information, and details about how MU manages FERPA-protected information.

Discrimination

The University of Missouri does not discriminate based on race, color, religion, national origin, sex, sexual orientation, gender identity, age, genetic information, disability, or status as a protected veteran [[MU Statement of Nondiscrimination](#)].

If you experience discrimination or sexual violence, you are encouraged (but not required) to report the incident to the Office of Institutional Equity. Learn more about your rights and options at the [Office of Institutional Equity](#) or by calling 573-882-3880. You also may make an anonymous report online.

Mental Health

The University of Missouri is committed to supporting student well-being through an integrated network of care, with a wide range of services to help students succeed. The MU Counseling Center offers professional mental health care and can help you find the best approach to treatment based on your needs. Call to make an appointment at 573-882-6601. Any student in crisis may call or go to the MU Counseling Center between 8:00-5:00 M-F. After-hours phone support is available at 573-882-6601 [[Student Health and Well-Being](#)].

Last Date of Attendance and Impact on Financial Aid

Federal regulations for financial aid require the student financial aid office to document the attendance of students who have received federal financial aid if they do not complete any courses during the term. As a result, the last day of attendance (or activity) for any student receiving an F, U, or FN in this course will be recorded in the grade roster and reported to the financial aid office. Based on the last day of attendance, students may be required to repay a portion of their financial aid award for the semester.

A student's last day of attendance (or activity) is the last day on which a student participates in an academically related activity at the University. For online courses, this would be the last day a student submits an assignment or exam (an entry into the discussion forum or a class-related email to me would also constitute an academically related activity). Logging into an online class without participating is not acceptable for the last day of attendance. Please note that discussing a course withdrawal or notifying the instructor of an absence in class does not constitute participation for financial aid purposes.

Accommodations for Religious Holidays

Consult the Division of Inclusion, Diversity & Equity's [Guide to Religions](#) for the form that can be used to notify an instructor of an absence associated with religious practice. Students are expected to notify their instructor by completing and submitting this form in a manner that is consistent with the procedure outlined in the university's policy on student religious accommodation. Providing false information regarding sincerely held religious practice is a violation of the university's Standard of Conduct and will not be tolerated.

Evaluations.

You will be offered an opportunity to evaluate the course content and instruction near the end of the course. These evaluations are important to the university and to me personally. I want to be the best instructor I can be. **Please, please complete the evaluation.** It takes 5 minutes at most. I want to hear from everyone, not just those who have a conflict with me or especially liked the course and its instruction. As you complete evaluations, please keep in mind the synchronous nature of the course.

ABOUT YOUR INSTRUCTOR

My primary professional position is *Policy Research Manager* at the [Center for Insurance Policy & Research](#) at the [National Association of Insurance Commissioners](#) (NAIC). I focus largely on health, healthcare, and health insurance; socioeconomic and demographic disparities in health and insurance; and investment finance.

I have a long history with state and local public finance. I have written several journal articles in the field, and I have served as an advisor at virtually all levels of government. In addition to the University of Missouri, I have taught public finance at Georgia State University and the University of Kansas. While a full-time faculty member at Georgia State University, I was affiliated with two research centers that focus on public finance: the [Fiscal Research Center](#) (state and local) and the [International Center for Public Policy](#) (developing countries). I have also worked extensively with the [World Bank](#) and [USAID](#) on overseas assignments addressing public sector issues such as tax reform and intergovernmental relations.

I also teach [Health Economics](#) at MU (next course is Summer Term 2025).

Before joining the NAIC, I was a senior economist at the Federal Reserve Bank of Kansas City. In 2020 I resigned from the Fed to spend a year at the University of Kansas School of Medicine for mid-career post-doctorate study and research. I hold a Ph.D. in Economics and a B.A. *summa cum laude* from the University of Tennessee.

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USEFUL RESOURCES

You may find the following websites to be useful resources for the class (in no particular order):

Tutoring from MU Learning Center

MU Division of Information Technology Training (free to students; basic applications like MS Office)

National Tax Association

Tax Foundation

Federation of Tax Administrators (FTA)

National Association of State Budget Officers (NASBO)

National Conference of State Legislatures (NCSL)

National Governors Association (NGA)

United States Conference of Mayors

National League of Cities

Urban Institute [State and Local Backgrounders, State and Local Finance Data]

The Brookings Institution [Cities and Communities, Brookings Metro]

Center on Budget and Policy Priorities

Show-Me Institute

Census Bureau – Annual Survey of State and Local Government Finances

Some of these organizations/institutions have a decidedly liberal or conservative tilt, but the information is *reliable*. In terms of left or right, the issue is more about *what they choose to report or study* than the *veracity of the information*.

The course schedule is below.

COURSE SCHEDULE (SUBJECT TO CHANGE – please review weekly) (March 17 – May 16)

[especially likely is a revision in readings and referenced articles and documents]

Note: Depending on the likelihood of covering the scheduled material within a reasonable timeframe, some topics could be dropped from the schedule. The schedule below represents what I would ideally cover in the class, time permitting.

WEEK (START)	TOPICS AND READINGS	ASSIGNMENTS
Week 1 (March 17)	<i>Week 1 is a considerable load due to the review of material from math, statistics, and intermediate microeconomics. Also, there is limited public finance content. Some lectures are quite short, however.</i> Topics Basics of Differential Calculus [Slide Deck 1A] Review of Elasticity Concepts [Slide Deck 1B] Introduction/Review of Regression Analysis [Lecture Notes 1C] You are not required to view the lectures for the topics above (↑), but all the material is testable. I recommend at least perusing the materials. The Appropriate Role of Government [Slide Deck 1D] Consumer Choice Theory, Part I [Slide Deck 1E] Consumer Choice Theory, Part II [Slide Deck 1F] Welfare Economics [Slide Deck 1G] Arrow's Impossibility Theorem [Slide Deck 1H] Required Reading Fisher, Ch. 1, 18-23 ["Fiscal role of subnational governments"] Fisher, Ch. 2, 26-28 ["The efficiency of the market"] Arrow (2008) [Arrow's Impossibility Theorem] Lockwood (2008) [Pareto efficiency] Suggested Reading A section on consumer theory in a microeconomics textbook Fisher, Ch. 3, 54-57 [introduction to statistical analysis] Fisher, Ch. 3, 62-65 [using elasticity to characterize demand] Referenced Articles and Documents Arrow (1950) [Arrows' impossibility theorem] Bergson [Burk] (1936) [concept of social welfare function] Case (2008) [Musgrave's moral vision for the public sector] Coleman (1966) [social decisions possible if intensity of preferences differ] Dolan and Tsuchiya (2009) [empirical SWF, individual responsibility] Dolan and Tsuchiya (2011) [empirical SWF] Musgrave (1959) [<i>not available on Canvas</i>]	None
Week of March 24	Spring Break	None

WEEK (START)	TOPICS AND READINGS	ASSIGNMENTS
Week 2 (March 31)	Topics Introduction to State and Local Public Finance [Slide Deck 2A] Market Failure Government Intervention / Externalities [Slide Deck 2B] Public Goods / Natural Monopolies / User Charges [Slide Deck 2C] Demand for State and Local Public Services [Slide Deck 2D] Tools How to Conduct a Literature Review [Slide Deck 2S] (<i>references in slide deck</i>) Required Reading Fisher, Ch. 1, 3-18 [introductory material] Fisher, Ch. 2, 28-35 [market failure] Fisher, Ch. 2, 35-37 [efficient provision of <u>public goods</u>] Fisher, Ch. 3, 48-53 [demand for government goods and services] Fisher, Ch. 3, 57-59 [empirical studies on demand for government] Fisher, Ch. 8, 154-165 [user charges] Referenced Articles and Documents Bergstrom and Goodman (1973) [empirical evidence, demand factors] Fisher and Wassmer (2014) [empirical evidence, demand factors] Frean et al. (2017) [Medicaid expansion] Gramlich et al. (1973) [empirical evidence, demand factors] Gruber (2008) [states as laboratories] Henrekson (1993) [Wagner's Law – spurious relationship?] Irandoust (2019) [Wagner's Law – causality] NASBO (2024) [<i>Fiscal Survey of the States</i>] NASBO (2024) [<i>State Expenditure Report</i>] Samuelson (1954) [classic article on public goods] Wallace (2003) [implications of demographic trends [<i>not on Canvas</i>]] Wallace (2012) [implications of demographic trends [<i>not on Canvas</i>]] Wiseman (1995) [Wisconsin story of welfare reform]	EXAM I Due Saturday, April 05 at 11:59 pm CDT

WEEK (START)	TOPICS AND READINGS	ASSIGNMENTS
Week 3 (April 07)	Topics Local Public Goods [Slide Deck 3A] Social Choice Part I [Slide Deck 3B] Social Choice Part II [Slide Deck 3C] Fiscal Federalism and Fiscal Decentralization [Slide Deck 3D] [Lecture Notes – No Video] Fiscal Federalism and Fiscal Decentralization [Slide Deck 3E] [Lecture Notes – No Video] Required Reading Fisher, Ch. 4, 68-78 [voting, median voter theorem] Fisher, Ch. 5, All [Tiebout Model] Fisher, Ch. 6, 104-113 [organization/benefits of subnational governments] Hotelling (1929) §I [a very flexible, general, and useful model] Oates (1999) [fiscal federalism] Referenced Articles and Documents Alm et al. (2017) [drivers of state tax reforms] Bergstrom and Goodman (1973) [empirical evidence, demand factors] Bird (2000) [principles of intergovernmental relations] Dafflon (2006, pp. 285-298) [assignment of functions to levels] Dyan et al. (2004) [saving rates by income groups] Edmiston (2002a) [decentralization gone bad – case of Papua New Guinea] Fischel (1992) [empirical, Tiebout Model, review] Gramlich and Rubinfeld (1982) [empirical evidence, median voter] Hardy (2012) [economies of scale in consolidated governments] McLure (1998) [revenue assignment; fiscal federalism] Mieszkowski and Zodrow (1986) [empirical, Tiebout Model, review] Oates (2006) [decentralization] O’Sullivan (2003) [urban economics textbook; not on Canvas] Pauly (1973) [redistribution as a local public good] Tiebout (1956) [seminal article on residential sorting]	None

WEEK (START)	TOPICS AND READINGS	ASSIGNMENTS
Week 4 (April 14)	Topics Introduction to State and Local Taxation [Slide Deck 4A] Principles of Sound Taxation [Slide Deck 4B] Tax Incidence, Efficiency, and Equity, Part I [Slide Deck 4C] Tax Incidence, Efficiency, and Equity, Part II [Slide Deck 4D] Incidence and Efficiency of Subsidies [Slide Deck 4E] Required Reading Fisher, Ch. 11, 241-251 [principles of tax analysis] National Conference of State Legislatures (2007) [tax principles] Referenced Articles and Documents Edmiston et al. (2003) [complexity and uncertainty in Taxation] Edmiston (2004) [uncertainty in taxation] Pauly (1973) [redistribution as a local public good] Ramsey (1927) [optimal commodity taxation] Smith (1776), Book V, Ch. II, Pt. II, pp. 1433-1438 [tax principles]	EXAM II Due Saturday, April 19 at 11:59 pm CDT

WEEK (START)	TOPICS AND READINGS	ASSIGNMENTS
Week 5 (April 21)	Topics Taxes on Consumption General Sales and Use Tax I [Slide Deck 5A] General Sales and Use Tax II [Slide Deck 5B] Other Consumption Taxes [Slide Deck 5C] Selective Sales Tax Value-Added Tax Taxes on Individual Income [Slide Deck 5D] Required Reading Fisher, Ch. 13, All [sales and use taxes] Fisher, Ch. 14, 331-349 (<i>may skip Application 14.1</i>) [individual income tax] Cnossen (2009) [VAT primer] Suits and Musgrave (1953) §I [<i>ad valorem</i> and per-unit taxes] Referenced Articles and Documents Baltagi et al. (2004) [tax-price elasticities of cigarettes] Besley and Rosen (1989) [incidence of RST] Bird and Gendron (1998) [dual VAT; subnational VAT] Callison and Kaestner (2014) [cigarette tax effects; elasticities] Chernick and Reschovsky (1995) [lifetime equity of RST] Ching and Goetz (2022) [demand decline because tax is “hated”] Cornia et al. (2000) [single-rate RST on electronic commerce] Cornelius et al. (2020) [smoking rates by various groups, including income] Cotti et al. (2018) [relationship between cigarette and e-cigarette use] Cotti et al. (2020) [relationship between cigarette and e-cigarette use] Derrick and Scott (1998) [incidence and equity of RST] Fogarty (2010) [elasticity for beer, wine and spirits] Keen (2000) [general perspective on subnational VATs] Kenyon (1996) [the “VAT” in New Hampshire] Liu (2016) [price elasticity of gasoline] Metcalf (1994) [tax equity over life course] Nesson (2017) [elasticities, tobacco] Pesko et al. (2020) [effect of cigarette tax on traditional and e-cigarette use] Poterba (1996) [incidence of RST] Ramsey (1927) [optimal taxation of commodities; efficiency] Rubenstein and Scafidi (2002) [net incidence] Sammartino and Francis (2016) [state individual income tax progressivity] United States Department of the Treasury (2007) [income mobility]	None

WEEK (START)	TOPICS AND READINGS	ASSIGNMENTS
Week 6 (April 28)	Topics Property Tax I [Slide Deck 6A] Property Tax II [Slide Deck 6B] Property Tax III [Slide Deck 6C] Required Reading Fisher, Ch. 12, All (<i>you may skip Application 12.1</i>) Brunori (2001) [an appeal for the property tax] Referenced Articles and Documents Aaron (1974) [empirical analysis, equity, New View of property tax] Cohen and Coughlin (2005) [split-rate property tax] Dahlby (1982) [traditional view of the property tax] Edmiston and Spong (2012) [property tax deductions and public prices] Eliason and Lutz (2018) [tax limits; Proposition 13] Fischel (1992) [benefits view of the property tax] Fischel (2001) [benefits view of the property tax] Slemrod (1995) [views by the experts on appropriate tax policy] Wiseman (1989) [inequities in property tax post-Proposition 13] Zodrow (2001) [three views of the property tax, New View]	EXAM III Due Saturday, May 03 at 11:59 pm CDT

WEEK (START)	TOPICS AND READINGS	ASSIGNMENTS
Week 7 (May 5)	Topics State Business Taxes Part I [Slide Deck 7A] Part II [Slide Deck 7B] Public Budgeting and Intergovernmental Grants Part I [Slide Deck 7C] Part II [Slide Deck 7D] Required Reading Fisher, Ch. 15, 357-372 (through “Current state gross receipts tax use”); 374-377 Fisher, Ch. 9, 181-202 [intergovernmental grants] Referenced Articles and Documents Armstrong (1980) [budget forecasting] Blackwell et al. (2006) [fungibility of special purpose/earmarked revenue] Borg and Mason (1988) [fungibility of special purpose/earmarked revenue] Bruce et al. (2006) [growth and stability of taxes] Cornia et al. (2005) [trends in state corporate income tax] Dubin and Liu (2015) [trends in state corporate income tax] Dye and McGuire (1992) [fungibility of special purpose/earmarked revenue] Dye and McGuire (1991) [growth and stability in state taxes] Edmiston (1999) [optimal corporate income tax apportionment] Edmiston (2002b) [formula apportionment; economic development, revenue] Edmiston et al. (2003) [tax complexity and investment] Edmiston et al. (2004) [tax complexity and investment] Goolsbee and Maydew [formula apportionment; economic development] Gramlich (1976) [New York City financial crisis of 1976] Groves and Kahn (1952) [growth and stability in state taxes] Hines and Thaler (1995) [flypaper effect] Jung (2002) [fungibility of special purpose/earmarked revenue] Markowitz (1952) [financial portfolio selection] Miller and Pierce (1997) [fungibility of special purpose/earmarked revenue] Randall and Rueben (2017) [state budgeting and budgeting practices] Skeel (2013) [considering bankruptcy at the state level] Sobel and Holcombe (1996) [growth and stability in state taxes] Spindler (1995) [fungibility of special purpose/earmarked revenue] Spiotto (2012) [municipal bankruptcy] [book chapter, <i>not on Canvas</i>] Suits and Fisher (1985) [balanced budget requirements] Wall (2014) [effects of KCMO and SLMO earnings tax] Watson and McBride (2021) [Biden corporate income tax proposals] Wei and Denison (2019) [rainy day funds] White (1983) [financial portfolio analysis applied to state revenue structure] Wu and Williams (2015) [state legislative earmarking]	Course Paper (optional) Due Friday, May 09 at 11:59 pm CDT

WEEK (START)	TOPICS AND READINGS	ASSIGNMENTS
Week 8 (May 12)	Topics Education Part I [Slide Deck 8A] Part II [Slide Deck 8B] Poverty and Welfare [Slide Deck 8C] Required Reading Fisher, Ch. 17, All [education] Fisher, Ch. 19, 482-501 [poverty, health, and welfare] Referenced Articles and Documents Arrow (1973) [education: signaling] Edmiston (2018) [SNAP trends] Edmiston (2019) [why more low-income people don't work] Epplé et al. (2017), Secs. 1, 2, 5 (U.S. evidence) [vouchers] Groot and Oosterbeek (1994) [education: human capital vs. screening] Hanushek (1986) [various issues around the economics of education] Harris et al. (2001) [Effect of aging America on school spending] Hoxby (2001) [equalization in school finance] Kroch and Sjoblom (1994) [education: human capital vs. screening] Komro et al. (2020) [effects of state EITC on health] Meyer and Sullivan (2012) [measuring poverty] Mincer (1958) [education (and experience) and human capital] Neumark and Williams (2020) [state EITC and work effort] Oreopoulos and Salvanes (2011) [nonpecuniary benefits of education] Orshansky (1965) [counting the poor] Spence (1973) [education: signaling] Tamborini et al. (2015) [lifetime earnings by educational attainment]	EXAM IV Due May 16 (Friday) 11:59 pm CDT <i>According to University Policy, I cannot accept any work after May 16, the date at which the semester officially ends.</i>