

Professor Emmanuel Saez,
Evans Hall 623, saez@econ.berkeley.edu
Office Hours: Mondays 1pm-2pm or by appointment
GSI: Youssef Benzarti, youssef.benzarti@berkeley.edu
(office hours by appointment)

PUBLIC ECONOMICS 230B: LECTURE SCHEDULE SPRING 2014

This course covers material on (I) labor income taxation: behavioral responses to taxes and transfers, optimal income taxation and redistribution, (II) Capital income taxation and redistribution, (III) Social Insurance including retirement and disability insurance

Syllabus, lecture slides (with links to readings), and problem sets are all posted online at:
<http://elsa.berkeley.edu/~saez/course/course.html>

Class meetings: Mondays 10am-12pm, Room 639 Evans Hall

Prerequisites: First year graduate microeconomics (Economics 201A,B), First year graduate econometrics (Economics 240A), and first public sector microeconomics class 230A.

Requirements: Three problem sets (30% of the grade), one referee report (10% of the grade). Final examination is on Monday May 5 (review week), 10am-12pm, room 639 Evans Hall (60% of the grade). The GSI Youssef Benzarti will be in charge of grading assignments. Feel free to email Youssef directly for any questions related to assignments. You should print your problem set and hand it in in class or put it in paper format in Youssef's mailbox in front of the Peixotto room within 1 hour of the end of the class.

Readings: For each lecture, online slides include all references at the back with web links. References in **bold** are **required** reading.

Section I: Labor Income Taxation and Redistribution

IA: Theoretical Aspects: Optimal Income Taxation and Redistribution

- | | | |
|---|-------------|---|
| 1 | January 27 | Problem of redistribution and current US income tax and transfers |
| 2 | February 3 | Optimal income taxation |
| 3 | February 10 | Optimal transfer programs |

IB: Empirical Aspects: Behavioral Responses to Taxes and Transfers

- | | | |
|---|-------------|---|
| 4 | February 24 | Labor supply responses to taxation (PS 1 due) |
| 5 | March 3 | Responses to welfare programs and the EITC |
| 6 | March 10 | Response of taxable income to tax rates |
| 7 | March 17 | Tax evasion and tax enforcement (PS 2 due) |

Section II: Capital Income Taxation and Redistribution

- | | | |
|---|----------|---|
| 8 | March 31 | Stylized facts on Savings and Capital Income Taxation |
| 9 | April 7 | Optimal Capital Income Taxation (referee report due) |

Section III: Social Insurance

- | | | |
|----|----------|---|
| 10 | April 14 | Social security: retirement and savings decisions |
| 11 | April 21 | Disability Insurance |
| 12 | April 28 | Tax subsidies to savings: IRAs and 401(k)s (PS 3 due) |