

# **PUBLIC FINANCE—REVENUE ECONOMICS 2160B-001**

Department of Economics  
Western University

Emilie Rivers

January, 2017

**Office Room:** 4086 SSC

**Office Hours:** Wednesdays, 10:00-11:00AM and 2:00-3:00PM

**E-mail Address:** [erivers5@uwo.ca](mailto:erivers5@uwo.ca)

*Note:* Please put “EC 2160” in the subject line of all emails  
See other email-related policies on p. 3 of this document

**Class Location:** UCC 56

**Class Times:** Tuesday, 10:30 – 11:30AM

Thursday, 10:30AM – 12:30PM

**Undergraduate Enquiries:** 519-661-3507 SSC Room 4075 or [econugrd@uwo.ca](mailto:econugrd@uwo.ca)

## **Course Objective**

The goal of this course is to introduce you to the theory of taxation and its application. The economic effects of various federal, provincial, and municipal taxes will be studied in a Canadian context.

## **Learning Outcomes**

Upon successful completion of this course, students will be able to:

- identify and explain economic concepts and theories related to basic welfare economics and the role of government.
- combine theoretical knowledge with information about the taxes levied by various levels of government in Canada in order to develop a good understanding of how taxes affect the Canadian economy.
- evaluate the effects of various taxes on the efficiency of the Canadian economy as well as on income distribution.

## **Course Materials**

Required Textbook: Rosen, Harvey S., Jean-Francois Wen and Tracy Snoddon (2016), *Public Finance in Canada*, 5th Canadian edition, McGraw-Hill Ryerson, Toronto.

**Course Website:** <http://owl.uwo.ca>

## **Registration**

You are responsible for ensuring you are registered in the correct courses. If you are not registered in this course, the Department will not release your marks until your registration is corrected. You may check your timetable by using the Login on the Student Services website at <https://student.uwo.ca>. If you notice a problem, please contact your home Faculty Academic Counsellor immediately.

## Prerequisite Note

The prerequisites for this course are **Economics 1021A/B** and **1022A/B**; or Economics **2001A/B**.

The antirequisite for this course is **Economics 3329A/B**.

You are responsible for ensuring that you have successfully completed all course requisites, and that you have not taken an anti-requisite course. Lack of prerequisites may not be used as a basis for appeal. If you are found to be ineligible for a course, you may be removed from it at any time and you will receive no adjustment to your fees. This decision cannot be appealed.

If you find that you do not have the course prerequisites, it is in your best interest to drop the course well before the end of the add/drop period. Your prompt attention to this matter will not only help protect your academic record, but will ensure that spaces become available for students who require the course in question for graduation.

## Assessment (dates and times tentative)

Midterm 1	Thursday, February 9 during class time	25%
Midterm 2	Thursday, March 16 during class time	25%
Final Exam	To be scheduled by the registrar	50%

You are required to bring the following to all exams:

- Current UWO student ID
- Pencil
- Non-programmable calculator out of its case (graphing calculators, programmable calculators, cell phone calculators, laptops, watches, or other electronic devices are not allowed during exams)

*Note:* Computer-marked multiple-choice tests and/or exams may be subject to submission for similarity review by software that will check for unusual coincidences in answer patterns that may indicate cheating.

## Policy Regarding Missed Exams

Accommodation for a missed midterm will be granted with approved documentation only.

There will be no make-up midterms. Accommodation for missing a midterm exam will be granted with approved documentation only. If you have a conflict with an exam date, it is your responsibility to discuss it with me within one week of the announcement of the exam date and provide documentation of the conflict. If you miss a midterm due to illness or other unforeseen reason, you must email me and provide documentation of the reason for missing the exam to your Academic Counsellor within 48 hours of the regularly scheduled exam. If you miss a midterm due to illness, I strongly urge you to visit a doctor on the day of the missed exam to obtain documentation of your illness. If your Academic Counsellor and I agree that your reason for missing the exam is legitimate and supported by your documentation, the weight of the missed midterm will be reallocated to the remaining assessments.

Students who miss the Final Exam will be required to write a make-up final exam. Students who miss the Final Exam should follow the notification and documentation rules that apply to missed midterms. See above. Additional documentation or notification procedures for missed final exams may be required by your Academic Counsellor. Therefore, please contact your Academic Counsellor as soon

as possible regarding a missed Final Exam. Additional important details on the Department's policy regarding make-up exams are provided on the last page of the syllabus.

### **Tentative Course Topics**

#### I. Introduction (Ch. 1-3)

- Terms and Definitions
- Expenditures and Revenues in Canada
- Desirable Characteristics of a Taxation System
- Fundamentals of Welfare Economics

#### II. Taxation and Income Distribution (Ch. 14)

#### III. Efficiency and Equity of Taxation (Ch. 15-16)

#### IV. The Personal Income Tax and Its Impact on Behaviour (Ch. 17-18)

#### V. Sales and Excise Taxes (Ch. 19)

#### VI. Wealth and Property Taxes (Ch. 20) – *Time permitting*

#### VII. Corporate Taxes (Ch. 21) – *Time permitting*

*Note:* Any changes to this schedule will be provided in class. Some chapters may not be covered in their entirety.

### **Other Course and Classroom Policies**

Attendance: Students are expected to attend lectures and tutorials regularly, and will be held responsible for all material and all announcements provided in class. Important announcements, such as times and locations of exams, will also be provided under the Announcements section of the course website (OWL).

Participation: I encourage you to participate and ask questions in class. Class discussion is a very useful component of learning, keeps class lively and interesting for all of us, and helps me identify topics that I should go over in more detail (at that time or as we prepare for exams).

Laptops: You may use a laptop in class to take notes until the first time you are found to be doing something other than taking notes on it.

Cell Phones: Please turn off your cell phones and other communication devices before entering the classroom.

Video/Photography: Video recording and photography during class is not permitted, as it may violate the privacy of others in the classroom.

Emails: According to FIPPA, I am not allowed to respond to non-UWO email addresses. So please use your UWO email address in all communications. Also, please enter the course number in the subject heading of your email. I will try to respond to all emails within 48 hours, not counting the weekend. I will NOT respond to emails such as the following:

- 1) Any question that is on this syllabus or elsewhere on the course website: such as exam dates, exam times, course material etc. If you have not received a reply to your question, check the syllabus and the course website.
- 2) Requests for extra assignments, reweighting of exams, assignments etc. as these are prohibited under Senate regulations.
- 3) Requests for my lecture notes. I do not provide my lecture notes to students, other than the material which is on the course website.

**Please Note**  
**Department Policies for 2016 – 2017**

Remember that the University expects all students to take responsibility for their own academic Programs. Also remember to check your registration to make sure you are enrolled in the correct courses.

1. Guidelines and policies for the Faculty of Social Science and the Department of Economics are posted online in the current Western Academic Calendar at <http://westerncalendar.uwo.ca>.
2. Students must familiarize themselves with the “Rules of Conduct for Examinations” <http://westerncalendar.uwo.ca/2016/pg136.html>.
3. **Cheating as an academic offence:** Students are responsible for understanding what it means to “cheat”. The Department of Economics treats cheating incidents very seriously and will investigate any suspect behavior. Students found guilty will incur penalties that could include a failing grade or being barred from future registration in other economics courses or programs. The University may impose further penalties such as a notation on your official academic transcript, suspension or expulsion.
4. **Plagiarism:** Students must write their essays and assignments in their own words. Whenever students take an idea or a passage from another author, they must acknowledge it by using quotation marks where appropriate and referencing with footnotes or citations. Plagiarism is a major academic offence (see Scholastic Offence Policy in the current UWO Academic Calendar at <http://westerncalendar.uwo.ca/2016/pg113.html>).

The University of Western Ontario uses software to check for plagiarism and students may be required to submit their written work in electronic form. Those found guilty will have penalties imposed as noted in point 3.

5. It is Department of Economics policy that **NO** assignments be dated, stamped or accepted by staff. Students are responsible for submitting assignments in class or to the instructor during office hours.
6. When appealing a mark, students should refer to the University’s Procedures in the current UWO Academic Calendar (<http://westerncalendar.uwo.ca/2016/pg112.html>). Please note the relevant deadlines.

The Department will not consider any appeal unless an attempt has been made to settle the matter first with your instructor. If after this discussion you remain dissatisfied with a grade or other decision, you may proceed with a written appeal (e-mails are not acceptable) to the Undergraduate Director in Economics, stating the reasons for your appeal. A useful form and checklist is provided at ([http://economics.uwo.ca/undergraduate/program\\_counselling/responsibilities\\_policies.html#appeals](http://economics.uwo.ca/undergraduate/program_counselling/responsibilities_policies.html#appeals)).

7. Systematic adjustments of a class grade distribution (either up or down) can occur in Economics courses. The fact that grades have been adjusted is **not** grounds for an appeal.
8. Note the following add and drop deadlines:  
  
Last day to **add** a first term half course:  
**Friday, January 13<sup>th</sup>, 2017**  
  
Last day to **drop** first term half course without academic penalty:  
**Tuesday, March 7<sup>th</sup>, 2017**
9. Faculty of Social Science policy states that oversleeping or misreading an exam schedule is not an excuse for a make-up. This rule applies to all mid-term tests and final exams in the Department of Economics.

### **Policy Regarding Makeup Tests and Final Examinations**

*Academic Accommodation will **not** be granted automatically on request. You **must** demonstrate by documentation that there are **compelling** medical or compassionate grounds before academic accommodation will be considered.*

If you decide to write a test or an examination, you must be prepared to accept the mark you earn. Rewriting tests or examinations, or having the value of the test or examination reweighted on a retroactive basis, is **not** permitted. Book airline flights after you know the dates of your final examinations. Airline flights must not conflict with test or final exams.

If you are requesting a makeup test for a midterm or a final examination, unless medically incapable, notify your instructor by email or phone, preferably prior to the scheduled date of the test, but definitely within **24 hours** of the date of the test or exam. Failure to follow this procedure may result in denial of a request for academic accommodation or result in a grade of zero. Set up an appointment as soon as possible to meet personally with your instructor. If the instructor is not available, you may send an email message, copying the Undergraduate Coordinator at [econugrd@uwo.ca](mailto:econugrd@uwo.ca) (Social Science Room 4075). **Notifying your instructor of a missed test or exam does not automatically entitle you to a makeup test.**

Students who seek a makeup test or examination must provide medical or other relevant verification that their absence from a regularly scheduled test or examination is beyond their control. Documentation must support your reasons. Medical documentation should be given to the Academic Counselling Office of your *home* Faculty **as soon as possible (preferably within 24 hours of the test)** if you know you may not be able to write your final examination on the scheduled day and time. Failure to follow this procedure, or to provide supporting documentation, may result in denial of a request for academic accommodation or result in a grade of zero. If your documentation is not acceptable, you will be given a zero for the missed test.

For personal illness, if you consult Student Health Services regarding your illness or personal problem, you should request a Student Medical Certificate from the physician. If you were seen by an off-campus doctor, obtain a certificate from his/her office at the time of your visit. The off-campus medical certificate form must be used and can be found at: [http://www.uwo.ca/univsec/pdf/academic\\_policies/appeals/medicalform.pdf](http://www.uwo.ca/univsec/pdf/academic_policies/appeals/medicalform.pdf). Notes stating "For Medical Reasons" are not considered sufficient.

For any other circumstances, if you are not sure what documentation to provide, ask your Academic Counselor. If your documentation is judged sufficient, the academic counselor will issue a Recommendation for a Special Examination (a single form for midterms or a triple color form for final examinations). Once you have this form, contact your instructor as soon as possible to make arrangements. Even if approved from your home faculty Academic Counsellor, there is no guarantee that you will be allowed to write the makeup test and exam.

For final examinations, you need permission from your *home* Faculty Counsellor, your instructor, and the Department Undergraduate Director. Failure to follow this procedure may result in an examination grade of zero. You must ensure that the Special Examination form has been signed by the instructor and Department Undergraduate Director and that the form is returned to the Academic Counseling Office for approval without delay. Make-up final examinations, if permitted, will be written within one month of the end of the exam period.

### **Policies Regarding Academic Accommodation**

Information about the Faculty of Social Science's policies regarding academic accommodation is found on its website at <http://counselling.ssc.uwo.ca/procedures/havingproblems.asp> or in Social Science Room 2105. Your "Academic Rights and Responsibilities" are also outlined in the current UWO Calendar at <http://westerncalendar.uwo.ca/2016/pg111.html>. Claiming that "you didn't know what to do" is not an acceptable excuse for not following the stated procedures.

### **Policy Regarding Class Attendance**

If your instructor views your class attendance as unsatisfactory, you can be prohibited from writing the final examination. If there is intent to make use of this University policy, you will be notified in writing.

### **Statement on Mental Health and Support Services**

If you or someone you know is experiencing emotional/mental distress, there are several resources here at Western to assist you. Please visit <http://www.uwo.ca/uwocom/mentalhealth/> for more information and a complete list of resources, as well as how to obtain help.