

Course Outline

EE442 Economics of Public Revenue

Semester 2/2022 (January 9th – May 6th, 2023)

Number of Credit: 3 credits

Prerequisite: EE212 (or EE214) and EE311

Course Description: The course analyses the structure and composition of government (national and local) revenue, through analysis of tax burden and incidence, and tax effects upon efficiency and equity. The course looks at the empirical effects of tax policies on the economy as a whole, and various individual behaviors such as decisions about work and leisure, tax avoidance and evasion, investment, savings and consumption. The analysis also includes the effects of deficit finance and fiscal decentralization (local revenue, grants and local debt). The application of these tools to selected contemporary topics (social security, healthcare and education financing). Additionally, the class will explore the politics and economics of tax reforms.

Course Objectives:

- Students can analyze the revenue structures of both central and local governments.
- Students learn to understand the theory of taxation, tax incidence and tax burden shifting.
- Students learn to understand the effects of taxation on resource allocation, efficiency and redistribution.
- Students learn to understand the effects of public debt and tax reform.

Class Time and Logistic

Class day:	Tuesday & Thursday
Class time:	11.00 – 12.30 hrs.
Venue:	Room 203, Faculty of Economics
Teaching Materials Platform:	Google Classroom

Instructor:

Name: Asst. Prof. Dr. Duangmanee Laovakul
Office Hours: By appointment
Email: duangmanee@econ.tu.ac.th

Teaching Materials and Resources

1. Required textbooks and readings

1. Rosen, H. and Gayer, T. (2010). Public Finance. (9th ed.). Boston, MA: McGraw-Hill/Higher-Education. [Call number: HJ257.2. R63 2010]
2. Stiglitz, J. (2015). Economics of the Public Sector. (4th ed.). New York: W.W. Norton & Company. [Call number: FIN HJ 2015 665065]
3. Gruber, J. (2016). Public Finance and Public Policy. (5th ed.). New York: Worth Publishers. [Call number: HJ141. G78 2016]
4. Shome, Parthasarathi. Ed. (1995). Tax Policy Handbook. Washington D.C.: International Monetary Fund. [Call number: HJ2305. T38]

2. Recommended reading lists

1. Vito Tanzi, and Howell H. Zee, Tax Policy for Emerging Market: Developing Countries, IMF Working Paper, March 2000.
2. Roy Bahl, and Richard Bird, Tax Policy in Developing Countries: looking Back and Forward, Working Paper Series, Joseph L. Rotman, School of Management, University of Toronto, May 2008.
3. Alan J. Auerbach, and James R. Hines Jr., Taxation and Economic Efficiency, NBER, February 2001.
4. Richard Bird, and Eric M. Zolt, Introduction to Tax Policy Design and Development, World Bank, May 2003.
5. Varunyuwattana, Sakon and Duangmanee Laovakul. (2010). "Progress of Fiscal Decentralization in Thailand," in *Impacts & Challenges of Decentralization Policy towards Democratization and Development (A Comparative Perspective between Thailand and Indonesia)*, Proceeding in International Joint Seminar, Yogyakarta, Indonesia: Laboratory of Governmental Studies, University of Muhammadiyah.

6. Laovakul, Duangmanee. (2016). "Property Tax in Thailand: An Assessment and Policy Implications." *Thammasat Review of Economic and Social Policy*. Vol. 2, No.1, January-June 2016, p.24-53.
7. Laovakul, Duangmanee. (2019). Fiscal Decentralization and Governance in Thailand. In Junghun, K., and Sean, D. (Eds.), *Fiscal Decentralisation and Inclusive Growth in Asia*. (p.209-234). OECD Fiscal Federalism Studies. OECD Publishing, Paris. DOI: <https://doi.org/10.1787/25cf7545-en>.
8. Laovakul, Duangmanee. (2022). Thailand: A reform of the property tax. In W.J. McCluskey, R.W. Bahl & R. Franzsen. (Eds.). *Property tax in Asia: Policy and practice* (pp. 445-471). Cambridge, MA: Lincoln Institute of Land Policy.

Grading Criteria:

1) Short Paper	5%
2) Term Paper	15%
3) Midterm Exam	35%
4) Final Exam	45%

Tentative Class Schedule:

Date	Topic	Reading Lists
Jan 10, 2023	Topic 1 Public Economics and the Role of Public Sector in the Economy	Stiglitz, chapter 1-2 Rosen and Gayer, chapter 1
Jan 12, 2023	Topic 1 (continued)	
Jan 17, 2023	Topic 2 Tools of Positive and Normative Analysis	Rosen and Gayer, chapter 2-3
Jan 19, 2023	Topic 3 Introduction to Taxation	Stiglitz, chapter 17 Shome, chapter 1 and 3-4
Jan 24, 2023	Topic 4 Thailand Revenue Structure	Powerpoint
Jan 26, 2023	Topic 5 Tax Incidence	Rosen and Gayer, chapter 14 Stiglitz, chapter 18 and 23, p. 713-726 Shome, chapter 2, p. 35-45
Jan 31, 2023	Topic 5 (continued)	

Feb 2, 2023	Topic 6 Taxation and Economic Efficiency	Rosen and Gayer, chapter 15 Shome, chapter 2, p. 25-29 Stiglitz, chapter 19
Feb 7, 2023	Topic 6 (continued) Submit topic of term paper	
Feb 9, 2023	Topic 6 (continued)	
Feb 14, 2023	Topic 7 Optimal Taxation	Rosen and Gayer, chapter 16
Feb 16, 2023	Topic 7 (continued)	
Feb 21, 2023	Topic 7 (continued)	
Feb 23, 2023	Topic 8 Personal Income Tax	Rosen and Gayer, chapter 17 Stiglitz, chapter 22
Feb 28, 2023	Midterm exam (Topic 1-7)	12.00 (noon) – 2.00 PM
Mar 7, 2023	Topic 9 Personal Income Taxation and Household Behavior	Rosen and Gayer, chapter 18
Mar 9, 2023	Topic 9 (continued)	
Mar 14, 2023	Topic 9 (continued) Submit Short Paper	
Mar 16, 2023	Topic 10 Corporate Income Tax	Rosen and Gayer, chapter 19 Stiglitz, chapter 23
Mar 21, 2023	Topic 10 (continued)	
Mar 23, 2023	Topic 10 (continued)	
Mar 28, 2023	Topic 11 Tax Avoidance and Tax Evasion	Stiglitz, chapter 24 Rosen and Gayer, chapter 16, p. 369-375
Mar 30, 2023	Topic 12 Public Debt	Stiglitz, chapter 28
Apr 4, 2023	Topic 12 (continued)	
Apr 6, 2023	Chakri Memorial Day	
Apr 11, 13, 2023	Songkran Festival	
Apr 18, 2023	Topic 12 (continued)	
Apr 20, 2023	Topic 13 Local Public Finance	Rosen and Gayer, chapter 22
Apr 25, 2023	Topic 13 (continued)	
Apr 27, 2023	Topic 13 (continued)	
May 2, 2023	Topic 14 Tax Reform	Gruber, chapter 25 Rosen and Gayer, chapter 21 Stiglitz, chapter 25
May 4, 2023	Topic 14 (continued) Submit Term Paper	
May 13, 2023	Final exam (Topic 8-14)	1.30 PM – 4.30 PM

Expected Learning Outcomes

1. Morality and Ethics **EE442**

Applicability	Expected Learning Outcomes	Evaluation Method
●	1. Students demonstrate integrity.	Exams and work assignments.
●	2. Students prioritize social and public benefits over personal ones.	Exams and work assignments.
●	3. Students are punctual and comply with the code of conduct of the institution and society at large.	Exams and work assignments.
●	4. Students are responsible and accountable to society, the nation, and the subject of economics.	Exams and work assignments.
○	5. Students realize the cultural and environmental value of a sustainable society.	

2. Knowledge

Applicability	Expected Learning Outcomes	
●	1. Students know and understand modern economics principles and theories, and are up to date with new developments.	Exams and work assignments.
●	2. Students know and understand Thai and global economic structure and the importance of major international economic events.	Exams and work assignments.
○	3. Students know and understand the instruments of economic analysis.	
●	4. Students know and understand applied fields in economics, including monetary, public, international, business, natural resource, and environmental, industrial, agricultural, cooperative, political, developmental, and entrepreneurial economics as well as agribusiness.	Exams and work assignments.
○	5. Students are informed about related fields including sociology, business administration, education, law policy, and science.	

3. Intellectual Development

Applicability	Expected Learning Outcomes	
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●	1. Students have developed individual critical thinking.	Exams and work assignments.
●	2. Students are sufficiently trained in research skills.	Exams and work assignments.
●	3. Students demonstrate an ability to analyze and synthesize data, as well as appropriately integrate economics concepts to understand the causes of current economic problems in Thailand. Based on analysis and synthesis, students demonstrate an ability to propose policy guidelines to resolve problems.	Exams and work assignments.

4. Interpersonal Skills and Responsibilities

Applicability	Expected Learning Outcomes	
●	1. Students are responsible for assigned tasks and work in groups effectively.	Exams and work assignments.
●	2. Students have problem-solving skills.	Exams and work assignments.
○	3. Students show leadership skills and team spirit.	
●	4. Students are always improving themselves.	Exams and work assignments.
○	5. Students have good interpersonal skills, adapt, and work under different conditions.	

5. Quantitative Analysis, communication, and information technology

Applicability	Expected Learning Outcomes	
○	1. Students select and apply appropriate statistical and mathematical methods for data processing, interpretation, conclusions, and recommendations to resolve problems.	
○	2. Students communicate effectively and select appropriate presentation methods.	
○	3. Students use information and communication technologies appropriately to gather data as well as process, interpret, and present results.	

Remark: ● Primary expected outcome ○ Secondary expected

ACADEMIC CALENDAR & HOLIDAY SEMESTER 2/2022

Semester 2/2022 (January 9 - May 6, 2023)	
Registration at REG TU (*ID.62-65)	November 22 – 25, 2022
Tuition Fee Payment Period (Via TU Greats App)	November 27, 2022 – January 7, 2023
Classes Begin	January 9, 2023
Add-drop period	January 9 - 22, 2023 <i>(from 9.00 AM of January 9 to 10.30 PM of January 22)</i>
Tuition Fee Payment Period (Via TU Greats App)	January 9 - 23, 2023 <i>(9 AM - 10.30 PM)</i>
Mid-term Examination Period	February 27 - 28 to March 4, 2023
<i>Makha Bucha Day*</i>	<i>March 6, 2023</i>
Withdrawal period with "W" on record	January 25 – March 19, 2023 <i>(from 9.00 AM of January 25 to 10.30 PM of March 19)</i>
<i>Chakri Memorial Day*</i>	<i>April 6, 2023</i>
<i>Songkran Festival Day*</i>	<i>April 10 - 16, 2023</i>
<i>Coronation Day*</i>	<i>May 4, 2023</i>
Last day of class for Semester 2/2022	May 6, 2023
Final exam period	May 8 – 22, 2023
<i>Royal Ploughing Ceremony Day*</i>	<i>To be announced</i>
Submitting Forms for Degree Conferral	January 9 - 22, 2023

Remark * Holiday, No classes during this period