

UNIVERSITY OF BALTIMORE
TAX POLICY FALL 2020

Course: Tax Policy

Instructors: Andre Barnett
andrejbarnett@gmail.com
(704) 363-3947

Praveen Ayyagari
praveen.ayyagari@gmail.com
(815) 222-6103

Office Hours: TBD

Day/Time: Thursday / 6:15 - 9:00 p.m.
Online Course via Zoom

Course Description:

Study of the evolution and structure of the Federal income tax system from a public policy perspective with a focus on legal, economic, social, and practical considerations. Alternatives, including current legislative proposals, are considered. Students prepare a paper on a tax policy issue approved by the professor.

Course Materials:

Course materials will be made up entirely of the listed articles below. These articles are available electronically and links have been provided.

Student Learning Outcomes:

Upon conclusion of the course, the student will be able to identify and analyze political, economic, and budget considerations relating to current and proposed Internal Revenue Code provisions. Students will be able to contrast various tax expenditures with alternative forms of government spending or regulatory programs. Furthermore, students will be able to explain the fairness, economic efficiency, and administrative tradeoffs to be considered when analyzing tax provisions.

Grades:

Students are required to write a 10 – 25 page position paper (the length depending on whether or not a student elects to use this paper as their graduation writing requirement). Students will be graded by the following: 10% Presentation, 30% Class Participation, and 60% Paper.

Course Expectations:

American Bar Association Standards for Law Schools establish guidelines for the amount of work students should expect to complete for each credit earned. Students should expect approximately one hour of classroom instruction and *two hours of out-of-class work each week* for each credit earned in a class, or an equivalent amount of work for other academic activities, such as simulations, externships, clinical supervision, co-curricular activities, and other academic work leading to the award of credit hours.

Reading will be assigned for every class, and the instructors will ask students about the reading in class. Readings may be added or dropped over the course of the semester. Check TWEN and/or email for updates.

Tax experts will be invited to speak on various topics to the class. Speakers will be indicated in the syllabus.

Attendance:

Class attendance is a primary obligation of each student whose right to continued enrollment in the course and to take the examination is conditioned upon a record of attendance satisfactory to the professor. Satisfactory attendance means being present for live Zoom classes, completing quizzes or polls during class, and participating when called on for questions. If students choose not to turn on their camera and are called on or otherwise asked to engage in class work and are in fact not present, they may be subject to discipline under the Honor Code for misrepresenting attendance.

A student who exceeds the maximum allowed absences (generally 20% of class sessions) as illustrated below may be compelled to withdraw from the course, or may be barred from submitting a final position paper. Students who are forced to withdraw for exceeding the allowed absences may receive a grade of FA (failure due to excessive absence). This policy is consistent with American Bar Association Standards for Law Schools.

Regular Semester Hours		
Credit Hours	Meetings Per Week	
	1	2
2	2 absences	5 absences
3	2 absences	5 absences
4	--	5 absences

Course Web Site:

This course has a TWEN page that links to this syllabus, announcements, the class assignments, and other class materials. You are responsible for self-enrolling in the TWEN page and for checking it regularly for course information.

Zoom:

Classes will be held via Zoom, accessible on the course TWEN page. Students are strongly encouraged to turn on their cameras while on Zoom. This course will utilize the Zoom polling feature for discussion questions and quizzes. The course may occasionally use the Zoom

breakout rooms feature for class discussion. For more information on how to use Zoom, please visit the following link: <http://www.ubalt.edu/about-ub/offices-and-services/technology-services/instructional-technologies-av/ubzoomlanding.cfm>.

Faculty are required to record Zoom classes for the purposes of accommodating a disability, for students who cannot attend or so students who wish to review may have access to the full class content. All recordings are for the sole use of the class and may not be reproduced by students for any other purpose. Faculty cannot reproduce students' voices or images from the class for any other purpose without additional student consent. All such recordings are protected by a UB login process based on where they are posted. Students may mute their microphone or turn off their camera if they do not consent to be recorded, but this may mean they need to find additional ways to participate in the class discussion. In addition, students who turn off their camera and do not remain present for the class session may be subject to the Honor Code for misrepresenting attendance.

Class Cancellation:

If the instructors must cancel a class, notices will be sent to students via email and posted on TWEN. If there is inclement weather, students should visit the University of Baltimore web site or call the University's Snow Closing Line at (410) 837-4201. If the University is open, students should presume that classes are running on the normal schedule.

Academic Integrity:

Students are obligated to refrain from acts that they know or, under the circumstances, have reason to know will impair the academic integrity of the University and/or the School of Law. Violations of academic integrity include, but are not limited to: cheating; plagiarism; misuse of library materials; use of another's book or study materials without consent; unapproved multiple submissions; material misrepresentation of one's academic history or standing; misrepresentation of any academic matter; intentionally giving another student false or inaccurate information about class requirements; inappropriate discussion of exams; and misrepresenting or falsifying class attendance reports. The School of Law Honor Code and information about the process is available at https://law.ubalt.edu/academics/policiesandprocedures/honor_code/index.cfm.

Course Evaluations

It is a requirement of this course that students complete a course evaluation. The evaluation will be available later in the semester and is entirely anonymous. Faculty members will not have access to the feedback provided on course evaluations until after all grades are submitted.

Title IX Sexual Misconduct and Nondiscrimination Policy:

The University of Baltimore's Sexual Misconduct and Nondiscrimination policy is compliant with Federal laws prohibiting discrimination. Title IX requires that faculty, student employees and staff members report to the university any known, learned or rumored incidents of sex discrimination, including sexual harassment, sexual misconduct, stalking on the basis of sex, dating/intimate partner violence or sexual exploitation and/or related experiences or

incidents. Policies and procedures related to Title IX and UB's nondiscrimination policies can be found at: <http://www.ubalt.edu/titleix>.

Disability Policy:

If you are a student with a documented disability who requires an accommodation for academic programs, exams, or access to the University's facilities, please contact Keri Hickey, Director of Student Support in the Office of Academic Affairs, at khickey@ubalt.edu.

[Student Success Resources Syllabus Addendum](#)

TAX POLICY SYLLABUS FALL 2020

All readings are available electronically with links provided below.

August 27

Class Overview

- Syllabus and overview of course
- Class assignments and expectations
- Discussion of position paper

September 3

Overview of The Tax Legislative Process

- Principles of tax policy
- Parties involved in the tax legislative process

Readings

- AICPA Guiding principles of good tax policy (simplicity, neutrality, transparency, stability), available at <https://www.aicpa.org/advocacy/tax/downloadabledocuments/tax-policy-concept-statement-no-1-global.pdf>
- Introduction to Legislative Process in the U.S. Congress, Congressional Research Service, November 15, 2018, available at <https://crsreports.congress.gov/product/pdf/R/R42843>
- Joint Committee on Taxation, *Joint Committee Role in the Legislative Process*, available at <http://www.jct.gov/about-us/role-of-jct.html>
- George K. Yin, *The Role of Nonpartisan Staff in the Legislative Process*, June 17, 2013, available at http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2261221

September 10

Tax Expenditures

- Spending and tax expenditures
- Discuss Earned Income Tax Credit (EITC) & Child Tax Credit (CTC)

Readings

- Spending and Tax Expenditures: Distinctions and Major Problems, available at <https://www.crs.gov/reports/pdf/R44530>

Additional Readings

- Joint Committee on Taxation, *Estimates of Federal Tax Expenditures for Fiscal Years 2019-2023*, January 30, 2017, available at <https://www.jct.gov/publications.html?func=startdown&id=5238>

- Paul N. Van de Water and Chye-Ching Huang, *Budget and Tax Plans Should Not Rely on A "Dynamic Scoring", Estimates Are Highly Uncertain and Subject to Manipulation*, Center on Budget and Policy Priorities, November 17, 2014, available at <https://www.cbpp.org/sites/default/files/atoms/files/10-18-11bud.pdf>

September 17 and 24

Tax Expenditures (Part II)

- Senate Budget Reconciliation Process
- Tax Cuts and Jobs Act of 2017

Readings

- The Budget Reconciliation Process: Timing of Legislative Action, Congressional Research Service, February 2016, available at <https://www.crs.gov/reports/pdf/RL30458>
- The Budget Reconciliation Process: The Senate's "Byrd Rule", Congressional Research Service, November 23, 2016, available at <https://www.crs.gov/reports/pdf/RL30862>
- The Economic Effects of the 2017 Tax Revision: Preliminary Observations, Congressional Research Service, June 7, 2019, available at <https://www.crs.gov/reports/pdf/R45736>
- The 2017 Tax Revision (P.L. 115-97): Comparison to 2017 Tax Law, Congressional Research Service, February 6, 2018, available at <https://www.crs.gov/reports/pdf/R45092>
- Tax Cuts and Jobs Act, Conference report, available at <https://www.congress.gov/115/crpt/hrpt466/CRPT-115hrpt466.pdf>

Additional Readings

- William G. Gale, Hilary Gelfond, Aaron Krupkin, Mark J. Mazur, and Eric Toder, *Effects of The Tax Cuts and Jobs Act: A Preliminary Analysis*, TPC Urban Institute & Bookings Institution, June 13, 2018, available at <https://www.taxpolicycenter.org/publications/effects-tax-cuts-and-jobs-act-preliminary-analysis/full>
- The SALT Cap: Overview and Analysis, Congressional Research Service, March 6, 2020, available at <https://crsreports.congress.gov/product/pdf/R/R46246>

October 1

CARES Act (2020)

- Analysis of process and provisions (e.g., Employee Retention Tax Credit)

Readings

- The Coronavirus Aid, Relief, and Economic Security (CARES) Act – Tax Relief for Individuals and Businesses, Congressional Research Service, March 31, 2020, available at <https://crsreports.congress.gov/product/pdf/R/R46279>
- COVID-19 Employee Retention Tax Credit, Congressional Research Service, May 12, 2020, available at <https://www.crs.gov/Reports/IN11299?source=search&guid=6f007f2ff4ba48c2a55dc84b956c1cea&index=0>

October 8

Economic Proposals of Presidential Candidates

- Discussions and group presentations on their assigned candidate¹

October 15

State and Local Tax (SALT) Deduction

Guest Lecturer, TBD

Readings

- Chuck Marr, Kathleen Bryant, and Michael Leachman, *Repealing “SALT” Cap Would Be Regressive and Proposed Offset Would Use up Needed Progressive Revenues*, Center on Budget and Policy Priorities, December 10, 2019, available at <https://www.cbpp.org/sites/default/files/atoms/files/12-10-19tax.pdf>

October 22

Business and Labor Incentives (Work Opportunity Tax Credit, Research Tax Credit, Orphan Drug Tax Credit)

Readings

- The Work Opportunity Tax Credit, Congressional Research Service, September 25, 2018, available at <https://www.crs.gov/reports/pdf/R43729>
- U.S. Government Accountability Office, *Tax Policy: The Research Tax Credit's Design and Administration Can Be Improved*, GAO-10-136, November 6, 2009, available at <http://www.gao.gov/new.items/d10136.pdf>
- Martin A. Sullivan, *Economic Analysis: Time to Scrap the Research Credit*, Tax Analysts, April 8, 2013, available at

¹ Students will be assigned to be in either one of two groups representing each of the presidential candidates. The teams will have to present their case on why their candidate has the best economic plan. We will develop a list of questions we would like for each team to present on and answer/address in their presentation of their economic plan.

<http://www.taxhistory.org/www/features.nsf/Articles/B4E4F1D6C2A8B58085257B470058A573?OpenDocument>

- Federal Taxation of the Drug Industry and Its Effects on New Drug Development, Congressional Research Service, March 18, 2009, available at <https://crsreports.congress.gov/product/pdf/RL/RL31511>

October 29

Taxation of Capital Gains

- Discussion of political and economic considerations

Readings

- Capital Gains, Congressional Research Service, March 16, 2018, available at <https://www.crs.gov/reports/pdf/96-769>
- Capital Gains Tax Options: Behavioral Responses and Revenues, May 20, 2020, available at <https://www.crs.gov/reports/pdf/R41364>

November 5 and 12

Place-Based Tax Incentives (Empowerment Zones, Enterprise Zones, Opportunity Zones)

Guest Lecturer – Chief Judge Maurice B. Foley, United States Tax Court

Readings

- Jeff Ernsthansen and Justin Elliott, *One Trump Tax Cut Was Meant to Help the Poor. A Billionaire Ended Up Winning Big*, MSN, June 23, 2019, available at <https://www.msn.com/en-us/news/us/one-trump-tax-cut-was-meant-to-help-the-poor-a-billionaire-ended-up-winning-big/ar-AAD6vrT#page=2>
- Noah Buhayar and Lauren Leatherby, *Welcome to Tax Breaklandia*, Bloomberg Businessweek, January 18, 2019, available at <https://www.bloomberg.com/graphics/2019-portland-opportunity-zones/>
- U.S. Government Accountability Office, *Empowerment Zone and Enterprise Community Program: Improvements Occurred in Communities, but the Effect of the Program Is Unclear*, September 2006, available at <https://www.gao.gov/assets/260/251626.pdf>

November 19

Student paper presentations