



UNIVERSITÀ
DEGLI STUDI DI MILANO-BICOCCA

SYLLABUS DEL CORSO

Tassazione, Efficienza, Benessere

2425-3-E3301M200

Learning objectives

This course aims at leading the student to analyze and apply the principles of economic efficiency, vertical and horizontal equity to the design and administration of modern tax systems. By the end of the course the student shall know how: a) to describe and analyze critically the main issues associated with the design and administration of personal income taxes and consumption taxes; b) to understand the causes and consequences of tax evasion and of international tax avoidance; c) to critically discuss contents and outcomes of the public debate on tax systems and their reform.

Contents

Taxes on personal income, personal wealth and consumption.
Tax evasion in a domestic context.
Profit taxes and international tax avoidance..

Detailed program

First part

Introduction to the course. The role of taxes in the contemporary economy.

The personal income tax. Equity and efficiency. Types of income and types of taxable bases. Types of tax rates: progressive taxes and proportional taxes. Examples and exercises: types of progressive taxes. The choice of the taxable base. Examples and exercises: the greater equity of the global base tax. Exercises from the workbook.

The choice of tax rates: how much progressivity? Examples and exercises: calculation of the elasticity of declared income and examples of the optimal tax progression.

The trade-off between equity and efficiency. Further discussion on horizontal equity: individual tax or family

quotient? Examples and exercises: horizontal inequity at the family level with individual taxes and deductions, the application of the family quotient, and the gender bias issue. Exercises from the workbook.

Wealth taxes. Consumption taxes. Types of taxable bases and types of taxes. Examples and exercises: calculation of VAT using the tax-on-tax method. Exercises from the workbook.

The efficiency of VAT. Types of goods and VAT rate levels. The choice of rates, how to differentiate? Uniform VAT rates as the preferred solution. Ideal taxes and real taxes.

Personal income tax (Irpef), VAT, and excise duties in Italy.

Taxation of "bads": traditional excise duties and environmental taxes.

Part Two

Administration of personal income taxes and consumption taxes.

Why is tax evasion a problem? Income tax and consumption tax evasion: causes and possible remedies. Exercises from the workbook.

Summary of topics for the midterm exam.

Tax evasion in Italy.

Corporate profit taxes. Taxes on domestic corporate profits. Exercises from the workbook.

Issues in taxing multinational companies. Aggressive tax planning by multinationals.

Examples of aggressive tax planning by multinationals. Possible remedies.

Course summary and preparation exercises for the final exam. Illustration of possible thesis topics.

Prerequisites

Microeconomics.

First and second order derivative calculations.

Interpretation of integral calculation.

Teaching methods

The lessons will take place as follows:

17 hours in remote delivery mode;

27 hours in in-person delivery mode;

12 hours in interactive in-person delivery mode.

During the interactive lessons, students, possibly divided into groups, will have the opportunity to earn additional points by answering questions, solving exercises, or presenting an in-depth analysis of a scientific article, a case study, or a project work on topics previously indicated by the instructor.

Assessment methods

Written exam, with an option to take an intermediate test, based partly on open questions and and partly on numerical exercises.

The intermediate test can be taken by all students who exert the option through the e-learning page and will regard the first part of the course.

Students who obtain a positive evaluation in the intermediate text will be allowed to take, during normal exam sessions, only the second part of the exam. This opportunity will be valid until the last exam session for academic

year 2024-2025.

Students who do not obtain a positive evaluation in the intermediate text will take, during normal exam sessions, both parts of the exam.

The final grade will be given by a weighted sum of grades obtained in each of the two parts and of additional points, for a maximum of 4 points, obtained during the interactive lectures.

Textbooks and Reading Materials

Alessandro Santoro, "L'economia delle tasse. Cosa sono e come dovrebbero cambiare", il Mulino, Universale Paperbacks. This text will be available in bookshops from mid february 2025.

Alessandro Santoro "Esercizi svolti di economia della tassazione", Giappichelli, Torino, 2024

Semester

Second semester

Teaching language

Italian

Sustainable Development Goals

NO POVERTY | DECENT WORK AND ECONOMIC GROWTH | REDUCED INEQUALITIES | CLIMATE ACTION
