

Fiscal Policy; Taxation & Spending - Outline

Taxes (revenue) (money in)

Economic impact of taxation

- Resource reallocation
- Behavior adjustment
- Productivity and growth

Tax Criteria

- Equity
- Simplicity
- Efficiency

Principles of taxation

- Benefit
- Ability-to-pay

Types of taxes

- Proportional
- Progressive
- Regressive

Federal tax system

- Individual income tax
 - Indexing
 - FICA
 - Social Security
 - Medicare
 - Corporate income tax
 - Excise
 - Estate & Gift
 - Duties
 - Fees

State and Local Taxes

- Sales taxes
- Individual income tax
- Employee retirement contributions
- Corporate income tax
- Fees
- Property taxes

Tax issues

- Incidence of a tax
- Value added tax
- Flat tax

Government Spending (money out)

- Public sector
- Private sector
- Goods and services
- Transfer payments
- Grant-in-aid

Impact of government spending

- Resource allocation
- Income distribution
- Private sector competition

Federal Budget

- Deficit
- National debt
- Impact of debt
- Interest rates
- Balanced budget
- Surplus
- Executive formulation
- Appropriations
- Entitlements
- Government expenditures

State and local government expenditures

- Public welfare
- Education