Discussion of
“AFTER WAYFAIR: WHAT ARE STATE USE TAXES WORTH?”. 
by John L. Mikesell and Justin M. Ross

Discussant:
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Overview

• The article uses data from Indiana to capture the short-term effect of *South Dakota vs Wayfair*.

• The article finds that the introduction of the tax altered the collection of the overall Sales & Use Tax in IN.

• The article uses an innovative technic to perform the estimation.
• Stories on how nuanced the application of the Use tax is.
  • How are states that allow localities to have local sales taxes are dealing with them?
  • This is not a concern in Indiana.

• Discussion about the stakeholders’ role (could be strengthened)
  • Heterogeneity implementation comes from different requirements for Vendors / Marketplaces / Referrals?
  • My Prior: The smaller the number the collector the easier to enforce. Is there any expectation?
About the method

• SCM with Lasso predictor selection
  • SCM / Placebo tests – duly explained
  • Lambda Penalty? → Cross validation is straightforward, but the optimization procedure is not.
  • Inference → Combination of 10 donors with 858 predictors left?

• Moving averages
  • It softens the series
  • How does it affect the outcome series? → You change the cutoff for policy introduction to avoid the related tainting
  • Is there any other empirical work that explores this transformation deeper (Simulation implications?)
• Wayfair didn’t alter the fiscal outlook of IN

• At the end of the series, both T and C start diverging...

• What is your expectation/prior? Is there room to say that in absence of the policy some collection wouldn’t have happened