Fiscal Reform in the Russian Federation

Since very early in the transition, it has been clear that a fundamental piece of the transformation of the Russian economy to a market economy would be the reform of its tax system and the exercise of fiscal discipline to downsize the claim of the public sector on the economy. It is no secret that the Russian Federation has had a hard time in carrying out these important reforms. The reasons for this disappointing record are multiple and complex, and often quite different from those repeated in the Western press. This session examines first, the successes and failures of tax reform at the federal level and the overall performance of Russia’s tax system over the past seven years; second, the most important aspects of tax reform at the regional and local level; and third, the difficulties of understanding and quantifying the public sector in Russia today.

**Moderator:** Elaine Grigsby, USAID, Moscow

**Presenters:**
- Jorge Martinez-Vazquez and Sally Wallace, Georgia State University - Tax Reform in the Transition: The Ups and Downs of the Russian Federation
- John Mikesell, Indiana University - Decentralizing Government Finances in the Russian Federation: The Regional Sales and Imputed Income Taxes
- Mark Sundberg and Alexander Morozov, The World Bank - Russia Public Expenditure Analysis: Navigating in the Twilight

**Discussants:**
- Roy W. Bahl, Georgia State University
- William F. Fox, University of Tennessee, Knoxville
- Victoria Summers, International Monetary Fund
The Economic Effects of Taxation

One of the central questions in public economics is how income taxation affects individual decisions. The income tax system may influence investment in education, private contributions to public goods, and labor supply decisions. For example, the Georgia HOPE Credit for education expenses was the precursor for the federal HOPE Credit and provides some insight into the effect of an education tax credit. The high rates of estate taxes may affect behavior by altering charitable contributions as a means of avoiding the high rate of taxation. The Tax Reform Act of 1986, which lowered marginal tax rates for high income individuals, provides a source for investigating the effect of taxes on labor supply and the implications for distributional consequences of tax changes. This session considers each of these possible economic effects of taxation.

Moderator:  
Stacy Dickert-Conlin, Maxwell School, Syracuse University

Presenters:  
Susan Dynarski, Kennedy School of Government, Harvard University, and NBER - The Economic Effect of the HOPE Credit: Evidence from Georgia  
David Joulfaian, Office of Tax Analysis, U.S. Department of the Treasury - The Effects of Estate Taxes on Charitable Bequests  
Jeff Kubik, Syracuse University - The Incidence of the Personal Income Tax: Evidence from the Tax Reform Act of 1986

Discussants:  
Julie-Anne M. Cronin, Office of Tax Analysis U.S. Department of the Treasury  
Peter Brady, Federal Reserve Board

Federal Incentives and State Redistributive Spending

This session is devoted broadly to state redistributitional efforts, both on the spending and the tax side. Given the conversion from open-ended federal matching grants for AFDC to fixed block grants under TANF, for understanding state behavior under block grants it is important to understand how states have responded to previous grant-in-aid incentives. Two of the papers address that issue. One considers the extent to which states have allowed Food Stamps to substitute for cash assistance, and tries to decompose state responses into price and displacement effects. The second paper uses data from the 1940s and 1950s to estimate the price elasticity of state welfare spending with respect to the federal matching subsidy, thus getting around the correlation between income and state matching share that has been present under the Medicaid matching formula. The third paper considers recent state tax initiatives and their effect on low-income households.

Moderator:  
Howard Chernick, Hunter College of the City University of New York

Presenters:  
Howard Chernick - State Fiscal Substitution between Food Stamps and Cash Assistance  
Katherine Baicker, Dartmouth College - State Responses to Federal Matching Incentives under the AFDC Program  
Elaine Maag and Diane Lim Rogers, The Urban Institute - The New Federalism
and State Tax Policies toward Low-Income Families

Discussant:  Elizabeth Powers, University of Illinois

Current Issues in U.S. Property Taxation

Most real property in the U.S. is assessed by local assessors. The first paper looks at 19 recent court cases from across the U.S. to examine local assessment skill and judicial judgment regarding appeals of property assessments. The second paper examines the failure of existing property tax practices to take into account rapid change in technology and its impact on many items of tangible personal property. The third paper examines the economic and fiscal impacts of the major change in property taxation enacted by the New Hampshire legislature in 1999. In response to a Supreme Court school funding suit, the legislature replaced a substantial portion of local property taxes with a uniform statewide property tax.

Moderator:  Wayne G. Eggert, Lucent Technologies Inc.

Presenters:  
John O. Behrens, Attorney-at-Law - Value by the Case, or Assessments Go to Court
Michael Clarkson, Technical Valuation Services, Inc. - Property Tax and Technological Obsolescence
Lisa Shapiro, Gallagher, Callahan & Gartrell; Richard England, University of New Hampshire; Daphne A. Kenyon, The Josiah Bartlett Center & Simmons College; and Charles Connor - The Economic and Fiscal Impacts of a Uniform Statewide Property Tax

Discussant:  James R. Davis, Board of Tax Assessors, Macon-Bibb County, Georgia

CONCURRENT SESSIONS
1:30-3:00 PM

Frontiers of Public Finance: 1999 Outstanding Doctoral Dissertation Award Winners

Moderator:  William Oakland, Tulane University

Current Issues in Business Taxation

Moderator:  Gerald Auten, Office of Tax Analysis, U.S. Department of the Treasury

Presenters:  
Gerald Auten and Edith Brashares, Office of Tax Analysis, U.S. Department of the Treasury - Do Taxes Spoil the Use of Tradeable Emission Allowances to Regulate Greenhouse Gas Emissions?
Susan Nelson, Office of Tax Analysis, U.S. Department of the Treasury - Current
Issues in the Taxation of Small Business

*Abraham Schneier*, McKevitt and Schneier - Taxes and Small Business: The Views of the Small Business Community

*James B. Mackie, III*, Office of Tax Analysis, U.S. Department of the Treasury - The Comeback of the Corporate Income Tax: Why Have Tax Payments Increased while the Average Tax Rate Declined?

**State and Local Finance at the Millennium**

State and local governments are confronted with a host of legal, political, economic, demographic, and technological forces. This session will explore how state and local government finances might change in response to some of these pressures.

**Moderator:**  *David L. Sjoquist*, Georgia State University.

**Presenters:**

*James Alm*, Georgia State University - The Vanishing Taxpayer: The Future of State-Local Government Finances

*Richard R. Hawkins* and *David R. Eppright*, University of West Florida - Economic Structure and the Local Sales Tax Threat from Electronic Commerce

*Lawrence O. Picus*, University of Southern California; and *Ross Rubenstein*, Georgia State University - Politics, the Courts, and the Economy: Implications for the Future of School Financing

*Bruce A. Wallin*, Norteastern University - State Finance at the Millennium

**Discussants:**

*Roy W. Bahl*, Georgia State University

*Helen F. Ladd*, Duke University

**Financing Transportation in an Intergovernmental System**

This panel examines intergovernmental issues in the finance of transportation. Most transportation programs involve two or three levels of government, and this raises issues of grant design, allocation formulas, and mandates. Also, the advantages of debt vs. current revenues as a finance source for public investment is examined.

**Moderator:**  *John Bartle*, University of Nebraska, Omaha.

**Presenters:**

*James Alm*, Georgia State University - The Vanishing Taxpayer: The Future of State-Local Government Finances

*John Bartle* - Financing the Airport of the Future: The Small Aircraft Transportation System
The Use of Publicly Available Data to Evaluate Tax Policy

This session addresses the use and limitations of publicly available data to evaluate tax policy changes. The papers will address data issues in the context of research on issues in individual, corporate, and international taxation, with a focus on micro data sets commonly used by researchers.

**Moderator:** Douglas Holtz-Eakin, Maxwell School, Syracuse University

**Presenters:**
- George A. Plesko, Massachusetts Institute of Technology - Book-Tax Differences and the Measurement of Corporate Income
- Lillian F. Mills, University of Arizona - Hide and Seek: Investigating Transfer Pricing by Multinational Companies Using Public and Private Data

**Discussant:** Douglas Holtz-Eakin

Revenue Forecasting Experiences of Federal, State and Local Governments

This session brings together the experiences of federal, state, and local governments in revenue forecasting. Forecasting techniques and issues will be highlighted. Current methodologies for selected revenue sources, including federal excise and state gaming revenues, will be discussed. Alternative forecasting approaches will be compared to examine issues specific to the different levels of government. Any revenue forecasting lessons to be learned among different levels of government will also be highlighted.

**Moderator:** Ranjana Madhusudhan, New Jersey Department of Treasury

**Presenters:**
- William Anderson, Budget and Planning Division, State of Nevada - Forecasting Gaming Revenues in Nevada: Methodologies and Accuracy
- Mark Haas and Andrew Lockwood, Michigan Department of Treasury - What Happens to Lottery Revenues When New Casinos Are Opened?
- Marilyn Rubin, John Jay College, City University of New York - Approaches to Revenue Forecasting by State and Local Governments
- John McClelland, Office of Tax Analysis, U.S. Department of Treasury -
Forecasting Tobacco Taxes and Estimating the Revenue Effects of Proposed Increases in Excise Taxes/Tobacco Settlement Payments

Donald J.S. Brean, University of Toronto - Tax and Expenditure Forecasts: Biases, Randomness, and Correlations

Educational Expenditures, School Choice, and School Quality

These papers report research results on several questions that are at the heart of the ongoing debate about school policy. To what extent can the problems of public schools be solved by additional spending? That is, do dollars matter for educational outcomes? How are factors other than resources (dollars), such as peers, family and community income, and ethnicity, correlated with educational outcomes? How can school aid formulas be adjusted to account for the higher costs of educating at-risk (poor or minority) students? How can the delivery of education be altered to improve the outcomes attained with given resources? In particular, how can competition among suppliers of education be introduced or increased? What evidence is there that increased competition improves outcomes and/or decreases costs?

Moderator:  Thomas A. Downes, Tufts University

Presenters:
Thomas F. Pogue, The University of Iowa; and James Maxey, The University of Iowa and ACT - Public School Success and Failure: Weighing the Effects of Dollars, Family, Peers and Community

Corrine Taylor, Wellesley College - Challenges in Linking Student Outcomes and School Expenditures

Gerhard Glomm, Doug Harris, and Te-Fen Lo, Michigan State University - Charter School Entry

Helen F. Ladd, Duke University - School Choice in New Zealand

Discussants:
Thomas A. Downes

Leslie E. Papke, Michigan State University

Fiscal Decentralization in Transition Countries: The Role of Local Democratic Governance

Countries in Central and Eastern Europe and the former Soviet Union are developing new intergovernmental fiscal systems-moving from the highly centralized systems of the past 50 years to more decentralized systems. Such fiscal decentralization can improve the level and quality of public services being provided, ensure the most effective use of limited public resources, and strengthen civic society in emerging democracies. The first two papers describe approaches to fiscal decentralization in transition countries and the important factors in describing the extent of fiscal decentralization. The final paper discusses the concept of local democratic governance and explores its importance in achieving efficiency benefits associated with fiscal decentralization.

Moderator:  Michael E. Bell, MEB Associates, Inc.
Ron Cummings' Computer Experiments on Tax Evasion

On Monday, October 25, and Tuesday afternoon, October 26, conference participants will have
the opportunity to participate in a computer lab experiment on the factors that affect tax
compliance and hear a summary of the results of previous experimental research on the topic.
Factors that have been investigated include the probability of audit, the penalty rate, and the
marginal tax rate. The computer experiments have produced some surprising results.

Ron Cummings, Georgia State University Noah Langdale Eminent Scholar in Environmental
Policy, has set up the lab. Susan Laury of the Economics Department will run the experiments
at the Georgia State University Policy Research Center. The Center is a short subway ride
from the conference site.

Each session is limited to 22 people. The schedule is: Monday - 8:30-9:30 AM., 10:30-11:30 AM,
2:00-3:00 PM, and 4:00-5:00 PM. Tuesday - 2:00-3:00 PM.
system).

**Moderator:**

*William C. Randolph*, Office of Tax Analysis, U.S. Department of the Treasury

**Presenters:**


*Rosanne Altshuler*, Rutgers University; and *R. Glenn Hubbard*, Columbia University - The Effect of the *Tax Reform Act of 1986* on the Location of Assets in Financial Services Firms

*Harry Grubert*, Office of Tax Analysis, U.S. Department of the Treasury; and *John Mutti*, Grinnell College - Dividend Exemption versus the Current System for Taxing Foreign Business Income

**Discussants:**

*Douglas Shackelford*, University of North Carolina, Chapel Hill

*William C. Randolph*

*Jack Mintz*, University of Toronto

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**Taxation and Social Policy**

Recent policy changes have renewed interest in the tax system as a vehicle for impacting social policy. As an example, the 1996 welfare reform ended welfare as an entitlement, thereby making the Earned Income Tax Credit (EITC) the largest cash transfer program for low-income families. The expansion of the EITC raises questions about its implications for family structure and income distribution. The marriage penalty and the mortgage interest deduction in the personal income tax both have social policy implications that are explored in this session.

**Moderator:**

*Stacy Dickert-Conlin*, Maxwell School, Syracuse University

**Presenters:**

*James Alm*, Georgia State University; *Jennifer Thacher*, University of Colorado; and *Leslie A. Whittington*, Georgetown University - Shacking Up or Shelling Out: Income Taxes and Cohabitation

*Nada Eissa* and *Hilary Hoynes*, University of California Berkeley - Tax-Transfer Policy and Marriage

*Peter Brady*, Federal Reserve Board; *Julie-Anne M. Cronin*, Office of Tax Analysis, U.S. Department of the Treasury; and *Scott Houser*, California State University Fresno, Regional Variation in the Federal Mortgage Interest Deduction

**Discussants:**

*Dan T. Rosenbaum*, University of North Carolina-Greensboro

*Donald J. Bruce*, University of Tennessee Knoxville
Implications of the Report of the National Gambling Impact Study Commission

This panel will discuss the implications of the report of the National Gambling Impact Study Commission (NGISC). The Commission was created by the Congress in 1996 and charged with conducting a comprehensive legal and factual study of the social and economic impacts of gambling on federal, state, local, and Native American tribal governments, and on communities and social institutions. The Commission met for two years and released its final report in June 1998. Panelists will discuss the gaming environment in the gaming states and examine the implications of the NGISC report for future state policies.

Moderator: Ranjana Madhusudhan, New Jersey Department of Treasury

Panelists:

Charles Clotfelter, Duke University
Rebecca Paul, Georgia State Lottery
Linda Minash, Wisconsin Division of Gaming
Erik R. Batzloff, Spintek Gaming Technologies, Inc., Las Vegas
Joel Lunde, Iowa Department of Management
Gary C. Anders, School of Management, Arizona State University West

State Taxation of Value Added

The idea for U.S. use of a value added tax was first proposed by Thomas S. Adams to the National Tax Association at its 11th Annual Conference on Taxation (1917, New York). The first proposals for state use of a VAT followed in 1930 (Iowa) and 1932 (Alabama). Since then, the tax has been discussed in several states, but with the exception of Hawaii (1932), Michigan (1953-67 and 1975), and New Hampshire (1993), it has fared much better with tax commissions than with legislatures. However, the legislative view may be changing as there is renewed interest in the VAT as a state revenue source.

Moderator: Philip M. Dearborn, President, Greater Washington Research Center

Presenters:

Charles E. McLure, Jr., Hoover Institution, Stanford University - Implementing a State VAT: Breaking the Logjam in Tax Assignment
James A. Papke, Purdue University - Challenging Tradition: Substituting a VAT for the Local Tax on Business Personalty
Kelly D. Edmiston, Georgia State University - The VAT and State Economic Development
William F. Fox and LeAnn Luna, University of Tennessee, Knoxville - What if There is a National VAT?

Discussant: Elizabeth McNichol, Center on Budget and Policy Priorities
The Pros and Cons of Individual Accounts in Reforming Social Security

Most of the current proposals for reforming Social Security include the creation of individual accounts. Even the President, who does not include such accounts in his Social Security reform plan, proposes establishing individual retirement accounts outside of the system. What are the perceived benefits of individual accounts that have led to their wide acceptance and popularity? Are these benefits likely to be realized, and if so, at what cost? This panel of distinguished experts will discuss the advantages and disadvantages of incorporating individual accounts into the Social Security system.

Moderator: Julia Lynn Coronado, Board of Governors of the Federal Reserve System

Presenters: Sylvester Schieber, Vice President, Research and Information, Watson Wyatt Worldwide

Leonard E. Burman, Deputy Assistant Secretary for Tax Analysis, U.S. Department of the Treasury

C. Eugene Steuerle, Senior Fellow, The Urban Institute

Dallas Salisbury, President and CEO, Employee Benefit Research Institute

William Shipman, Principal, State Street Corporation

LUNCHEON NOON-1:30 PM

Speaker: The Honorable Michael Leavitt, Governor of Utah

GENERAL SESSION
1:45-3:15 PM

Taxing Transactions in e-Commerce-Whither or How?

It is widely reported that electronic commerce will, if it has not already, revolutionize the way goods and services are ordered and delivered to businesses and consumers. Governments are worried that this new medium will drastically undermine traditional transaction tax bases. Businesses are worried that commerce and technological innovation will be dampened if the tax collector comes calling. Studies are being done. Congress has created a commission. The states and local governments are ready to act. But should e-commerce in all its forms be taxed? If so, how, given the complexity and constraints that exist? What effect will new taxation have on the use and growth of this virtual trade route?

Moderator: James R. Eads, Partner, Ernst & Young, Atlanta


**CONCURRENT SESSIONS**

**3:30-5:00**

**The Relationship between Fiscal Preferences and Tax Systems**

Public choice scholars are concerned, among other things, with determining the relationships among taxpayer characteristics and preferences and the design of fiscal systems. These are examined for three different aspects of taxation—the structure of local tax systems, tax evasion, and redistributive activities—in the three papers in this session. The first two of these papers relate to tax systems in European countries.

**Moderator:** Harold M. Hochman, Lafayette College

**Presenters:**

John Ashworth, University of Durham, UK; and Bruno Heyndels, Vrije Universiteit Brussel, Belgium - Reference Point Effects in Local Taxation: It All Depends on How You Look At It

Giorgio Brosio, Università di Torino, Italy; and Alberto Cassone, Università del Piemonte Orientale, Allessandria, Italy - Tax Evasion across Italy: Rational Noncompliance or Inadequate Civic Concern

Kenneth E. Greene, State University of New York-Binghamton - Sources of Support for Redistributive Activities and Other Public Means of Doing Good

**Discussant:** Paul Rubin, Emory University

**Corporate Tax Shelters**

**Moderator:** James B. Mackie, III, Office of Tax Analysis, U.S. Department of the Treasury

**Presenters:**

Joseph M. Mikrut, Tax Legislative Counsel, U.S. Department of the Treasury - The Treasury White Paper: A Summary

Kenneth W. Gideon, Wilmer, Cutler & Pickering, Washington DC - Transparency and Corporate Tax Shelter Proposals

George A. Plesko, Massachusetts Institute of Technology - Evidence and Theory on Corporate Tax Shelters
Simplifying Sales Tax Compliance through Managed Audits

**Moderator:** Terrell E. Schroeder, Marvin F. Poer & Company

**Presenters:** Mary Pat Kloster, American Tax Association

Edward M. Many, Georgia Department of Revenue

Private Provision of Public Services

Changes in government provision of public services and the willingness of taxpayers to finance them have led those seeking to maintain (or even increase) their level of public services to search for alternative financing. Governments have turned to a wide range of non-tax revenues, including voluntary contributions, user fees, and lotteries. Individuals have turned to private provision and financing to supplement the public bundle. Increasing reliance on private financing and provision of public services raises questions about equity and efficiency. This session provides recent empirical research into these phenomena.

**Moderator:** Amy Ellen Schwartz, Wagner School, New York University

**Presenters:**

Julie Berry Cullen, University of Michigan - Do Parental Responses Undermine School Finance Equalization?

Amy Ellen Schwartz - Private Money/Public Schools - Evidence from New York City

Benjamin P. Scafidi, Jr., and Ross Rubenstein, Georgia State University - Who Pays and Who Benefits? Examining the Distributional Consequences of the Georgia Lottery for Education


**Discussant:** Judy Temple, Northern Illinois University

TUESDAY, OCTOBER 26

CONCURRENT SESSIONS
8:30-10:00 AM

Tax Aspects of Electricity Restructuring

**Moderator:** Dennis Zimmerman, Congressional Research Service, Library of Congress

**Presenters:**

Evaluating State Tax Expenditures

Twenty-five years have passed since the Congress mandated tax expenditure analysis as part of overall federal budgetary policy. During this period, several state and some foreign governments have followed suit, compiling their own tax expenditure budgets. Stanley S. Surrey, the creator of the tax expenditure analysis concept, hoped that it would promote simple, efficient, and fair tax and spending strategies and, as a result, would encourage governments to design tax systems that conformed more closely to normative ideals. To what extent has tax expenditure budgeting lived up to Surrey's expectations in practice? Has it inspired the kind of analysis and debate that he hoped it would? Or have governments simply compiled lists of tax expenditures that largely have been ignored in policy formation? How widespread is tax expenditure analysis? What conceptual and empirical issues have been found the most perplexing and controversial? This panel will call on tax expenditure analysts from the federal, state, and foreign governments to address these questions.

Moderator: Robert Tannenwald, Federal Reserve Bank of Boston

Presenters:

Mark Ibele, California Legislative Analyst's Office

Ronald Jeremias, Joint Tax Committee, U.S. Congress

Arthur Friedson, Office of Tax Policy Analysis, New York State Department of Taxation and Finance

Longer Term Perspectives for Policymakers: Making Use of Panel Data

Moderator: James R. Nunns, Office of Tax Analysis, U.S. Department of the Treasury

Presenters:

Barbara A. Butrica and Howard M. Iams, Social Security Administration - Using Panel Data to Project the Retirement Income of Future Retirees


Property Taxation in Africa

The potential role for a property tax in transition economies has received
considerable attention in the past decade. African nations confront many of the same challenges of decentralization, privatization, and restitution faced in Central and Eastern Europe, together with additional special issues, such as dealing with tribal landholdings, informal settlements, large-scale land occupation, and the legacy of colonialism and apartheid. This session will review specific African experiences with property taxation and consider the implications of these case studies for more general application of the tax.

Moderator:  
*Joan Youngman*, Lincoln Institute of Land Policy

Presenters:  
*Rexford A. Ahene*, Lafayette College - Property Taxation and Property Rights in Sub-Saharan Africa

*Roy Kelly*, Harvard Institute for International Development - Property Tax Reform in East Africa

*Riël C D Franzsen*, University of South Africa - Property Taxation in the New South Africa: Policy and Politics

*Philip van Ryneveld*, City of Cape Town - Property Tax Reform in Cape Town

Discussant:  
*Jane Malme*, Lincoln Institute of Land Policy

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**GENERAL SESSION**  
10:15 AM-Noon

**Funding a Tax Cut with the Federal Surplus: What are the Issues?**

Moderator:  
*Diana Furchtgott-Roth*, Resident Scholar, American Enterprise Institute

Presenter:  
*Mark Weinberger*, Principal, Washington Counsel PC

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**COMMITTEE LUNCHES AND PRESENTATION OF NEW NTA WEB SITE**  
Noon-1:30 PM

*Ron Cummings' Computer Experiments on Tax Evasion (see Monday program), 2:00 to 3:00 p.m.*

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**CONCURRENT SESSIONS**  
1:45-3:15 PM

**Term Limits: Their Effects on Governance and Public Policy**

Moderator:  
*Ronald Fisher*, Michigan State University
Current Issues in Individual Taxation

Moderator: TBA

Presenters:

Donald J. Bruce, University of Tennessee Knoxville - Effects of the United States Tax System on Transitions into Self-Employment

Michael Calegari, Georgia State University - Partial Exclusion of Investment Income in a Hybrid Income-Consumption Tax

Mario Ferrero, Università del Piemonte Orientale and Università di Torino, Italy - A New Tax on Intergenerational Transmission of Wealth

Discussant: Harold M. Hochman, Lafayette College

State and Local Responses to School Finance Equalization

Since 1970, most states have enacted one or more pieces of school finance equalization legislation. This session looks at the responses of state legislatures, local school districts, and families to changes in the way public schools are financed. Cullen and Loeb investigate the effects of limitations on localities' discretion over spending on elementary and secondary education. They measure the response of capital expenditures and spending on other local services to state-imposed constraints using the experience of Michigan districts following the implementation of Proposition A. In 1993, Californians soundly defeated a ballot initiative to establish school vouchers. Brunner, et al. test the hypothesis that families in high-quality districts defeated the initiative to preserve the housing price premium that is capitalized into the value of their homes. Although many reform proposals call for greater spending on education, it is not clear dollars will find their way into the classroom or to their most effective use. Evans et al. considers the effect of three decades of court-mandated school reform on the allocation of resources within schools and school districts.

Moderator: Sheila E. Murray, University of Kentucky and Northwestern University

Presenters:

Julie Berry Cullen, University of Michigan; and Susanna Loeb, University of California Davis - Fiscal Substitution in the Context of School Finance Reform

Eric J. Brunner, San Diego State University; Jon Sonstelie, University of California Santa Barbara; and Mark Thayer, San Diego State University - Capitalization and the Voucher: An Analysis of Precinct Returns from California's Proposition 174

Thomas S. Dee, Swarthmore College; William N. Evans, University of Maryland; Sheila E. Murray; and Robert M. Schwab, University of Maryland - The Effect of Court-Mandated School Finance Reform on the Allocation of Education Resources
**Discussants:**

Dan Aaronson, Federal Reserve Bank of Chicago

Timothy J. Goodspeed, Hunter College of the City University of New York

A. Abigail Payne, University of Illinois

**The Effectiveness of State and Local Tax Incentives**

This session includes four papers investigating aspects of the effectiveness of state and local tax incentives. While numerous economic development incentives have been implemented over the past 30 years, there has been too little careful examination of the effectiveness of these incentives in achieving stated policy goals. This session aims to remedy that situation, bringing together state, local, and regional studies of the experience with economic development incentives. Effectiveness of incentive policies is judged in several ways in these papers, including measurable impacts on labor markets and plant location. In addition, the session includes papers that examine whether economic development incentives are economically worthwhile.

**Moderator:**

John E. Anderson, Barents Group LLC, and University of Nebraska - Lincoln

**Presenters:**

John E. Anderson, and Robert Wassmer, California State University-Sacramento - Are Local Economic Development Incentives Effective in an Urban Area?

Jonathan C. Rork, University of New Hampshire - Getting What You Pay For: The Case of Southern Economic Development

Dagney Faulk, Georgia State University - An Analysis of the Participation Decision and Employment Impact of State Employment Tax Credits

Ian Mead, Boston College and Federal Reserve Bank of Boston - The Effects of State and Local Tax Policies on New Plant Location for Firms in Four High-Technology Industries

**Discussant:**

Mary Beth Walker, Georgia State University

**Program Committee**

Daphne A. Kenyon, Josiah Bartlett Center for Public Policy and Simmons College, Chair

Robert D. Ebel, Executive Director, National Tax Association, ex officio

Michael E. Bell, MEB Associates, Inc.

Howard Chernick, Hunter College, City University of New York

Julia Lynn Coronado, Board of Governors of the Federal Reserve System

Stacy Dickert-Conlin, Maxwell School, Syracuse University

Thomas A. Downes, Tufts University

James R. Eads, Ernst & Young, LLP, Atlanta

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Roy W. Bahl, Georgia State University
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Terrell E. Schroeder, Marvin F. Poer & Company
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