



Chaire en fiscalité et en finances publiques

Bulletin de veille

30 mai 2017

QUÉBEC/CANADA

BUREAU DU DIRECTEUR PARLEMENTAIRE DU BUDGET

Directeur parlementaire du budget, « [Une introduction analytique au crédit d'impôt pour le transport en commun](#) », 23 mai 2017, 6 p.

Environ 1,2 million de Canadiens paieront en moyenne 137 \$ de plus d'impôt fédéral en 2018 en raison de l'élimination du crédit d'impôt fédéral pour le transport en commun

Cette introduction analytique répond à la demande du 3 mai 2017 faite par l'honorable Pierre Poilievre concernant les répercussions fiscales de l'élimination proposée du crédit d'impôt fédéral pour le transport en commun.

FRASER INSTITUTE

J. Clemens et M. Palacios, « [Prime Ministers and Government Spending: A Retrospective](#) », Mai 2017, 15 p.

Les dépenses gouvernementales par habitant effectuées par le gouvernement

Trudeau sont les plus élevées depuis la Deuxième Guerre mondiale

This bulletin measures the level of per-person program spending undertaken annually by each prime minister, adjusting for inflation, since 1870. 1867 to 1869 were excluded due to a lack of inflation data.

Per-person spending spiked during World War I (under Prime Minister Sir Robert Borden) but essentially returned to pre-war levels once the war ended. The same is not true of World War II (William Lyon Mackenzie King). Per-person spending stabilized at a permanently higher level after the end of that war.

The highest single year of per-person spending (\$8,375) between 1870 and 2017 was in the 2009 recession under Prime Minister Harper.

Prime Minister Arthur Meighen (1920 – 1921) recorded the largest average annual decline in per-person spending (-23.1%). That decline, however, is largely explained by the rapid drop in expenditures following World War I.

Among post-World War II prime ministers, Louis St. Laurent oversaw the largest annual average increase in per-person spending (7.0%), though this spending was partly influenced by the Korean War.

Our current prime minister, Justin Trudeau, has the third-highest average annual per-person spending increases (5.2%). This is almost a full

percentage point higher than his father, Pierre E. Trudeau, who recorded average annual increases of 4.5%.

Prime Minister Joe Clark holds the record for the largest average annual post-World War II decline in per-person spending (4.8%), though his tenure was less than a year.

Both Prime Ministers Brian Mulroney and Jean Chretien recorded average annual per-person spending declines of 0.3%.



ÉTATS-UNIS

CENTER ON BUDGET AND POLICY PRIORITIES (CBPP)

C. Marr, C-C Huang, B. DeBot et G. Herrera, « [Trump Tax Plan's Pass-Through Tax Break Would Provide Massive Windfall to the Wealthy](#) », 22 mai 2017, 11 p.

Le passage du taux d'imposition corporatif américain de 35 % à 15 % profitera à 68 % des actionnaires ayant un revenu de plus d'un million, leur conférant en moyenne une économie d'impôt de 114 000 \$ US

A key reason why President Trump's tax plan is costly and heavily tilted to the wealthiest households is its special, much lower top rate for "pass-through" business income.¹ This is income from businesses such as partnerships, S corporations, and sole proprietorships claimed on individual tax returns — that is, it "passes through" to the business owners and is taxed at the owners' individual tax rates (the same rates that apply to wages and salaries). These businesses already have the advantage of being exempt from the corporate tax on profits and taxes on dividends. Under the Trump plan, pass-through income would be taxed at no more than 15 percent — far below the 39.6 percent top rate that now applies to pass-through income. This would provide a massive windfall to the very wealthy and has sometimes been referred to as the "Trump loophole" because Donald Trump exemplifies the type of business owner whom it would most benefit

CENTER ON BUDGET AND POLICY PRIORITIES (CBPP)

C-C. Huang et B. DeBot, « [House Health Bill: Tax Cuts for Wealthy, Insurers, and Drug Companies Paid for by Low- and Middle-Income Families](#) », 22 mai 2017, 8 p.

Les baisses d'impôt pour les riches et les entreprises coûteront cher aux familles à faible et moyen revenu en ce qui concerne leur assurance santé

The House-passed bill to repeal and replace the Affordable Care Act (ACA) went through various changes in the House, but large tax cuts for the wealthy and corporations remained at its core throughout. The bill would eliminate ACA taxes on wealthy households and insurance and drug companies and greatly expand tax-sheltering opportunities for high-income people. These tax cuts (plus several smaller ones) would cost \$660 billion over 2017 to 2026. The bill would pay for them with cuts hitting low- and moderate income families: it would cut and radically restructure Medicaid, dramatically scale back premium tax credits that low- and moderate-income families use to purchase marketplace health coverage, and eliminate cost-sharing subsidies that lower out-of-pocket health costs

CONGRESSIONAL BUDGET OFFICE

CBO, « [Cost Estimate of H.R. 1628 American Health Care Act of 2017](#) », 24 mai 2017, 41 p.

La réforme de la santé devrait réduire le déficit de 119 milliards de dollars pour la période 2017-2026

The Congressional Budget Office and the staff of the Joint Committee on Taxation (JCT) have completed an estimate of the direct spending and revenue effects of H.R. 1628, the American Health Care Act of 2017, as passed by the House of Representatives. CBO and JCT estimate that enact-

ing that version of H.R. 1628 would reduce the cumulative federal deficit over the 2017-2026 period by \$119 billion. That amount is \$32 billion less than the estimated net savings for the version of H.R. 1628 that was posted on the website of the House Committee on Rules on March 22, 2017, incorporating manager's amendments 4, 5, 24, and 25. (CBO issued a cost estimate for that earlier version of the legislation on March 23, 2017.)

In comparison with the estimates for the previous version of the act, under the House passed act, the number of people with health insurance would, by CBO and JCT's estimates, be slightly higher and average premiums for insurance purchased individually—that is, nongroup insurance—would be lower, in part because the insurance, on average, would pay for a smaller proportion of health care costs. In addition, the agencies expect that some people would use the tax credits authorized by the act to purchase policies that would not cover major medical risks and that are not counted as insurance in this cost estimate.

INSTITUTE ON TAXATION AND ECONOMIC POLICY (ITEP)

S. Pudelski et C. Davis, « [Public Loss Private Gain: How School Voucher Tax Shelters Undermine Public Education](#) », 17 mai 2017, 14 p.

Lorsqu'un investisseur privé fait donation d'un titre boursier à une école privée, il peut recevoir davantage en retour d'impôt que la valeur du titre

One of the most important functions of government is to maintain a high-quality public education system. In many states, however, this objective is being undermined by tax policies that redirect public dollars for K–12 education toward private schools. Seventeen states currently divert a total of over \$1 billion per year toward private schools via tax credits. Nine of these states' credits are so lucrative that they offer some upper-income taxpayers a risk-free profit on contributions they make to fund private school scholarships.¹ Now, federal legislation has been introduced that would further the ability of wealthy individuals to undermine the public education system and profit off their donations to nonprofits serving private

schools. Unlike most state laws, the federal legislation does not even cap the amount of funds that could be redirected from the Treasury into unaccountable, nonprofit organizations supplementing tuition at private schools. The loss of federal and state revenue directed at public schools would weaken the ability of public schools to serve increasing numbers of students in poverty as well as students with disabilities and English-language learners. We suggest that rather than expand these voucher tax shelters at the federal level, Congressional efforts to reform the tax code should be used as an opportunity to eliminate current loopholes that encourage participation in these voucher schemes.

TAX FOUNDATION

K. Pomerleau, « [How the Border Adjustment Helps Fix Business Taxation in the United States](#) », 23 mai 2017, 9 p.

Réduire le taux d'imposition corporatif, tout en taxant sur une base de destination, pourrait être bénéfique pour l'économie américaine

The House GOP's tax reform proposal would replace the current 35 percent corporate income tax with a 20 percent "destination-based cash-flow tax." Part of this tax would be the "border adjustment," which would apply the tax to all goods and services sold in the United States. The border adjustment would be an elegant way to eliminate base erosion and profit shifting by multinational corporations. It would also allow for the elimination of complex anti-base erosion provisions, which would improve the competitiveness of the U.S. tax code. It would also raise revenue over the budget window, which helps fund the transition to a cash-flow tax, which we estimate would boost the longrun size of the economy by 5.8 percent.



International

ORGANISATION DE COOPÉRATION ET DE DÉVELOPPEMENT ÉCONOMIQUES (OCDE)

OCDE, « Perspectives économiques en Afrique 2017 : Entrepreneuriat et industrialisation », 22 mai 2017, 317 p.

Les revenus fiscaux des pays africains sont toujours insuffisants pour financer les missions de l'État

Les *Perspectives économiques en Afrique 2017* dressent l'état actuel du continent et livrent des prévisions économiques à deux ans. Ce rapport annuel examine la performance de l'Afrique dans des domaines essentiels : macroéconomie, flux financiers extérieurs et recettes fiscales, commerce et intégration régionale, développement humain et gouvernance. Pour cette 16e édition, les Perspectives économiques en Afrique passent au crible la question du rôle des entrepreneurs dans l'industrialisation du continent. Le rapport propose des solutions pratiques que les gouvernements africains peuvent adopter pour mettre en place des stratégies d'industrialisation efficaces. Des politiques favorisant les compétences, les regroupements d'entreprises (clusters) et le financement lèveraient des contraintes majeures rencontrées actuellement par les entreprises privées africaines.

Des notes pays offrent une synthèse des tendances récentes de l'économie, des prévisions de croissance du produit intérieur brut pour 2017 et 2018, et des principaux enjeux dans chacun des 54 pays africains. Une annexe statistique (disponible en ligne uniquement) permet de comparer les variables économiques, sociales et politiques propres à chaque pays.

ORGANISATION DE COOPÉRATION ET DE DÉVELOPPEMENT ÉCONOMIQUES (OCDE)

OCDE, « Relever les défis fiscaux posés par l'économie numérique, Action 1 - Rapport final 2015 » 4 mai 2017, 328 p.

Trois principales options de changements fiscaux sont étudiées pour améliorer la perception des recettes provenant de l'économie numérique

L'essor de l'économie numérique soulève des défis qui se rapportent à la fiscalité internationale. Ce rapport analyse en détail ces défis. Il observe que l'économie numérique s'impose de plus en plus comme l'économie au sens propre, de sorte qu'il serait difficile, voire impossible, de l'isoler du reste de l'économie à des fins fiscales. Il ajoute toutefois que certains modèles économiques et attributs essentiels de l'économie numérique peuvent exacerber les risques de BEPS, et décrit les effets attendus des mesures issues de l'ensemble des actions qui constituent le projet BEPS. Il présente également les règles et mécanismes d'application qui ont été définis pour faciliter la collecte de la taxe sur la valeur ajoutée (TVA) à partir du pays où se trouve le consommateur lors de transactions transfrontalières entre entreprises et consommateurs, et qui permettront d'établir des règles du jeu équitables entre fournisseurs nationaux et étrangers. Enfin, le rapport étudie et analyse des solutions possibles aux défis fiscaux de plus large portée posés par l'économie numérique, et souligne la nécessité de suivre les évolutions de l'économie numérique au fil du temps.

RESOLUTION FOUNDATION

A. Corlett, « A Matter of Tax: Pre-election Briefing on the Main Parties' Tax Policies », 16 mai 2017, 18 p.

L'érosion de la base d'imposition des sociétés constitue un enjeu important pour les cinq prochaines années

There is much that is unusual about the 2017 general election, from its surprise announcement to the dominance of a single issue – Brexit – on

which the parties themselves remain split. Particularly remarkable is the extent to which the tax debate has so far focused more on options for tax rises rather than tax cuts.

The backdrop for this debate is the multitude of tax policies delivered over the last seven years – a mix of tax rises, tax cuts and some limited tax reforms. These related in part to deficit reduction, but political determination to lower income and corporation taxes has also been key, with most tax increases funding tax cuts elsewhere.

Ahead of the 2015 election, all the major parties called for income tax cuts, despite the deficit. But two years on, the ground appears to have shifted. A smaller but still significant budget deficit remains, with elevated debt and looming demographic pressures sharpening the case for a continued focus on the public finances. There is evidence that public opinion has moved on too, and of course those earlier promises have reduced the scope for more tax cuts in the years to come. Add in continued uncertainty about the costs and opportunities that leaving the EU will present – and the altered focus of the tax debate appears understandable.

In this paper – part of our pre-election series – we look at the range of policies which have emerged in this pre-election campaign to date. Some of our analysis is necessarily speculative at this stage but a lot has already been revealed (not least through a full scale leak of the Labour manifesto).

RESOLUTION FOUNDATION

D. Finch, « [Still Just About Managing? Pre-election Briefing on the Main Political Parties Welfare Policies](#) », 21 mai 2017, 16 p.

Les coupes dans les programmes qui ont déjà été annoncées affecteront les familles à faible revenu pendant plusieurs années et leurs effets commencent à peine à se faire sentir

Our pre-election series of briefing notes have so far centred on the main parties' approaches to deficit reduction and to tax. To complete the fiscal 'set' we must also consider their take on welfare. In doing so, we are better placed to comment on the parties' positions thanks to the publication of

their manifestos. These are, to greater and lesser extents, revealing. There are some clear commitments, but also some unexpected omissions. What's clear is that there is little appetite for further radical welfare reform. That's understandable when substantial reform is already taking place with the roll-out of Universal Credit taking all of the next parliament and disability and pension reform underway. But positive visions for welfare reform is not the only big gap. You would expect significant detail on the parties approach to the generosity of working age welfare given that whoever wins this election will inherit the delivery of welfare cuts totalling over £14 billion a year by 2021 – the result of commitments made to major welfare cuts in the 2015 Conservative manifesto. The plans set out by Chancellor Osborne in 2015 included a four year freeze to most working-age benefits; reduced support for working families, particularly those with children; and the limiting of support for families with children. The majority of these cuts are yet to take effect with low inflation in previous years limiting their bite, UC still being rolled out and support for children only affecting new births from April 2017. The result is that £9 billion of cuts that will directly impact on household incomes are set to come in the next parliament.

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