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Légende : ● Précis tel qu'il apparaît dans le document.
■ Précis écrit ou adapté par l'équipe du Bulletin de veille.

CANADA

CANADIAN TAX FOUNDATION

Gilles N. Larin, Robert Duong et Marie Jacques, « Policy Forum: Responses to Aggressive Tax Planning—A Study Framework », *Revue fiscale canadienne*, vol. 56 no 1, 17 pages.
http://www.ctf.ca/PDF/2008ctj/08ctj1-policy.pdf

Étude sur les divers outils utilisés par les autorités fiscales de pays choisis afin de contrer les planifications fiscales agressives.

● In this short article, the authors describe a study framework for analyzing tools developed by selected tax administrations in response to aggressive tax planning. The ultimate objective of the study is to assess the potential benefits of adopting such tools to complement Canada's general anti-avoidance rule.

INSTITUT C.D. HOWE

Duanjie Chen et Jack M. Mintz, « Limited Horizons: The 2008 Report on Federal and Provincial Budgetary Tax Policies », *Commentary*, no 270, juillet 2008, 20 pages.
http://www.cdhowe.org/pdf/commentary_270.pdf

Critique sur les différentes politiques fiscales adoptées au cours des dernières années et pistes de solution proposées.

● Canadian governments are undercutting progress in reducing corporate income and capital taxes with counter-productive policies that impose unequal tax burdens across assets and industries. Overall, Canada's 2008 marginal effective tax rate on capital has fallen from 31.9 percent in 2007 to 29.1 percent in 2008. With further business tax reductions at the federal and provincial levels, the marginal effective tax rate will fall to 25.8 percent by 2012. That is good news indeed, since such changes will increase capital stock by $62 billion within five years time and improve worker annual incomes by $2.9 billion. However, some provinces continue to levy high marginal effective tax rates on capital. Ontario and Manitoba impose the highest effective tax rates on capital in 2008: 34.8 and 33.8 percent, respectively. As well, in many provinces the variation of tax burdens on business activities is increasing, thereby interfering with boardroom decisions on steering resources to the most profitable opportunities. As measured by a dispersion index, inter-asset and inter-industry distortions have risen sharply in the past two years. The dispersion index has doubled from 24.7 percent in 2006 to 50.3 percent in 2008. Much of the increase in the dispersion index owes to tax policy supporting forestry and manufacturing businesses. In some cases, tax policies are geared to support structurally declining industries to the detriment of those that will be important to Canada's industrial future. The study highlights priorities for improving the tax system by reducing taxes on capital investment and labour. They include: (i) a reduction in provincial corporate income tax rates to 10 percent, which would bring Canada's overall statutory corporate income tax rate to 25 percent in 2012; (ii) the removal of targeted preferences for specific industries; (iii) sales tax harmonization with the federal GST by the hold-out provinces (British Columbia, Manitoba, Ontario, Prince Edward Island and Saskatchewan); and (iv) further reductions in personal income taxes to relieve the tax burden on labour income. Canada needs tax policies that both reduce the tax burden on investments and create a level-playing field to promote economic growth.

John Stapleton et Richard Shillington, « No Strings Attached: How The Tax-Free Savings Account Can Help Lower-Income Canadians Get Ahead », *e-brief*, 30 septembre 2008, 5 pages.
http://www.cdhowe.org/pdf/ebrief_64.pdf

Le CELI : une aide à l'épargne pour les familles à revenus modestes.

● Lower-income Canadians are entangled in government programs with claw back provisions that discourage or effectively prohibit personal saving. The federal government's new Tax-Free Savings Accounts (TFSAs) can help correct the problem, provided that provinces and territories refrain from imposing new asset tests and claw backs that undo savers' potential gains. Governments should also consider supplementing the savings of poor Canadians, whereby TFSA savings are matched by special funds from government.

Duanjie Chen et Jack Mintz, « Still a Wallflower: The 2008 Report on Canada's International Tax Competitiveness », *e-brief*, 18 septembre 2008, 8 pages.
http://www.cdhowe.org/pdf/ebrief_63.pdf

La compétitivité fiscale canadienne s'améliore, mais des réformes dans certains secteurs de l'économie restent nécessaires.

● In 2008, Canada ranks 11th highest among 80 countries in terms of its tax burden on business investment, as measured by the effective tax rate on capital. Despite improvements since 2005, when it ranked fourth-highest, Canada has made patchwork progress, reducing the tax burden on certain industries, such as manufacturing, while levying very high effective tax rates on others, notably services. Canadian governments should concentrate on reforms that not only lower tax rates but reduce differences among effective tax rates across industries.

Arthur J. Cockfield, « Finding Silver Linings in the Storm: An Evaluation of Recent Canada–US Cross border Tax Developments », *Commentary* 272, septembre 2008, 24 pages.
http://www.cdhowe.org/pdf/Commentary_272a.pdf

Analyse critique des récentes modifications aux règles fiscales Canada – États-Unis et recommandations de modifications futures.

● Recently, a storm of activity has swirled around rules governing the tax treatment of Canada–US crossborder investment. The high degree of integration of the Canadian and US economies means that the effects of such tax changes can be significant. One new development involves revisions to the Canada–US tax treaty – including the abolition of crossborder withholding tax rates for interest payments, the provision of treaty benefits for members of limited liability companies, and the development of mandatory arbitration processes for transfer pricing purposes – which could signal a readiness on Ottawa's part to make further efforts to ensure that tax does not unduly inhibit entrepreneurial efforts to tie together the North American economies. Another important development: ongoing efforts by Ottawa to engage in corporate income tax competition with the United States and to inhibit certain aggressive crossborder tax-planning structures that enable Canadian taxpayers to obtain valuable tax benefits when they fund foreign operations. In a number of areas, however, undue restrictions on, or distortions of, crossborder investment remain, which could harm Canada's economic interests. Further reform efforts should include: reviewing and targeting for elimination tax rules that unduly discriminate against the interests of US investors; eliminating withholding taxes on crossborder parent/subsidiary dividends; changing domestic group taxation laws, with the ultimate goal of crossborder tax loss relief; and enhancing administrative cooperation between the two countries' tax authorities to reduce compliance costs for firms with operations in both countries, including the development of a case-by-case approval process for tax relief for crossborder mergers and acquisitions.

ÉTATS-UNIS

CONGRESSIONAL BUDGET OFFICE

Congressional Budget Office, *Updated Long-Term Projections for Social Security*, août 2008, 45 pages.
http://www.cbo.gov/ftpdocs/96xx/doc9649/08-20-SocialSecurityUpdate.pdf

Programme de sécurité sociale aux États-Unis : les coûts excéderont les revenus dès 2019, et les fonds seront épuisés en 2049.

● The Congressional Budget Office (CBO) regularly prepares long-term projections of the future paths of revenues and outlays for the Social Security program. This latest report presents projections for the 75-year period from 2008 through 2082. (All years referred to in this report are calendar years.) The projections differ somewhat from earlier results because of newly available programmatic and economic data, updated assumptions about future demographic and economic trends, and improvements in CBO's models. Such long-term projections are necessarily uncertain; nevertheless, the general conclusions presented here hold true under a wide range of assumptions. Today, Social Security's revenues each year are greater than its outlays, but as the baby-boom generation (people born between 1946 and 1964) continues to age, growth in the number of Social Security beneficiaries will accelerate, and outlays will grow substantially faster than revenues. CBO projects that outlays will first exceed revenues in 2019 and that the Social Security trust funds will be exhausted in 2049. If the law remains unchanged, the Social Security Administration (SSA) will then no longer have the legal authority to pay full benefits.

Peter R. Orszag, *Issues in Designing a Cap-and-Trade Program for Carbon Dioxide Emissions*, 18 septembre 2008, 22 pages.
http://www.cbo.gov/ftpdocs/97xx/doc9727/09-18_ClimateChange_Testimony.pdf

Les coûts et les différentes options dans la conception d'un programme de réduction des émissions de gaz à effet de serre.

■ Global climate change is one of the nation's most significant long-term policy challenges. The risk of potentially catastrophic damage from climate change can justify taking action to reduce that risk in much the same way that the hazards we all face as individuals motivate us to buy insurance. Reducing greenhouse-gas emissions would be beneficial in limiting the degree of risk associated with climate change, especially the risk of significant damage. However, decreasing those emissions would also impose costs on the economy—in the case of CO2, because much economic activity is based on fossil fuels, which release carbon in the form of that gas when they are burned. Much of those costs will be passed along to consumers in the form of higher prices for energy and energy-intensive goods. Designing a cap-and-trade program to achieve such reductions would include important decisions about whether to sell or give away allowances. Those rights to emit greenhouse gases would have substantial value, and policymakers' choices about how to allocate them could have significant effects on the federal budget and on how the gains and losses brought about by the program were distributed among U.S. households. If policymakers chose to sell the allowances, they could use the revenue that would arise in many different ways, including to offset other taxes, to assist workers or low-income households that might be adversely affected by the cap, to support other legislative priorities, or to reduce the budget deficit. Policymakers would also need to decide whether to include provisions to help contain the cost of the policy by allowing firms flexibility as to when they reduced their emissions and whether to include provisions to address effects on international trade, particularly for energy-intensive goods.

JOINT COMMITTEE ON TAXATION

Joint Committee on Taxation, *Economic and U.S. Income Tax Issues Raised by Sovereign Wealth Fund Investment in the United States*, 17 juin 2008, 131 pages.
http://www.house.gov/jct/x-49-08.pdf

Analyse économique et fiscale concernant les investissements étrangers aux États-Unis.

● This document describes the economic and U.S. income tax issues raised by sovereign wealth fund ("SWF") investment in the United States. The economic analysis presented here suggests that investment in the United States by foreign sovereigns, like that of investment by foreign private investors, is a necessary and desirable consequence of the long-term trade deficit position of the United States. Investments by SWFs or foreign governments more generally raise nontax policy concerns, but these fall largely outside the expertise of the Staff of the Joint Committee on Taxation. Tax policy considerations addressed in this document include consistency between a foreign government's exemption from U.S. income tax and a foreign country's immunity from the jurisdiction of U.S. courts, the scope of the difference in the U.S. income tax treatment between foreign governments and other investors in the United States, and certain issues specific to the technical terms of the U.S. income tax exemption for foreign governments.

Joint Committee on Taxation, *Economic Efficiency and Structural Analyses of Altenative U.S. Tax Policies for Foreign Direct Investment*, 26 juin 2008, 67 pages.
http://www.house.gov/jct/x-55-08.pdf

Débat entourant le traitement fiscal américain des investissements étrangers.

■ This pamphlet continues the recent work of the staff of the Joint Committee on Taxation (JCT) in reconsidering tax expenditure analysis, by applying a new framework for that field to the case of current law's "deferral" of the earnings of foreign corporations owned by U.S. persons. In particular, this pamphlet describes the economic inefficiencies (and resultant behavioral distortions) reflected in current law's "deferral" treatment of foreign earnings, and considers two possible alternative tax regimes. As they describe in Section II, the taxation of domestic corporations on worldwide income, coupled with the deferral treatment of foreign earnings, raises several important and related economic efficiency concerns. In This pamphlet, JCT apply their new tax expenditure paradigm, with its emphasis on economic efficiency concerns, to the debate over what constitutes appropriate U.S. income tax policy for foreign direct investment by U.S. firms. Under this revised approach to tax expenditure analysis, JCT classify the deferral treatment of foreign earnings as a Tax-Induced Structural Distortion. This pamphlet focuses on U.S. tax policies towards foreign direct investment by U.S. multinational corporations.

Joint Committee on Taxation, *Selected Issues Relating to Tax Compliance with Respect to Offshore Accounts and Entities*, 24 juillet 2008, 41 pages.
http://www.house.gov/jct/x-65-08.pdf

Rapport concernant l'évasion fiscale des institutions financières et des sociétés étrangères.

● This document, prepared by the staff of the Joint Committee on Taxation, provides information on recent reports and investigations of tax evasion involving financial institutions and entities located in foreign jurisdictions, the self-reporting requirements applicable under present law with respect to interests in foreign trusts and foreign financial accounts, the third-party reporting requirements that apply to foreign financial institutions, including through the Qualified Intermediary program, and potential modifications to those self-reporting and third-party reporting rules.

CENTER ON BUDGET AND POLICY PRIORITIES

Chye-Ching Huang et Jim Horney, *Only a Few of the 2001 and 2003 Tax Cut Provisions Benefit Families With Modest Incomes: But a Superficial Treasury Analysis Obscures This Fact*, 8 juillet 2008, 6 pages.
http://www.cbpp.org/8-7-08tax.pdf

Clarifications relativement aux effets des réductions d'impôts sur les familles à revenus modestes.

● A recent Treasury report, apparently intended to encourage the extension of all of the 2001 and 2003 tax cuts, incorrectly implies that many of these tax cuts benefit low- and middle-income taxpayers. The report calculates the benefits that four "representative taxpayer" families with modest incomes receive from the tax cuts as a whole. But it fails to explain that all of those benefits come from just three of the tax cuts: (1) improvements to the Child Tax Credit, (2) the creation of the 10-percent tax bracket, and (3) "marriage penalty" relief. By providing only the tax cuts' overall effect on these sample families, the report masks the fact that the families gain no benefit from the other costly tax cuts, such as the rate reductions for the top four tax brackets and the cuts in capital gains and dividend taxes. As the actual Treasury calculations indicate but the report obscures, low- and middle-income Americans have gained little from the 2001 and 2003 tax cuts other than the three provisions listed above.

Chye-Ching Huang et James Horney, *Big Misconceptions About Small Business and Taxes*, 29 août 2008, 8 pages.
http://www.cbpp.org/8-29-08tax.pdf

Critique de certains arguments souvent avancés pour soutenir les avantages fiscaux aux particuliers fortunés.

● Supporters of various tax benefits for high-income households often claim that failure to maintain them would have an undue effect on many small businesses. But even assuming a broad definition of "small business," these claims are very often exaggerated or false. Only 1.9 percent of taxpayers with small-business income face either of the top two income tax rates. Thus, allowing the 2001 reductions in these rates to expire as scheduled in 2010 would not affect most small-business owners. Strengthening the Earned Income Tax Credit could help more than seven times as many small businesses as extending the reductions in the top rates. Claims that the estate tax must be largely or entirely eliminated to protect small businesses are misleading as well. Only a very small number of small businesses (just 740 nationwide in 2008, according to the Tax Policy Center) owe any estate tax. The typical small business is not a wealthy hedge fund. Closing a lucrative tax loophole used by hedge fund managers would have no effect on "mom and pop" businesses.

Removing Barriers to Retirement Saving in Medicaid and Supplemental Security Income, 12 septembre 2008, 24 pages.
http://www.cbpp.org/9-12-08asset.pdf

Comment encourager les familles à faible revenu à épargner pour la retraite?

● Most low-income families have inadequate retirement savings. They also are much less likely than higher-income households to participate in employer-based retirement savings plans or to have individual retirement accounts (IRAs). Fewer than 8 percent of individuals age 16 through 59 with household income below the poverty line hold a 401(k) retirement account or an IRA. In recent years, policymakers have expressed growing interest in increasing retirement saving by low-income households because if low-income families can accumulate some retirement savings to supplement their public benefits, fewer of them will be a burden to the society.

BROOKINGS INSTITUTION

Isabel V. Sawhill et Emily Monea, *Old News*, juin 2008, 12 pages.
http://www.brookings.edu/~/media/Files/rc/articles/2008/summer_social%20investments_sawhill/summer_social%20investments_sawhill.pdf

Plaidoyer pour une restructuration de la politique fiscale américaine en limitant les dépenses bénéficiant aux générations plus âgées et en accordant plus de bénéfices aux jeunes.

■ The list of issues on the progressive agenda for 2009 is long: universal health care, slowing climate change, improving public education, aiding foreclosed homeowners, rebuilding our crumbling infrastructure, and ending the war in Iraq. But the sad fact is that the money to pursue any of these objectives doesn't exist. What we propose instead of the traditional policy responses is a fundamental rethinking of the intergenerational contract—what the government provides to whom—and when in their lives the government provides it. Right now, the intergenerational contract favors the old at the expense of the young. A new contract, then, would tighten the flow of funds to older generations and invest more resources in younger families and their children. These investments in the young would be designed to make them more productive over their lifetimes, to spread the benefits of growth more broadly, and to increase opportunity by giving more people a shot at the proverbial American Dream.

Joseph Antos et al., *Taking Back Our Fiscal Future*, avril 2008, 11 pages.
http://www.brookings.edu/~/media/Files/rc/papers/2008/04_fiscal_future/04_fiscal_future.pdf

Des experts proposent des solutions au problème du déficit budgétaire américain.

● The authors of this paper are longtime federal budget and policy experts who have been drawn together by a deep concern about the nation's long-term fiscal outlook. We have been meeting informally for over a year, to define the dimensions and consequences of the looming federal budget problem, examine alternative solutions, and reach agreement on what should be done. We agree that: 1) Unsustainable deficits in the federal budget threaten the health and vigor of the American economy. 2) The first step toward establishing budget responsibility is to reform the budget decision process so that the major drivers of escalating deficits—Social Security, Medicare, and Medicaid—are no longer on autopilot. More specifically, we recommend that: 1) Congress and the president enact explicit long-term budgets for Medicare, Medicaid, and Social Security that are sustainable, set limits on automatic spending growth, and reduce the relatively favorable budgetary treatment of these programs compared with other types of expenditures. 2) The programs be reviewed on a regular schedule by the Social Security and Medicare Trustees or the Congressional Budget Office to determine whether they will remain within budgeted amounts. 3) Significant long-term deviations from budgeted amounts trigger automatic adjustments in benefits, premiums, provider payments, or other revenues. These adjustments could only be over-ridden by an explicit vote of Congress and acceptance by the president. We provide examples of specific policies that might be adopted to bring the programs in line with their long-term budgets but believe that the first action needed to restore long-term fiscal balance is a change in the way budget decisions are made. The remainder of this paper describes why we think this change is so important and what the next steps should be.

Henry J. Aaron et al., *A Balanced Approach to Restoring Fiscal Responsibility*, juillet 2008, 15 pages.
http://www.brookings.edu/~/media/Files/rc/papers/2008/07_fiscal_responsibility_aaron/07_fiscal_responsibility_aaron.pdf

D'autres experts critiquent les solutions proposées au problème du déficit budgétaire américain dans le texte "Taking Back Our Fiscal Future" paru récemment.

● In a recent paper, "Taking Back Our Fiscal Future," a group of policy analysts from several Washington think tanks proposed a radical change in budget procedures related to Social Security, Medicare, and Medicaid as a way to address budget deficits projected for future decades. They urged Congress to establish 30 year budgets, or caps, for these programs. The White House would conduct a review every five years. If it projected that expenditures would exceed the caps, the programs would face automatic cuts or related tax increases. We agree that the nation faces large, persistent budget deficits that would ultimately risk significant damage to the economy. We also concur that policymakers should begin now to make the tough choices needed to avert such deficits. But we believe the proposal set forth in “Taking Back Our Fiscal Future” (hereafter referred to as TBOFF) is misguided. It could jeopardize the health and economic security of the poor, the elderly, and people with serious disabilities. For one thing, it does not focus adequate attention on the main driver of our fiscal problem — the relentless rise in health care costs throughout the U.S. health care system. Without measures to slow the growth of total (public and private) health care spending, no solution to the nation’s fiscal challenges will prove sustainable. For another, it does not propose any action to restrain the hundreds of billions of dollars in entitlements that are delivered through the tax code and flow largely to more affluent Americans.

Chairman Ravitch, *Options for Metropolitan Transit Funding*, 15 septembre 2008, 4 pages.
http://www.brookings.edu/testimony/2008/0915_transportation_puentes.aspx

Avantages et inconvénients de divers moyens de financement des transports publics.

■ Les Américains se déplacent de moins en moins en voiture, et utilisent de plus en plus les transports en commun. Il devient de plus en plus urgent de trouver des sources de financement alternatives pour les systèmes de transport en commun. L’auteur examine certaines de ces sources de financement possibles et en énonce les avantages et inconvénients. Il conclut que la source de revenus la plus prometteuse pour une ville comme New York est une taxe de congestion.

TAX POLICY CENTER

Eric J. Toder, *Tax Reform and Taxation of Small Business*, 5 juin 2008, 10 pages.
http://www.taxpolicycenter.org/UploadedPDF/901176_Toder_tax_reform.pdf

La simplification de la fiscalité et les petites sociétés.

● A tax code that is fair, simple, and conducive to economic growth is in the interest of all Americans and of all businesses, large and small. My testimony will address how the tax system affects companies organized as small businesses, compared with larger enterprises. I will discuss provisions of the current tax law that affect the relative incentive to organize economic activity within small or larger business enterprises and between different forms of enterprises and how selected tax reform proposals would affect these choices.

Jeffrey Rohaly, *The Distribution of Federal Taxes, 2008–11*, 11 juin 2008, 20 pages.
http://www.taxpolicycenter.org/UploadedPDF/1001189_federal_taxes.pdf

Étude sur la progressivité du système fiscal américain suite aux allégements fiscaux des années 2000.

● Overall, the federal tax system is highly progressive. On average, households with higher incomes pay taxes that are a larger share of their income. The tax cuts passed since 2001 have reduced the overall progressivity of the federal tax system with the notable exception of the stimulus package passed in early 2008. The tax rebates in the stimulus legislation are in effect for 2008 only, however, and so the progressivity of the tax system will decline markedly in 2009 and 2010 as effective tax rates rise substantially for lower and moderate-income households. At the same time, effective rates will fall for high-income households as the repeal of the limitations on itemized deductions and personal exemptions and the complete repeal of the estate tax become fully phased in. Finally, almost all provisions of the 2001–06 tax cuts are set to expire at the end of 2010. Barring legislative action, effective tax rates will therefore rise across the income spectrum in 2011. The largest increases will be in the upper income classes and so the tax system will become more progressive in 2011 unless the tax cuts are made permanent. This paper summarizes the Tax Policy Center’s latest estimates of the distribution of federal taxes for 2008 through 2011.

Greg Leiserson et Jeffrey Rohaly, *Distribution of the 2001-2006 Tax Cuts*, 22 juillet 2008, 31 pages.
http://www.taxpolicycenter.org/UploadedPDF/411739_tax_cuts.pdf

Étude sur la distribution des baisses d'impôt américaines adoptées depuis 2001 et sur les solutions pouvant pallier au financement.

■ Since 2001, Congress has passed a major tax bill almost every year. Most have reduced taxes significantly and, since they were not accompanied by spending cuts, the resulting deficits have increased the national debt. As Congress and the new President consider whether to extend some or all of the tax cuts, they should take into account the distribution of the tax cuts and how that distribution would change if the cuts were combined with measures to finance the resulting budget deficits. Over the long-term, Congress must finance tax cuts through spending reductions, other tax increases, or a combination of the two. The discussion proceeds as follows. Section 1 provides a brief summary of the major provisions of the tax cuts. Section 2 presents traditional distribution tables for the tax cuts by cash income percentile in 2010. Section 3 shows the distribution of the cuts by cash income percentile in 2008. Section 4 incorporates the impact of three illustrative financing options. Section 5 summarizes our conclusions.

Eric Toder, *Who Pays Capital Gains Tax?*, 31 juillet 2008, 1 page.
http://www.taxpolicycenter.org/publications/url.cfm?ID=1001201

Statistiques : les gains en capital sont déclarés principalement par les contribuables à revenus élevés.

● Fewer than one in seven individual income taxpayers reported taxable capital gains in 2006. Over half of taxpayers with gains had incomes below $75,000, but most capital gains were reported by very high income taxpayers. The 3 percent of returns with AGI over $200,000 reported 31 percent of AGI and 83 percent of capital gains; the 0.3 percent with AGI over $1,000,000 reported 15 percent of AGI and 61 percent of capital gains. Many more Americans accrue capital gains on corporate shares they hold within tax-deferred employer-sponsored retirement plans, but they do not pay capital gains tax on these gains.

ROYAUME-UNI

INSTITUTE FOR FISCAL STUDIES

Reforming the Tax System for the 21st Century : The Mirrlees Review.
http://www.ifs.org.uk/mirrleesreview/publications.php

Rapport Mirrlees sur la réforme du système fiscal britannique : plusieurs chapitres sont déjà disponibles en ligne, en version préliminaire.

● This Review brings together a high-profile group of international experts and younger researchers to identify the characteristics of a good tax system for any open developed economy in the 21st century, to assess the extent to which the UK tax system conforms to these ideals, and to recommend how it might realistically be reformed in that direction. The project has been inspired by the approaching 30th anniversary of the 1978 Meade Report, a landmark in the study of tax design and perhaps the most influential output of the IFS to date. The aim is to publish a new report, reflecting the changing environment in which tax policy in the UK is conducted, in 2008 to coincide with the Meade anniversary. The Review is chaired by Nobel Laureate Professor Sir James Mirrlees of the University of Cambridge. A core editorial team which also includes Tim Besley (LSE, IFS and Bank of England), Richard Blundell (IFS and UCL), Malcolm Gammie QC (One Essex Court and IFS Tax Law Review Committee) and James Poterba (MIT) will prepare a final report of long-term interest and relevance to policymakers, academics and civil society, aimed primarily at the UK but also of lasting interest and relevance to other countries facing similar policy challenges. A wider group of more than 50 IFS researchers and leading experts from around the world will contribute chapters, commentaries and special studies on key themes of the research. The review aims to be participative and interactive, drawing together expertise from a wide range of national and institutional perspectives. There will be a number of events at which participants and others will be able to discuss the progress of the research as it proceeds. Working drafts of publications will be posted on this site as the project progresses, and submissions to the Review are welcomed.

INTERNATIONAL

SOCIAL SCIENCE RESEARCH NETWORK

Richard M. Bird, Michael Smart, « The Impact on Investment of Replacing a Retail Sales Tax by a Value-Added Tax: Evidence from Canadian Experience », *Institute for International Business, Working Papers Series*, IIB Paper no. 15, juin 2008, 27 pages.
http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1273773

Augmentation des investissements grâce à la taxe sur la valeur ajoutée.

● Over a decade ago, several Canadian provinces replaced their retail sales taxes by value-added taxes. This paper estimates the effects of this tax substitution on business investment in the reforming provinces. Consistent with theory, we find that the reform led to significant increases in machinery and equipment investment, in the short run at least. This evidence suggests that a similar reform in a US state with similar retail sales taxes may also be expected to result in increases, possibly substantial, in capital stocks.

Lester B. Snyder, *The Unequal Taxation of Equals in a Consumption Tax World?* , 26 juin 2008, 50 pages.
http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1151348

Les principales iniquités liées à l'application d'un impôt sur la consommation totale plutôt que sur le revenu.

● The goal of this chapter is to explore what would become of some of the fundamental inequities in the current income tax laws, as described in the first six chapters of the book, "Unequal Taxation of Equals", in an integrated consumption tax. Assuming Congress were to adopt a consumption tax (other than a stand-alone sales or value added tax), which is merged with current tax law, which of the problems with our current law would carry over (or become worse) under a tax regime which encourages more savings. For example, what would (or should) happen to employer provided tax-free fringe benefits, the home mortgage deduction (is it savings or consumption?), the charitable contributions (gifts of real estate vs. securities), the elusive distinction between "business" vs. "investment" expenses, different tax treatment of salaries and dividends, tax losses, tax basis issues, and taxation of the family unit? After first summarizing some basic concepts of consumption taxes, the chapter then discusses specific examples of the inequities in current law in the context of an integrated consumption tax.

Équipe de rédaction du Bulletin de veille

Marie-Pierre Allard, Gilles N. Larin, Sonia Bellerive, Jasmin Daoust, Stéphanie Fortier Caron, Jean-François Langlois, Pierre-Simon Lindsay-Gélineau, Armelle-Andrée Nahounou, Véronique Racine, Jean-Daniel Roux, Émilie Laroche, Eric Bertrand Amvella Mendimi, Guillaume Corriveau, Marie-Ève Maltais, Maude Laberee-Fournier, Yasmine Fatima Abdou.