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QUÉBEC/CANADA

DIRECTEUR PARLEMENTAIRE DU BUDGET

DPB, « [Imposition des primes d'assurance-maladie payées par l'employeur](#) », 24 mai 2018, 30 p. (révisé le 1^{er} juin 2018)

La non-imposition des primes d'assurance-maladie payées par l'employeur coûte 3,8 G\$ au gouvernement fédéral.

Deux députés ont demandé au directeur parlementaire du budget (DPB) de mesurer l'incidence de l'inclusion, dans le revenu imposable des employés, de la couverture des soins de santé payée par l'employeur (c.-à-d. des cotisations de l'employeur à un régime privé d'assurance-maladie).

Le DPB a déterminé que cette mesure aurait pour effet d'augmenter de 2,8 milliards de dollars l'impôt fédéral sur le revenu des particuliers.

Pour l'analyse, le DPB a utilisé les données tirées de la Base de données et du Modèle de simulation de politiques sociales (BD/MSPS) de Statistique Canada. Il s'est aussi servi des données fournies par l'Association canadienne des compagnies d'assurances de personnes (ACCAP), des seuils de ré-

férence du Conference Board du Canada et des ratios de couverture présentés dans un document de politique du Wellesley Institute.

INSTITUT FRASER

S. Lafleur, B. Eisen et M. Palacios, « [The Decline of the Other Alberta Advantage: Debt Service Costs in Alberta Are Rising](#) », 24 mai 2018, 9 p.

Si la dette de l'Alberta poursuit la tendance des dernières années, la province se joindra à Terre-Neuve-et-Labrador et au Québec (et possiblement à l'Ontario) comme seules provinces à payer plus de 1 000 \$ par année per capita en paiements d'intérêts sur la dette

The Decline of the Other Alberta Advantage: Debt Service Costs in Alberta Are Rising finds that every Albertan will pay, on average, \$442 this year in interest on the province's growing debt, compared to just \$58 a decade ago. And if the province's debt trend continues, debt-servicing costs may exceed \$1,000 per person within the next 10 years.

INSTITUT FRASER

C. Lammam et H. MacIntyre, « [Increasing the Minimum Wage in British Columbia: A Flawed Anti-Poverty Policy](#) », 29 mai 2018, 16 p.

Augmenter le salaire minimum produit plusieurs conséquences économiques inattendues néfastes aux jeunes travailleurs.

Increasing the Minimum Wage in British Columbia: A Flawed Anti-Poverty Policy finds that despite misperceptions, more than 80 per cent of B.C.'s minimum-wage earners don't actually live in low-income families. In fact, last year, the majority of minimum-wage earners in the province (55.7 per cent) were teenagers or young adults aged 15 to 24, almost all of whom (77.9 per cent) lived with their parents or other relatives.

THE SCHOOL OF PUBLIC POLICY (UNIVERSITÉ DE CALGARY)

E. Beaulieu, « [North American Free Trade Under Attack: Newsprint is Just the Tip of the Iceberg](#) », 1^{er} mai 2018, 28 p.

Les États-Unis s'attaquent depuis longtemps au rôle du gouvernement canadien dans l'industrie du bois-d'œuvre, mais leurs attaques à l'égard de l'industrie du papier journal sont beaucoup plus larges et créatives.

Canada is now getting a good look at just how aggressively protectionist the Trump administration in the U.S. is ready to act. It has hit Canadian newsprint exports with punishing tariffs based on unjustified claims that the Canadian industry is both subsidized and dumping product below fair-market value into the U.S. marketplace. This latest trade skirmish, following President Donald Trump's demands to renegotiate NAFTA, American-instigated trade challenges to Canadian exports of softwood lumber (yet again) and Bombardier aircraft, and Washington's initial threats to levy duty on Canadian aluminum and steel (now on hold), should set off alarm bells beyond the newsprint industry. Canada's policy-makers

and exporters should be on notice that the administration is clearly eager to penalize the exports of an ostensibly free-trade partner based on overwrought claims.



ÉTATS-UNIS

CENTER ON BUDGET AND POLICY PRIORITIES (CBPP)

L.Pavetti et L.Schott, « [House Bill to Reauthorize TANF Makes Improvements But Doesn't Go Far Enough](#) », 23 mai 2018, 8 p.

Le Congrès devrait permettre aux États de se concentrer à donner de la flexibilité aux familles pour leur permettre de meilleurs résultats en emploi.

A bill to reauthorize the Temporary Assistance for Needy Families (TANF) program that House Ways and Means Committee Chair Kevin Brady and Human Resources Subcommittee Chair Adrian Smith introduced on May 17 makes some improvements in TANF, but doesn't go far enough. On the positive side, it holds states accountable for TANF recipients' employment outcomes and begins to constrain how they use federal block grant funds (and, to a lesser degree, state TANF funds). On the negative side, it adds no new money to the TANF block grant, which has been funded at the same level since 1996 and has lost almost 40 percent of its value due to inflation, even as the number of poor children remains roughly unchanged. The bill also fails to hold states accountable for assisting families in need, and it maintains important elements of TANF's rigid work requirements, albeit with more options for how participants can meet them.

CONGRESSIONAL BUDGET OFFICE (CBO)

B. Bloom, S. Mok et al., « [An Analysis of the President's 2019 Budget](#) », 24 mai 2018, 12 p.

À la lumière des propositions budgétaires de l'administration Trump, les dépenses fédérales obligatoires en

soins de santé seraient réduites de 1,3 billion de dollars au cours de la prochaine décennie.

Over the next 10 years, the cumulative deficit under the President's proposals would be \$2.9 trillion less than the \$12.4 trillion in CBO's baseline. The deficit would average 3.7 percent of GDP, CBO estimates.

CONGRESSIONAL BUDGET OFFICE (CBO)

K. Fritzsche, K. McNellis et al., « [Federal Subsidies for Health Insurance Coverage for People Under Age 65: 2018 to 2028](#) », 23 mai 2018, 33 p.

La taxe d'accise sur les régimes d'assurance à primes élevées annoncée pour 2022 devrait inciter certains employeurs à adopter des régimes d'assurance-maladie assortis de primes moins élevées.

CBO and JCT project that the federal subsidies, taxes, and penalties associated with health insurance coverage for people under age 65 will result in a net subsidy from the federal government of \$685 billion in 2018.

ECONOMIC POLICY INSTITUTE

L. Mishel, « [Uber and the Labor Market: Uber Drivers' Compensation, Wages, and the Scale of Uber and the Gig Economy](#) », 15 mai 2018, 29 p.

Les résultats de l'étude renforcent le scepticisme à l'effet qu'Uber, et plus largement l'économie du partage, représentent le futur du travail.

There has been a continuing, strong debate about the size of the gig economy and the pay earned by gig economy workers—specifically as gig work scope and pay relates to Uber, the leading gig economy firm. The debate has been fueled by a number of recent studies using differing and misleading measures of Uber pay and the size of the

gig economy. For example, some pay studies present measures of driver earnings that do not deduct Uber commissions, or driver's expenses, or the cost of benefits Uber drivers must fund on their own (as they are classified as contract workers, not "employees"). Some scope studies look at the raw number of drivers but don't account for the fact that most ride-hailing drivers drive far fewer than 40 hours a week and only for a few months a year. This paper seeks to provide clarity by offering a framework for understanding various pay and size concepts and a common terminology. Then, using newly available administrative data on Uber drivers, it answers two key questions: (1) what is the hourly pay earned by Uber drivers comparable to hourly wages or compensation of payroll employees (i.e., driver net income after accounting for Uber commissions and fees, vehicle expenses, payroll employees' benefits, and the interaction of expenses and benefits with the tax code)?; and (2) what is the scale of Uber, and gig work, in the overall economy?

HERITAGE FOUNDATION

J. Roberts et A. Michel, « [Trump Cut America's Taxes: Now He Should Defund OECD Efforts to Raise Them](#) », 29 mai 2018, 9 p.

Les États-Unis devraient arrêter de financer des les projets de l'OCDE qui impliquent un taux d'imposition plus élevé comme le BEPS.

The OECD's BEPS project and the resulting Multilateral Convention to Implement Tax Treaty Related Measures to Prevent BEPS are nothing more than international tax regulators' latest attempt to increase taxes on international businesses. The OECD proposal aims to centralize and harmonize global tax rules and increase effective tax rates on international firms. If the European states continue to find value in OECD products to support larger and more intrusive governments, they should find a way to fund those activities without the help of the American taxpayer. The OECD should not be provided with the confidential tax information of U.S. companies and citizens and, through privatization, it should be given the opportunity to sell its research in the marketplace—instead of imposing the cost of producing its pro-tax research on American taxpayers.

HERITAGE FOUNDATION

A. Michel, « [When It Comes to Taxation, Borders Matter—Europe and the U.S. Should Act Accordingly](#) », 29 mai 2018, 12 p.

Les États-Unis et l'Europe devraient respecter leurs limites territoriales dans l'application de leurs impôts. Le critère de la présence physique devrait être respecté.

The European Commission (EC) and certain U.S. states are renewing their efforts to expand taxing authority beyond their borders. Many policymakers see the EC's digital-transactions tax and the expansion of state sales taxes to out-of-state retailers as separate issues. However, the two policies have the same principle at their core. Without a physical presence requirement, destination-based taxes expand the extraterritorial reach of distant politicians into local affairs. The authority for governments to tax should stop at their border. A more broadly applied U.S. sales tax or a European digital tax will limit tax competition and irreversibly expand the scope and power of governments at all levels.

INSTITUTION ON TAXATION AND ECONOMIC POLICY (ITEP)

C. Davis, « [SALT/Charitable Workaround Credits Require a Broad Fix, Not a Narrow One](#) », 23 mai 2018, 21 p.

Le Congrès devrait permettre une déduction fédérale complète pour tous les dons de bienfaisance et se concentrer sur l'instauration d'une nouvelle loi qui viserait les avantages fiscaux importants de l'État, et ainsi éviter d'imposer des exigences administratives sur la plupart des dons de bienfaisance.

The federal Tax Cuts and Jobs Act (TCJA) enacted last year temporarily capped deductions for state and local tax (SALT) payments at \$10,000 per year. The cap, which expires at the end of 2025, disproportionately impacts taxpayers in higher-

income states and in states and localities more reliant on income or property taxes, as opposed to sales taxes. Increasingly, lawmakers in those states who feel their residents were unfairly targeted by the federal law are debating and enacting tax credits that can help some of their residents circumvent this cap—a policy this report will refer to as “workaround credits.” Specifically, states are offering sizeable tax credits in return for making so-called charitable gifts, rather than ordinary SALT payments, to support public services. This is advantageous to some taxpayers because charitable gifts are treated much more favorably than SALT payments under the new federal tax code.

For taxpayers, using these credits will result in a somewhat higher payment to their state governments (or in some cases, local governments) because the credits only offset part of the cost of donating. In New York, for instance, 85 percent of the donation is returned to the donor with tax credits. But for high-income taxpayers able to itemize at the federal level, the added benefits of the federal charitable deduction will often be large enough to both offset that higher state payment and return a net financial benefit to the taxpayer. Notably, most of the high-income taxpayers likely to benefit from these credits already received significant federal tax cuts under the TCJA.

TAX FOUNDATION

E. York, « [The Complicated Taxation of America's Retirement Accounts](#) », 22 mai 2018, 10 p.

Les lois fiscales favorisent la consommation par rapport à l'épargne. Ces « pénalités » à l'épargne devraient être abolies.

Personal saving, the setting aside of resources today to get benefits in the future, is taxed in a variety of ways in the United States. Ordinary income tax treatment taxes income when first earned, and, if saved, taxes the returns on the saving (the reward one “buys” by saving). By contrast, income used for immediate consumption is taxed only once by the income tax; the income tax does not fall again on what one buys with the after-tax income. This second layer of tax on the rewards for saving favors immediate consumption over delayed consumption.

The tax treatment of retirement accounts, however, removes this bias for a limited amount of personal saving. Neutrality is achieved in one of two ways: defer tax on the saving and tax all returns of principal and earnings, or tax the amount saved up front and exempt all returns from additional tax. Either way, saving in retirement systems and consumption face the same lifetime tax burden, in present value. This neutrality is limited, though, by numerous rules and restrictions that govern retirement accounts, making the tax structure of long-term savings complex and biased.

TAX FOUNDATION

A. El-Sibaie, « [Capital Cost Recovery across the OECD, 2018](#) », 24 mai 2018, 10 p.

Il y a un déséquilibre dans le traitement des dépenses en capital aux États-Unis, ce qui défavorise certaines dépenses, notamment dans les structures et en propriété intellectuelle.

However, the statutory corporate income tax rate was not the only feature of the business tax code that adversely affects the economy. Capital consumption allowances (how much of the cost of a capital investment a business can claim as an expense) directly affect a business's taxable income and thus affects the amount of tax it pays. When businesses are not allowed to fully deduct capital expenditures, they spend less on capital, which reduces worker productivity and wages.

Currently, the U.S. tax code only allows businesses to recover an average of 67.7 percent of a capital investment (e.g., an investment in buildings, machinery, intangibles, etc.). This is slightly higher than the Organisation for Economic Co-operation and Development's (OECD) average capital allowance of 67.2 percent. The U.S. capital allowances for intangibles is 63.3 percent, lower than the OECD average of 75.1 percent. For machinery, the U.S. has a capital allowance of 100 percent due to temporary 100 percent bonus depreciation provided by the TCJA, whereas the OECD has a lower average of 83.5 percent. The U.S. is deficient in its treatment of nonresidential

structures, providing an allowance of only 35 percent over their rather long 39-year asset lives, while the OECD average is 47 percent.

TAX FOUNDATION

E. York, « [The Fixtures Fix: Correcting the Drafting Error Involving the Expensing of Qualified Improvement Property](#) », 30 mai 2018, 10 p.

Le TCJA exclue certaines formes d'investissements du « *100 percent bonus depreciation* », ce qui fait en sorte que ces dépenses ont un traitement moins favorable qu'auparavant.

However, the law excludes some categories of business investment from 100 percent bonus depreciation. For instance, many interior improvements to buildings are not eligible for the provision, and will be required to be written off over time periods as long as 39 years. This exclusion is widely believed to have been due to a legislative oversight: Congress seems to have intended building improvements to be eligible for 100 percent bonus depreciation, but left them out due to a last-minute drafting error. As a result, the new tax law actually worsens the tax treatment of this type of investment, which previously qualified for bonus depreciation, by reducing the ability of businesses to deduct their full building improvement costs.

Ideally, all business expenses should be immediately deductible, including the amount that businesses spend on capital investment. As such, the exclusion of building improvements from the benefit of 100 percent bonus depreciation—whether accidental or not—is unjustified. Policymakers should act to ensure that qualified improvement property is eligible for 100 percent bonus depreciation; at a minimum, they should make sure that the rules for deducting the cost of building improvements do not become more restrictive than they previously were.

TAX POLICY CENTER (TPC)

B. H. Harris et A. Looney, « [The Tax Cuts and Jobs Act: A Missed Opportunity to Establish a Sustainable Tax Code](#) », 24 mai 2018, 29 p.

La plupart des économistes s'entendent sur le fait qu'une bonne réforme fiscale devrait tendre vers une imposition de la consommation, un élargissement de l'assiette fiscale et une diminution du taux d'imposition sur les revenus, alors que le Tax Cuts and Jobs Act va en sens inverse.

The Tax Cuts and Jobs Act of 2017 leaves many promises of tax reform unfulfilled. In this paper, we examine the plan's prospects to boost future growth, and discuss fundamental reforms that would boost the stock of capital and generate sustained, long-term growth. After making the case that the current tax code is unsustainable and that reform will be revisited, we recommend a series of strategies for future Congresses, including limiting windfall tax breaks on already-committed capital, providing targeted tax cuts on wages to boost labor supply, reducing the most harmful tax distortions, and administering the tax code more effectively.

URBAN INSTITUTE

B. Theodos, B. Meixell et C. Hedman, « [Did States Maximize Their Opportunity Zone Selections? Analysis of the Opportunity Zone Designations](#) », 21 mai 2018, 14 p.

Le gouvernement devra retracer les investissements générés par les incitatifs fiscaux afin de vérifier s'ils aboutissent dans les régions ciblées et effectuer les modifications requises.

The Tax Cuts and Jobs Act included a new federal incentive—Opportunity Zones—to spur investment in poor and undercapitalized communities. Governors (and the mayor of the District of Columbia) have now selected which among the roughly 56 percent of eligible census tracts in the U.S. should be classified as Opportunity Zones. While many criteria could be used to assess how successfully governors targeted Zones, we offer two for consideration: need and benefit. In this brief we gauge governors' selections against tract

measures of the investment flows they are receiving and the social and economic changes they have already experienced.



INTERNATIONAL

COMMISSION EUROPÉENNE

Commission Européenne, « [The 2018 Ageing Report: Economic and Budgetary Projections for the 28 EU Member States \(2016-2070\)](#) », 25 mai 2018, 406 p.

L'augmentation des dépenses de santé publique dans l'Union européenne soulève des doutes quant à sa viabilité à long terme.

The long-term projections show where (in which countries), when, and to what extent ageing pressures will accelerate as the baby-boom generation retires and as the people in the EU are expected to live longer in the future. Hence, the projections are helpful in highlighting the immediate and future policy challenges for governments posed by projected demographic trends. The report provides a very rich set of information at the individual country level which covers a long time-span (until 2070), compiled in a comparable and transparent manner.

The projections feed into a variety of policy debates and processes at EU level, including the overarching Europe 2020 strategy for smart, sustainable and inclusive growth. In particular, they are used in the context of the European Semester so as to identify policy challenges, among others in setting the medium term budgetary objectives (MTOs), in the annual assessment of the sustainability of public finances carried out as part of the Stability and Growth Pact, and in the analysis on the impact of ageing populations on the labour market and potential economic growth.

INTERNATIONAL TAX REVIEW

B. Brown et M. Woolley, « [New Zealand to Require Foreign Sellers of Low-Value Goods to Register for GST](#) », 17 mai 2018, 4 p.

Les nouvelles règles fiscales proposées par le gouvernement néo-zélandais quant à l'inscription à la TPS des vendeurs étrangers sont susceptibles de devenir litigieuses.

The New Zealand government has released proposals that would require certain foreign sellers, online marketplaces and re-deliverers of goods to register for, collect and return GST on items delivered to a New Zealand address, if the value of the goods is NZ\$400 or less, from October 1 2019, write Brendan Brown and Matt Woolley of Russell McVeagh.

ORGANISATION DE COOPÉRATION ET DE DÉVELOPPEMENT ÉCONOMIQUES (OCDE)

OCDE, « [Country-by-Country Reporting – Compilation of Peer Review Reports \(Phase 1\) - Inclusive Framework on BEPS: Action 13](#) », 23 mai 2018, 756 p.

Parmi les 95 juridictions visées, 60 ont un système légal et administratif suffisant, 58 ont des accords multilatéraux ou bilatéraux en place et 39 ont fourni les informations nécessaires permettant d'assurer que des mesures suffisantes soient prises pour que les déclarations pays par pays soient utilisées à des fins appropriées.

Under the Action 13 Minimum Standard, jurisdictions have committed to foster tax transparency by requesting the largest multinational enterprise groups (MNE Groups) to provide the global allocation of their income, taxes and other indicators of the location of economic activity. This unprecedented information on MNE Groups' operations across the world will boost tax authorities' risk-assessment capabilities. The Action 13 Minimum Standard has been translated into specific terms of reference and a methodology for the peer review process. The peer review of the Action 13 Minimum Standard is proceeding in stages with three annual reviews in 2017, 2018 and 2019. The phased review process follows the phased implementation of Country-by-Country (CbC) Report-

ing. Each annual peer review process will therefore focus on different aspects of the three key areas under review: the domestic legal and administrative framework, the exchange of information framework, and the confidentiality and appropriate use of CbC reports. This first annual peer review report reflects the outcome of the first review which focused on the domestic legal and administrative framework. It contains the review of 95 jurisdictions which provided legislation or information pertaining to the implementation of CbC Reporting.

THE AUSTRALIA INSTITUTE

M. Grudnoff, « [High Income Earners the Big Winners From Scrapping 37% Tax Bracket](#) », 29 mai 2018, 6 p.

Si l'administration australienne élimine sa tranche d'imposition de 37 %, les contribuables peuvent s'attendre à des services gouvernementaux de moins bonne qualité ou à une imposition plus importante des salariés à faibles ou moyens revenus.

High income earners will get 80% of the benefit from removing the 37% tax bracket and 60% of taxpayers will get no benefit.

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