## Euroframe 2014 What future for taxation in the EU?

#### Sarah Guillou

OFCE - Sciences-Po Paris

Corporate Taxation session: discussion

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#### Corporate Taxes are ... Taxes

Meaning, they are a way to get money back to finance public spendings which benefit all firms: infrastructure, educational system, institutions (legal, sanitary, regulations, judicial)...Often Corporate taxes have a redistributive objective. Research questions: Welfare issues, loopholes problems, MNEs taxation.

#### Corporate Taxes are ... Incentives

The papers presented in this session are interested in corporate taxation as a tool to affect firm's behavior. Behind these concerns of research, there is a larger question to design the best taxation system for growth. The policy objective is to increase the base/decrease the rate to collect more tax revenue.

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- Profit and investment
- Employment against investment
- Outsourcing, location and tax competition

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- Investment and financing decision (debt vs equity)
- Are Investment and financing decisions separable for SMEs? 2.1 and 2.2 should be merged.
- A weak space to labor and no consideration of labor taxes in the model.
- Investment is also influenced by labor cost and tax rate level is not exogenous to labor cost (through social contributions).
- Adress the expectation issue in the diff-in-diff exercise on the 2007-2008 reform.
- Identification of financially constrained firms based on dividends is too simple.
- Introduce sectoral dummies see Rajan & Zingales (1998) and Manova (2008).



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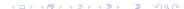
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- Description of the Italian fiscal system does not end up with conclusions
- In general, add links between different parts.
- ICT investment are crucial for growth. Are Immaterial investment included
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