

**PRESENTED BY:**

Professor Robert Breunig  
Crawford School of Public Policy  
Australian National University (ANU)

**WHERE:** Seminar Room 2, Building 24,  
University of Canberra

**WHEN:** Tuesday 15 August 2017

**TIME:** 11:00am– 12:00pm

## *The Elasticity of Taxable Income*



**ABOUT THE TALK:**

We examine taxpayers' responsiveness to marginal tax rates in Australia. Utilising the universe of taxpayer records from 2000 to 2014, we estimate the degree to which taxpayer's bunch at kink points in the Australian personal tax system, and the associated elasticity of taxable income. Unlike previous studies, we find sharp bunching at all kink points in the Australian tax system. We estimate the associated observed elasticity of taxable income and find elasticities ranging from effectively zero for wage earners, to around 0.26 for self-employed tax filers. Exploiting the detail and size of the dataset we find substantial heterogeneity in responses to changes in marginal tax rates over time and across a range of sub-groups, with higher elasticities for married females, females with children and younger tax filers.

**ABOUT THE SPEAKER:**

Robert Breunig conducts research in three main areas: economics of the household; empirical industrial organization; and statistical and econometric theory. In recent work, he has studied the inter-generational transmission of dependence on government assistance; he has examined the relationship between women's labour supply and child care policy and studied optimal child care subsidy policies; he has examined the complex relationship between outsourcing and innovation; and he has evaluated new econometric techniques for analyzing panel data models of binary outcomes. He publishes regularly in respected, international journals. His research is motivated by important social policy issues and debates. His work is characterized by careful empirical study and appropriate use of statistical technique.

Robert Breunig's research agenda have led to many partnerships with government organizations in Australia and overseas. He works regularly with the Australian Treasury, the Department of Education, Employment and Workplace Relations and the Department of Innovation as well as many other agencies. He has been a consultant to private sector on marketing, mergers, bank competition and customer loyalty programs.

Robert Breunig particularly enjoys interaction outside of typical academic circles and takes pleasure in helping those who don't usually use economics or statistical analysis to better understand and make use of these tools in their work. He has an extensive track record of helping the public service to build research capacity which he views as a particularly important activity. He has received grant support from the United States Department of Agriculture and the Australian Research Council.

*You are welcome to forward this invitation to any interested guests.*

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