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MINNESOTA CENTER for Fiscal Excellence

Sound tax policy. Efficient spending. Accountable government.

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A Closer Look at Some Recent Migration-Related Concerns

State migration is in the news with a couple of reports causing some brows to be furrowed with respect to Minnesota's demographic and economic future. Some recent research and a deeper dive into the data offers a more complex message with implications for how we should think about this issue and state policy going forward.

Recently, CNBC's annual "Best States for Business" report bestowed on Minnesota the enviable ranking of fifth in the nation. This accomplishment was made possible by top ten scores in technology and innovation, infrastructure, and quality of life which managed to offset distinctively below average grades in cost of doing business, business friendliness, and access to capital (or "what truly matters to business" in the words of one state business leader questioning the weighting measures employed).[1]

Hot on its heels came a couple reports casting a less glowing light on matters pertaining to the state's current and economic future. Both of these had to do with the issue of population migration. The first is a research report by Smart Asset, picked up by CNBC and some local media as well, examining high income household migration (defined as adjusted gross incomes exceeding $200,000). Based on the latest migration data from the IRS, the study found Minnesota had the 8th highest net out-migration of these households in the nation – a net loss of 1,453 of such filers in the 2021 tax year.

Shortly thereafter, a news report highlighting a different migration matter made headlines in the Star Tribune: the continuing loss of college age students from the state. The article noted college age students make up nearly two-thirds of the Minnesota's annual net loss in domestic migration casting an economic shadow in an era of tight labor markets and aging populations.

Diving a little deeper into the issues and the data reveals some interesting nuance and findings with potential considerations for policymaking. We took a closer look at both.

The Significance of "Net"

The ranking measure used by Smart Asset – the absolute amount of net domestic migration of $200,000 -plus incomes – is eye-catching but potentially a bit distorting because it focuses on absolute rather than relative changes. The fact is half of all the $200k and above filers in the entire nation reside in these top 10 "losing" states which are some of the nation's highest income states. As a result, we revised this state migration measure by calculating net migration totals as a percentage of the $200k and above filers in each state. This provides a better perspective on the relative magnitude the net migration represents. We calculated separate relative rankings for both state in-migration and out-migration to highlight the relative influence of the migration direction in deriving a "net" figure. We also extended the analysis to a include the 5-year trend.

A note on the data source. IRS Statistics of Income data on state migration is based on year-to-year address changes reported on individual income tax returns filed with the IRS. Tax returns are matched for two consecutive calendar years based on the filer's taxpayer identification thus capturing both inflows (the number of new residents who moved to a state and where they migrated from) and outflows (the number of residents leaving a state and where they went.) The "$200,000 and above" income threshold is the highest threshold reported.

As we have observed before, some use and interpretation cautions accompany this data. The most frequent error is to interpret out-migrated adjusted gross income totals as "lost taxable income" to a state (a topic we don't wade into here). The other issue, more relevant to this review, is the fact that the many different permutations of exactly when people move and when they file, how they file, and filing status changes between years can have an influence on these reported migration totals.[2]

With those caveats in mind, a few "numbers behind the numbers" are worth noting:

- **Minnesota has experienced a recent spike in high income filer outmigration.** Minnesota's 4,068 200k-plus "outflow returns" between 2020 and 2021 represents a 38% increase over the previous four-year average. There is no readily apparent indication of any pandemic-related influence in these totals. Yet,
- **Minnesota did a better job of retaining its existing high-income filers than most other states in the nation.** These 4,068 filers that left the state between tax year 2020

[1] "Unbridled spending won't result in another 'Minnesota miracle'", Doug Loon, Duluth News Tribune, August 1 2003

[2] For a good explanation of both these issues, see "New IRS SOI Data is Out and Even More Improved," and "A Simple Reference Guide to IRS Data Quirks," by Lyman Stone and available at the blog "In A State of Migration" at Medium.com

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and 2021 represented 2.4% of the total population of all 200k+ filers in the state in the previous tax year. As the accompanying table shows that is actually 9th lowest percentage in the nation. (Nevada appears to be revolving door of high-income filers placing in the top 5 in both coming and going.) Not only is that relative retention better than all the other biggest losing states, it is better than all but one of the top in-migration states. Between tax year 2020 and 2021, even Florida had a larger share of its $200k-plus filer cohort move out of the state than Minnesota. This relative national performance holds generally true for at least the five years in our review.

- **In stark contrast, Minnesota's relative in-migration of high-income earners is among the lowest in the nation.** As the table also shows, the 2,615 high earners entering the state constitutes just 1.6% of the previous year's 200k filer base placing the state 48th in the nation behind only Illinois and California. This relative "replacement share" is 61% less than the 50-state average. As with outmigration, this performance also holds true over time-period studied. Five years ago, in-migration as a share of the filing cohort was 1.5% or 49th in the nation.

> **"When I talk to executive recruiters, they all say one thing: 'It's really hard to get people to move to the Twin Cities but it's about impossible to get them to leave.'"**

What to make of this is interesting to ponder. In Minnesota, approximately 80% of this cohort are filers between the ages of 35 and 65. These results suggest a strong validation of the findings in *Headquarters Economy: Managers, Mobility, and Migration* by Myles Shaver of the University of Minnesota which concluded that the strong managerial talent pool rooted in the state is responsible for the state's "headquarters economy" and a major contributor to the state's economic vitality. With respect to talent migration, Shaver has observed, "When I talk to executive recruiters, they all say one thing: 'It's really hard to get people to move to the Twin Cities but it's about impossible to get them to leave.'" [3]

The relative importance of this talent retention and development for Minnesota can be seen by comparing cohort growth over time adjusting for migration changes. Doing so provides a rough estimate of a state's "home grown" higher income filers over a five-year period. Minnesota "grew" roughly 11 new high-income filers for every departure during this period.

Talent pools, however, need to be replenished. That's especially true today in the context of aging demographics and tight labor markets. It's in this context that the interaction of policies enacted this session on the state's already poor rates of in-migration deserve some consideration. For example, this year Minnesota essentially created a sort of "back door fifth tier" in the state income tax by phasing out both itemized and standard deductions faster for households at adjusted gross income levels far lower than what this past session's proposed fifth tier would have affected. As a result, the job of executive and talent recruiters likely got a little harder this year, and the wage premiums needing to be paid by Minnesota employers to offer competitive salaries with other states likely got a little bigger.

Table 1: Interstate Migration of High-Income Filers Between Tax Year 2020 and 2021

Biggest "Winning" States (based on number of filers)	Out-Migration % of 200k filers	State Rank	In-Migration % of 200k filers	State Rank
1. Florida	2.6%	36	8.2%	3
2. Texas	2.0%	50	3.3%	25
3. North Carolina	2.6%	33	5.1%	14
4. Arizona	3.4%	18	6.4%	10
5. South Carolina	3.1%	23	8.0%	4
6. Tennessee	2.7%	32	5.8%	12
7. Nevada	4.6%	3	9.1%	2
8. Idaho	2.7%	31	9.5%	1
9. Colorado	3.4%	17	4.5%	18
10. Utah	2.6%	37	5.0%	16
Biggest "Losing" States (based on number of filers)	**Out-Migration % of 200k filers**	**State Rank**	**In-Migration % of 200k filers**	**State Rank**
41. Pennsylvania	2.8%	28	2.5%	38
42. Ohio	2.6%	35	2.0%	43
43. Minnesota	**2.4%**	**41**	**1.6%**	**48**
44. Maryland	3.5%	16	2.5%	39
45.Virginia	3.8%	14	2.9%	28
46. New Jersey	3.5%	15	2.8%	30
47. Massachusetts	3.1%	24	2.1%	41
48. Illinois	4.1%	7	1.6%	49
49. New York	5.1%	1	1.9%	46
50. California	3.1%	22	1.2%	50
50 State Average	**3.1%**		**4.1%**	

Source: IRS Statistics of Income Tax Stats - Migration Data, Gross Migration File

Does "Ski-U-Mah" Mean "See You Later?"

Talent can also be developed at home which was the focus of a different migration report. A Star Tribune article, "Minnesota is losing more college students than it attracts, a troubling trend" reported on the state's largest demographic outflow – 18-24 year-olds – and the ripple effects it may have on the state's economy in the future. Comprising nearly two-thirds of the state's annual loss in domestic migration

[3] "Professor Myles Shaver Uncovers Why Business Works in the Twin Cities," Carlson School of Management, April 5, 2019

– about 8,000 individuals per year – this out-migration has potentially significant implications for the state's higher education entities. According to national education statistics reported by the Strib, Minnesota is only one of 10 states that lose more college students than it attracts, and only seven states had a worse ratio of students moving out to coming in.

This cohort migration into the state is not a "silver lining" to the dark clouds of out-migrating college age students; it's the substance of continued economic performance and success.

While this is understandably disturbing news for the state's colleges and universities, by itself it does not represent a looming Minnesota brain drain crisis. That's because it doesn't take into account an arguably even more important issue: where graduates migrate (or don't) to work. The primary social return on investment from higher education comes from where a degree is eventually put to use in the economy rather than from where it is obtained.

Most of the research on the relationship between labor markets and higher education has focused on the markets that colleges face for incoming students, not where they ultimately live and work. The latter has been a much more challenging research task for data reasons. Taking up this challenge, a swat team of academic researchers and employment research institute professionals conducted such a study employing a novel data source: Linked In.[4] The result was a new measure of college-specific labor markets for 2,600 public and private non-profit higher education institutions offering at least an associate's degree – an investigation covering 99% of the degrees awarded from 2010-2018.

The findings of this study offer a more positive assessment of the state's situation. For starters, those who earned their degrees in Minnesota tended to stay in Minnesota. Minnesota ranked 5th in the nation in graduate retention with over 75% of students who earned their degrees in the state staying in state to work. The only states to outperform Minnesota on this measure were four states with substantially larger state economies, populations, and presumably employment opportunities than our own – California, Texas, Florida, and New York. In addition, Minnesota was only one of eight states with a positive net flow of college graduates indicating more graduates were imported and retained in the state than left to reside and work elsewhere.

The role of in-migration and the ability to "pull" talent offered by having a healthy, diverse, and growing business climate is critical to these findings. Or as the authors state, "areas with high wages for college-educated workers and urban areas have high local returns because they attract more graduates regardless of where students completed college." Census figures appear to back this us up. As reported by the Strib, about 3,000 more people between 25 to 39 move to Minnesota each year than depart, and about 40% of those moving here in that age range were either born here or are married to someone who was. Presumably, this means half of this important demographic cohort had no significant preexisting ties to the state. This cohort migration into the state is not a "silver lining" to the dark clouds of out-migrating college age students; it's the substance of continued economic performance and success.

The study also examined the important issue of economic mobility by constructing intergenerational bottom-to-top income mobility rates in colleges and universities. Again, the contribution of labor markets were key in achieving high performance. With respect to educational institutions, the authors found "basic institutional characteristics such as control (public/private) and measures of instructional or endowment spending have limited capacity to predict bottom to top quintile mobility rates." Rather, results suggest, "the strength of the average labor market to which a college sends its graduates meaningfully predicts rates of intergenerational economic mobility across institutions over and above key observable characteristics of colleges and the students they educate."

None of this discounts the critical importance of having excellent higher education institutions serving the needs of young Minnesotans and the state economy. But these study findings illustrate the importance of offering a strong business climate to extract the greatest benefit from these investments. Put it all together and the primary lesson of college and post college migration might be best summarized as "brains tend to drain to where the good opportunities and incomes are."

The Other Side of the Highway

Debates about migration and Minnesota tax policy inevitably tend to focus on outbound traffic – who or what is leaving or may leave the state. That is understandable, especially today given the state's demographics and recent policy changes. With chronically tight labor markets, and Minnesota now more reliant on individual income taxation – and on high-income earners for those income tax revenues – than at any time in state history, it's an issue that deserves monitoring.

However, a closer look at these two investigations suggest that Minnesota's attention and focus would be better directed on the traffic flow on the other side of the highway. In-migration demands as much or more attention since it reflects the intersection of capital mobility, workforce availability, and business decision making. Attracting talent to the state, whether it be experienced professionals or newly educated workers who will be their eventual successors, is a cornerstone of continued economic success. Getting them here appears to be a greater challenge for the state than keeping them here.

What policies support greater state in-migration? As the most recent session has demonstrated, the perspectives and emphasis of the parties differ on this issue. The DFL is banking on more foundational competitiveness expenditures on infrastructure and quality of life factors as the key to state success. It's possible Minnesota's "no-cost" social policies may prove to be even more influential than this spending, or at least provide a tailwind behind these efforts. Deeply controversial and highly divisive state policies being enacted around the country on a number of hot button social issues may result in brand new dimension of "Tiebout sorting" at the state level.[5]

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4 "Grads on the Go: Measuring College-Specific Labor Markets for Graduates," Conzelmann, Hemelt, Hershbein, Martin, Simon, and Strange; NBER Working Paper 30088, May, 2022.

5 'What's life like in Minnesota?' Out-of-staters ponder a move thanks to online buzz " Star Tribune July 29, 2023

Republicans, unsurprisingly, emphasize improving state competitiveness, specifically the state tax and regulatory climate. The individual income tax, a continuing focus of state Republicans, is part of this calculus. As one research study has described it, the effect of the personal income tax on economic growth is a potential "double edged sword." [6] All else equal, higher individual income taxes create an incentive for individuals to apply their talents elsewhere. But if employers must compensate employees for the higher burden with higher pre-tax wages to level the playing field, their labor costs go up and the case for expanding and growing business within Minnesota becomes that much more challenging.

The different perspectives largely reflect the age-old "do jobs follow people or people follow jobs" debate. One of the most interesting pieces of recent research finds the answer to be "both" [7] suggesting a proper balance of policies addressing both foundational competitiveness and business attractiveness needs to be struck. If the CNBC results are to be taken seriously, an attempt to restore some balance is needed. Minnesota has doubled down on investing in the areas in which it already has relative significant competitive advantages compared to other states while arguably in the process making the climate for business investment even more challenging than its current below average grades indicate. ■

Minnesota's GILTI Budget Fix: It May Not Be That Simple

A last-minute corporate tax policy switch replaced a worldwide combined reporting proposal with taxation of Global Intangible Low Taxed Income (or GILTI) in order to meet the DFL's revenue raising targets. But as a recent analysis discusses, the state may have sidestepped one area of policy quicksand only to step into another.

In the waning moments of the 2023 session, when the tax conference committee pulled the plug on a worldwide combined reporting proposal, $430 million of new revenue had to be replaced expeditiously to fund the DFL's ambitious fiscal agenda. Filling a hole of that size might be expected to require a whole new section or article in the omnibus tax bill, but was mostly accomplished by inserting one sentence into the conference committee report:

> *Global Intangible Low Taxed Income: Any amounts included in taxable income pursuant to section 951A of the Internal Revenue Code, are dividend income.*

Politically, and to some extent practically, taxing GILTI as a dividend received made sense as an alternative to worldwide combined reporting. For starters it's also a tax on multinational corporations – an always popular target – with the added benefit of specifically addressing profit shifting behavior by these firms. Second, corporations already report GILTI income on their tax returns. Finally, it avoids the numerous and complicated administrative and enforcement issues in implementing mandatory worldwide combined reporting. (This is especially relevant as a smallish state attempting to break new ground by itself with policy observers and interests in other states cheering us on from the sidelines. As Red Sox owner John Henry said to Billy Beane in Moneyball, "the first guy through that wall, he always gets bloody, always.")

But in the world of corporate income taxation nothing is ever as superficially simple and straightforward as it may seem. Complicating issues regarding GILTI taxation have been brought to light in a recent State Tax Notes article entitled "Minnesota's New Approach to Taxing Foreign Income is Unfair and Unwise." [8] Authored by senior officials of the Council on State Taxation, a trade association consisting of multistate corporations engaged in interstate and international business, it raises several issues regarding the wisdom of "how and how much" Minnesota is taxing this income and the legal and constitutional matters likely to be raised in the years ahead. Given the absence of any discussion or vetting of these matters in the tax committees this year, it's worth a closer look at these arguments and concerns.

Taken together, the result is tax policy well outside of the national mainstream among the states taxing this income.

Minnesota as a National Outlier

Of the 44 states taxing corporate income, only 21 tax GILTI income in some form. However, according to the authors, several structural features distinguishes Minnesota from those that do tax GILTI specifically and foreign income generally which together make the state a significant national outlier:

- **Amount of GILTI income subject to taxation** – Minnesota includes 50% of corporate GILTI income in its tax base. That conforms to federal tax treatment but is an amount shared by only 8 other states. Most of the more populous, high income, high tax, "corporate headquarter heavy" state peers include far less GILTI income in their tax base. For example, New York, Massachusetts, New Jersey all include only 5% of GILTI income in their corporate tax base.
- **Tax rate** – This larger base is exposed to what will soon be the highest state corporate tax rate in the nation. At 9.8%, Minnesota will soon surpass New Jersey for this title when that state's 2.5% surcharge in existence since 2018 sunsets in 2024 reducing its top rate to 9%.
- **Higher taxation of foreign dividends** – Minnesota taxation of foreign earnings via GILTI was augmented this session by higher taxation of regular dividends from foreign subsidiaries. The state has increased the share of foreign dividends (and subpart F Income) subject to corporate taxation from 20% to 50%. Taxing both GILTI income as well as regular foreign dividend income is relatively rare across the country, and none do so at Minnesota's combination of rates and shares subject to taxation. Notably, the federal government taxes GILTI at 50%, but provides a foreign tax credit and excludes taxation of foreign dividends. As the authors observe, "in a head-spinning turn of tax policy, Minnesota switched from taxing a much smaller

[6] Mark Rider, The Effect of Personal Income Tax Rates on Individual and Business Decisions – A Review of the Evidence, Working Paper 06-15, Andrew Young School of Policy Studies, Georgia State University.

[7] *https://www.bloomberg.com/news/articles/2017-05-30/do-jobs-follow-people-this-new-study-says-sometimes*

[8] "Minnesota's New Approach to Taxing Foreign Income is Unfair and Unwise." Frieden and Nicely, Tax Notes State, Volume 109, August 21, 2023

to a much larger share of foreign source income than the federal government."

- **No foreign factor representation** – Perhaps the most significant departure from other state treatment of foreign income – and the issue most likely to get the lawyers and courts involved in the future – is the absence of foreign factor representation in apportioning income. A bedrock principle of constitutionally sound state taxation is that if multijurisdictional income is included in a tax base, the factors that contributed to producing that income need to be taken into consideration in order to allocate the appropriate amount of a company's total of taxable income to a state for tax purposes. Minnesota is a "single sales factor apportionment" state meaning the share of total sales in Minnesota determines what share of a company's taxable income is taxable by the state. Over half the states taxing foreign earnings have some form of factor representation in their taxation; Minnesota does not. The authors also observe that the state's failure to do so is also a departure from the Multistate Tax Commission's recommended model rules for apportioning foreign-source income (in which Minnesota, as a "sovereignty member," participates as a regular participant and financial supporter of the Commission.)

On any one of these four structural elements, an individual state peer or peers might be found. As the authors note, what makes Minnesota unique is that in all four areas, Minnesota's statutory approach to taxing this income is the most aggressive to be found anywhere in the country. Taken together, the result is tax policy well outside of the national mainstream among the states taxing this income.

Does Any of This Matter?

This statutory approach is also how you obtain an estimated $430 million of new biennial tax revenue quickly when you suddenly need it. The question arises: from a standpoint of traditional tax policy concerns such as revenue reliability, fairness, and competitiveness, how does this approach stand up?

With respect to state competitiveness, the primary risk would seem to one of business perception and intangibles. From a pure economics standpoint, we might not expect decision-making regarding the location of new

From The Director: An Ode to Sound Tax Administration

As this issue of *Fiscal Focus* notes, the end of this year's legislative session featured some last-minute frenetic decision-making regarding major corporate tax policy changes that didn't exactly adhere to how policy issues of this significance ought to be vetted and discussed. It was triggered largely by a failure to give the proper recognition and attention to the administrative realities and burden surrounding mandatory worldwide combined reporting. Although the proposal received a hearing in the House Tax Committee, none of the important compliance, enforcement, and administrative issues were discussed.

Mark Haveman

But the lack of attention to administrative concerns and realities surrounding tax policy is certainly not limited to high profile, big dollar proposals like this. Perhaps nowhere is this more evident than in the area of property taxation. Every year well-intentioned property tax bills are introduced to advance a cause or interest which may sound reasonable but whose convoluted implementation and administrative requirements would set county assessors' hair on fire.

To be sure, the nitty-gritty of implementing and administering tax policy is not easy to discuss or digest. But it's no less important to good tax policy than all the many other well-known and popular considerations and principles.

Our annual meeting this year will include a look at the potential contributions of artificial intelligence to government operations including applications and issues in tax administration. Out of curiosity I asked the most basic form of AI – the chatbot ChatGPT – to write a poem extolling its virtues. Here is what the program spit out (in about five seconds):

In realms where numbers dance and ledgers reign,
Where fairness meets the power to sustain,
Lies the domain of tax administration,
Efficiency the creed of this foundation.

With purpose firm, its mission takes its flight,
To uphold justice and ensure what's right,
A well-oiled machine, precision its guide,
Navigating through laws, side by side.

Efficient tax administration stands tall,
A guardian of order, serving one and all,
Through digital prowess, it streamlines the flow,
Reducing burdens, enabling growth to grow.

By harnessing technology's gentle touch,
Processes streamlined, the system's gears clutched,
Minimizing errors, enhancing trust,
Enabling prosperity, a must.

Transparency the beacon, shining bright,
Accountability woven into its light,
For every taxpayer, a partner fair,
Navigating the maze with utmost care.

Through audits and assessments, a balanced view,
Ensuring compliance, equity anew,
Efficient tax administration, the keystone,
Protecting the state and its treasury's throne.

So let us celebrate this noble art,
For it binds our society, sets us apart,
Efficient tax administration, we commend,
A guardian of progress, from start to end.

A bit spooky? Sure. But we wouldn't object to having this stapled to the back of every revenue notice the Department prepares next year.

— M. H.

plant and people in the state by large multinational corporate entities to be particularly influenced by any of this. That's because using single sales factor apportionment, the size of a multinational's state tax burden is determined by the share of company sales in the state, not the share of company property and payroll in the state.

However, this aggressive foreign earnings pursuit certainly could well be perceived as yet more evidence of an anti-business attitude and environment in Minnesota, especially when coupled with other tax and regulatory policies enacted this session. It would be naïve to think growing executive anger and frustration combined with closer scrutiny and greater skepticism of the value proposition to business provided by the state's higher tax burdens couldn't affect future business decision-making.

With respect to fairness and revenue reliability, the primary concern resides in the lack of factor apportionment described above. Much of the discussion in the article examines how, as the authors state, "Minnesota's approach to taxing foreign income likely violates the U.S. Constitution's commerce clause under precedent related to discrimination, fair apportionment, and foreign commerce." The discussion of case history and accompanying legal arguments are well beyond the scope of this article (and for that matter beyond our pay grade, as well). The authors do conclude, "given the constitutional infirmities of Minnesota's new approach… revenues raised under this new statutory regime are insecure," and "protracted litigation will certainly follow from audit assessments or refund claims and it will likely take years before the issue is resolved."

If that is the case, one might ask, why are a number of other states taxing this foreign source income and also doing so without foreign apportionment? One explanation is that debate continues to exist on whether GILTI income is actually foreign income at all. Advocates of taxing foreign source income argue most or all GILTI income is only shifted domestic income that does not need factor relief because the multinational's domestic factors are already in the apportionment formula. Critics in turn argue Congress never intended GILTI to be equated with domestic income and never said so in print or otherwise. They also argue the formula for calculating GILTI practically assures foreign-source income that a state has no business taxing gets included in GILTI – something especially true for financial and service sector businesses with modest capital investments outside the United States.

As all this indicates, the topic is a complex, protracted, billable hour sandbox. Which suggests another reason why Minnesota's approach might be a difference-maker with respect to future legal and constitutional challenges. Such challenges are likely evaluated not just on their merits but on the costs and benefits of pursuing them. Massachusetts taxes both GILTI and foreign dividends without factor representation but only 5% of these income bases are taxed. In contrast, Minnesota exposes 10 times the amount in these tax bases to taxation. That might make a difference in how a multinational feels about a court case.

How all this shakes out is anyone's guess. But it's clear there is a disconnect between how this policy should have been approached in the last legislative session and how it was actually handled. The money may start to roll in, but the odds seem to be pretty good that the final chapter on all this has yet to be written. ■

Save the Date!

MCFE 97th Annual Meeting of Members and Policy Forum

Thursday, November 9, 2023

St. Paul River Centre

It's been four years since our annual meeting and policy forum has been in-person but we are making up for lost time with one of our best annual meeting programs ever.

Presentations will include an inside look at the IRS's modernization efforts, a look at the present and future of artificial intelligence applications in government, and an update from the Department of Revenue on agency operations.

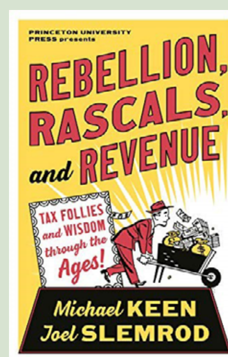
Registration information to come.
All are welcome to join us for the event.

Our Distinguished 97th Annual Meeting Luncheon Speaker:

Dr. Joel Slemrod

Paul W. McCracken Collegiate Professor of Business Economics and Public Policy at the Ross School of Business, and Professor in the Department of Economics, University of Michigan.

We are particularly pleased to have one of the nations' most distinguished tax scholars and economists as our luncheon speaker this year to discuss his most recent book, *Rebellion, Rascals, and Revenue: Tax Follies and Wisdom through the Ages.*



What do beards, urine, lice, and windows have in common? All at some point in world history all have been part of government taxing efforts. Professor Slemrod and his co-author Michael Keen provide an entertaining, informative, and instructive tour of the history taxation while demonstrating the same economic, social, and political issues, tax principles, and follies driving tax policy today have been a fixture of public finance for millennia…albeit in often very different forms.

"Reading about taxes is a lot more fun than paying them. That's a low bar, but *Rebellion, Rascals, and Revenue: Tax Follies and Wisdom through the Ages* clears it with ease." —*Wall Street Journal*

"The main effect of this enjoyable gallop through state levies of the past is to expose the continuing oddities of how governments raise revenue today. The tales of historic folly and wisdom breathe life into dry principles of tax theory." —*Reuters*