

## **Public Finance (Corporate Taxation and Taxation of Financial Assets)**

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TEXT UNDER REVISION. NOT YET APPROVED BY ACADEMIC STAFF.

### ***COURSE AIMS AND INTENDED LEARNING OUTCOMES***

The main aim of the course is to impart the fundamental concepts and tools for the overall and detailed analysis of a tax system, developing in students the ability to evaluate the complex and constantly evolving reality of taxes and their effects, both independently and critically. The first part of the course, therefore, aims to provide students with the typical language of the subject and the elements necessary for analysing different types of taxes. Specific issues related to the different areas of taxation are then addressed. For each of the main taxes, the analysis is carried out using a dual profile: the theoretical plan i.e., the set of possible alternatives taxation theory offers the legislator, and the institutional plan i.e., the choices made by the legislator. This also then provides students with the elements for comparing tax laws in different countries. Particular attention is also paid to problems that arise in highly integrated economies with huge flows of international income, both profits deriving from direct investments and incomes deriving from purely financial investments. Given the high mobility of capital income, the course closes with an analysis of European Union and OECD initiatives aimed at fiscal harmonisation and competition.

At the end of the course, students will be able to draw comparisons between different tax systems, analyse and discuss the features and reform processes of a tax law, and assess the effects of tax reforms.

More specifically, students will:

1. know and understand the main features of taxation economics according to the advanced teaching programme, so as to develop original ideas and proposals in constantly evolving research context.
2. apply their acquired knowledge to topics and problems not strictly related to the course; for example, analysing and comparing proposals for a change to a tax system.
3. express their personal judgments, even in the face of changing realities; for example, evaluating ex ante the possible effects of introducing a new tax or replacing one tax with another.
4. clearly present the conclusions of their studies and analyses, using appropriate language with the interlocutors whom they will meet from time to time.

5. independently further their study on those taxation-related topics that interested and them the most during the course.

### ***COURSE CONTENT***

#### FIRST PART

1. Fundamental elements for the analysis of the tax system (Longobardi: Chapters 1, 3, 5, 11, 12 and 16).
2. Distortive effects of taxes (Longobardi: Chapters 7, 8, 9 and 10)..
3. Theory of tax incidence (Longobardi: Chapter 6).
4. The taxation of individuals' income and wealth: theory and practice (Longobardi: Chapter 13, 14, 15, 16, 17 and 18; Bosi e Guerra: Chapters 3 and 4).

#### SECOND PART

5. Indirect taxation (Longobardi: Chapters 19, 20 and 21; Bosi e Guerra: Chapters 7 and 8).
6. Regional and local taxes in Italy (Bosi and Guerra: Chapter 9).
7. Taxation of corporate income and financial activities in Italy: IRES and IRAP (Rigamonti lecture notes).
8. Corporate income taxation and business behaviour (Longobardi: Chapters 2, 22, 23, 24, 25, 26 and 27).
9. The role of the tax advisor: uncertainty, the role of governments and tax bases, offences (Confalonieri text).
10. The taxation of capital income in an international context (Longobardi: Chapters 4, 28 and 30).
11. Tax competition and EU work on capital taxation (Longobardi: Chapters 31 and 36).

### ***READING LIST***

The definitive reading list will be communicated to the students at the beginning of the course in order to take into account any updates of the texts used and new editorial proposals.

The reference manuals are:

P. BOSI - M. C. GUERRA, *I tributi nell'economia italiana*, Il Mulino, 2024 edition

F. CONFALONIERI, *La norma tributaria tra certezza e incertezza. Le scelte del contribuente*, Sacchi Edizioni Tecniche & Commerciali SA, 2025.

E. LONGOBARDI, *Economia tributaria*, Mc Graw Hill, Milan, 4<sup>th</sup> edition

C. RIGAMONTI, *Tassazione delle imprese e dei mercati finanziari*, mimeo, latest edition

In addition, lectures will explore issues arising from the following texts (non-compulsory reading):

M. AMBROSANIO ET AL., *Lezioni di teoria delle imposte*, EtasLibri, 1997.

R. ARTONI, *Elementi di Scienza delle finanze*, Il Mulino, Bologna, latest edition available.

Other materials, such as lecture notes or slides, will be available to students on the Blackboard platform.

### **TEACHING METHOD**

Lectures and tutorials. Possible presentations by experts.

### **ASSESSMENT METHOD AND CRITERIA**

Written exam (80 minutes): the first part (1/3 of the final mark) consists of ten short answer questions (1 point for a correct answer; 0.5 for an incomplete answer; 0 for an incorrect or missing answer); the second part consists of two questions (chosen out of three; 2/3 of the final mark) requiring a detailed answer. There is a non-compulsory intermediate test (40 minutes), which has the same structure as the overall exam (five short answer questions, which contribute to a third of the test mark, and one question with a detailed answer, chosen out of two, which contributes to two thirds of the test mark). Students who pass the intermediate test can complete the exam on any one of the three exam dates (of their choice) in the session immediately after the end of the course. For students who pass the intermediate test, the final mark is made up of the mathematical average of the mark obtained in the intermediate test and the mark obtained in the completion test. It may be that in sessions with a very small number of students, the exam will be carried out in oral form.

The programme and exam methods are the same for attending and non-attending students.

### **NOTES AND PREREQUISITES**

The course will be taught in Italian: a fair understanding of the language and a sufficient ability to write are therefore necessary.

There are no other academic prerequisites.

Further information can be found on the lecturer's webpage at <http://docenti.unicatt.it/web/searchByName.do?language=ENG>, or on the Faculty notice board.