

Approval date: 23/06/2023

COURSE GUIDE

**Public Sector Economics II (2391137)**

<b>Grado (Bachelor's Degree)</b>	Grado en Economía		<b>Branch</b>	Social and Legal Sciences
<b>Module</b>	Sector Público		<b>Subject</b>	Economía del Sector Público II
<b>Year of study</b>	3 <sup>o</sup>	<b>Semester</b>	2 <sup>o</sup>	<b>ECTS Credits</b> 6
			<b>Course type</b>	Compulsory course

**PREREQUISITES AND RECOMMENDATIONS**

- Although officially no prerequisites are necessary, it is highly recommended to have taken and passed "Economics of the Public Sector I" of the Bachelor's Degree in Economics.

**BRIEF DESCRIPTION OF COURSE CONTENT (According to the programme's verification report)**

- Income tax.
- Company tax.
- Wealth tax.
- Indirect tax: VAT.
- Theoretical aspects of fiscal decentralisation.
- Social Security in Spain.

**SKILLS**

**GENERAL SKILLS**

- CG01 - Skills in dealing with the ideas and the environment they are involved in.
- CG02 - Cognitive comprehension skills.
- CG03 - Ability to analyse and summarise.
- CG05 - Oral and written communication skills in Spanish.
- CG08 - Problem-solving skills.
- CG10 - Ability to work in a team.
- CG13 - Skills in interpersonal relationships.
- CG16 - Ability to engage in critical and self-critical reasoning.
- CG17 - Ability to learn and work autonomously.
- CG23 - Sensitivity towards environmental issues.
- CG24 - Ability to apply knowledge to practice.
- CG25 - Ability to search for information and research.



## SUBJECT-SPECIFIC SKILLS

- CE17 - Identify and anticipate economic problems relevant to the general allocation of resources in the public and private sector.
- CE22 - Bring rationality to the analysis and description of any aspect of economic reality.
- CE32 - Communicate fluently in an environment and work in a team.
- CE38 - Derive from the data relevant information not accessible to non-professionals.
- CE39 - Regularly use Information and Communication Technologies (ICTs) in their professional activities.
- CE40 - Read and communicate professionally in more than one language, especially in English.
- CE41 - Apply professional criteria based on the use of theoretical instruments to the analysis of problems.
- CE42 - Ethical commitment at work. Ability to work in a team. Critical and self-critical reasoning. Work in an international context.
- CE43 - Motivation for quality.
- CE58 - Acquire knowledge on basic taxes and the tax system.
- CE59 - Contribute to the proper management of resource allocation in both the private and public sectors.
- CE60 - Know the main currents of thought about equity and its main indicators.

## TRANSFERABLE SKILLS

- CT01 - Through the knowledge and application of concepts learnt in the Bachelor's Degree (Grado), be able to identify and anticipate economic problems relevant to the allocation of resources, both in the public and private sectors.
- CT02 - Know, understand and apply the different economic models to provide rationality to the analysis and description of any aspect of reality, and be able to know the economic choice criteria of the different agents that make up society.
- CT03 - Learn to communicate fluently in an environment and to work in a team, both in a national and an international context.

## LEARNING OUTCOMES

The student will learn/know:

- The most relevant features of tax systems
- The economic connotations of the most relevant taxes in the tax system.
- Tax instruments with economic impact and their alternatives
- Economic foundations of the theory of decentralisation.
- The structure and sustainability of the social security system.

## PLANNED LEARNING ACTIVITIES

### THEORY SYLLABUS

- THEORETICAL AGENDA:
- Chapter 1. General concepts and theory of taxation: 1. Introduction. 2. Taxation principles. 3. Analysis of comparative tax systems. 4. Tax evasion and tax inspection.
- Chapter 2. Income tax: 1. Introduction. 2. Income and ability to pay. 3. Taxable income. 4.



- Income tax and progressivity. 5. Taxpaying unit. 6. Income tax and inflation.
- Chapter 3. Corporate income tax: 1. Introduction. 2. Structure of the tax. 3. Corporate income tax and dividend policy. 4. Corporate income tax and the debt/equity ratio. 5. Corporate tax and investment. 6. Corporate tax and inflation. 7. Income tax and corporate tax integration.
  - Chapter 4. Wealth taxation: 1. Wealth tax. 2. Inheritance and gift tax. 3. Transfer tax. 4. Tax on real estate.
  - Chapter 5. Indirect Taxation: VAT: 1. Introduction. 2. Selective excise duties. 3. General turnover taxes. 4. Value added taxes.
  - Chapter 6. Social Security: 1. Introduction. 2. Historical background. 3. The financing of Social Security. 4. The pension system. 5. The debate on the reform of Social Security.

## PRACTICAL SYLLABUS

- General concepts.
- Seminar: Relevance of each and every tax element.
- Exercises: General examples of tax debt collection procedures.
- Income tax.
- Seminar: Progressivity in Personal Income Tax. Exercises: Personal Income Tax Settlement Scenarios.
- Corporate taxation.
- Seminar: Taxation of companies. Exercises: Corporation tax settlement scenarios.
- Wealth taxation
- Seminar. The abolition of wealth tax. Exercises: Wealth tax settlement scenarios. Indirect taxation: VAT.
- Seminar: The ratio between direct and indirect taxes in Spain and the EU. Exercises: VAT settlement scenarios.
- Social Security.
- Seminar: The debate on Social Security reform.
- Exercises: Social Security Contribution settlement scenarios.

## RECOMMENDED READING

### ESSENTIAL READING

- Gruber, J. Public Finance & Public Policy, 2011

### COMPLEMENTARY READING

- Albi, E. García Ariznavarreta, J.L. (2007). Sistema fiscal español. Barcelona. Editorial Ariel Economía.
- Bustos, A. (2007). Lecciones de Hacienda Pública. Colex. Madrid.
- García Villarejo, Salinas Sánchez, J. (1994) Manual de Hacienda Pública General y de España. Tecnos. Madrid.
- Giménez Montero, A. (2002): Federalismo Fiscal. Teoría y Práctica, Tirant lo Blanch, Valencia.
- Gonzalo y González, L. (2004): El sector Público en España. Editorial Dykinson, Madrid.
- EXERCISES:
- Montero Granados, Roberto. (2015). Economía del Sector Público II: Análisis económico de la recaudación de impuestos. Ed. Técnica Avicam. Granada.



- Domínguez, J.M. (2004). Ejercicios de Hacienda Pública. Pirámide. Madrid.
- Moreno Moreno, C. y Paredes Gómez, R. (2006): Fiscalidad individual y Empresarial. Ejercicios resueltos. Editorial Cívitas. Madrid.

### RECOMMENDED LEARNING RESOURCES/TOOLS

- Stiglitz, J.E. (2000) The Economics of the Public Sector, Antony Bosch (Available online)

### TEACHING METHODS

- MD01 - Docencia presencial en el aula
- MD02 - Estudio individualizado del alumno, búsqueda, consulta y tratamiento de información, resolución de problemas y casos prácticos, y realización de trabajos y exposiciones.
- MD03 - Tutorías individuales y/o colectivas y evaluación

### ASSESSMENT METHODS (Instruments, criteria and percentages)

#### ORDINARY EXAMINATION DIET

- The subject is assessed on the basis of four parameters:
- Participatory class attendance: 20%
- Non-releaseable partial exercises: 20%.
- Classroom presentations: 10%
- Final exam: 50%

#### EXTRAORDINARY EXAMINATION DIET

- The exam will include multiple choice questions and essays

#### SINGLE FINAL ASSESSMENT (evaluación única final)

Students should apply in advance to the Director of the department (see procedure and requirements in <http://economia-aplicada.ugr.es/> to apply for this mode of evaluation)  
Final exam (written and/or oral, either physical or online) 100%

### ADDITIONAL INFORMATION

#### STUDENTS WITH DISABILITIES AND SPECIAL NEEDS:

The Department of Applied Economics <http://economia-aplicada.ugr.es/>, in accordance with the Regulations for the attention to students with disabilities and other specific educational support needs (approved by the Governing Board of the University of Granada on 20th September 2016) will promote the right to education under conditions of equal opportunities to students with disabilities and other specific educational support needs. The necessary assistance actions will be established to achieve their full and effective inclusion, guaranteeing their right to inclusive





education, in accordance with the principles of non-discrimination, equal opportunities and universal accessibility, so that they can achieve the maximum possible development of their personal and , in any case, the objectives established in general for all students. Likewise, according to article 11 current Rules for Assessment of students at the University of Granada, the evaluation systems will be adapted to students with disabilities or other specific needs of educational support, guaranteeing in any case their rights and favouring their inclusion in university studies.

