# Eddy Zanoutene

## CONTACT

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## EDUCATION

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| 2022 - 2023 | **4th Year PhD Fellowship Student,** *Aix-Marseille School of Economics, AMSE* |
| 2019 - | **PhD Economics**, *Université Paris-Panthéon-Assas, CRED* |
| | Advisor : Etienne Lehmann |
| 2017 - 2019 | **Master In Economics**, *Institut Polytechnique de Paris* |
| 2015 - 2019 | **Master in Management,** *HEC Paris* |
| 2015 – 2016 | **Bachelor Economics,** *Université Paris I Panthéon-Sorbonne* |
| 2013 - 2015 | **Prepatory Classes for Business School,** *Lycée Janson de Sailly Paris* |

## RESEARCH INTERESTS

Primary : Public Economics
Secondary : Applied microeconomics, microeconometrics

## JOB MARKET PAPER

"Charitable Giving and Public Good Provision : an Optimal Tax Perspective"

> This paper studies the consequences of charitable giving for both the optimal tax system and provision of a public good. Through warm glow, taxpayers derive utility from their individual charitable contribution. Aggregate contributions then benefit to all individuals through the public good effect of charitable giving. The government has two sets of instruments to maximize social welfare : nonlinear taxes or subsidies of both income and donations as well as direct contributions to the public good. Solving this joint problem, I provide optimality conditions on both tax rates and the government's direct contribution to the public good. The welfare impact of behavioral responses of donations to tax policy is magnified by an externality, due to the public good nature of giving, and a spillover effect, capturing the loop between changes in individual contributions and changes in aggregate contributions. I first provide new optimal tax formulas for both income and donations that account for these two channels. Second, I show that the externality channel can no longer affect optimal tax rates when the government's contribution to the public good is set optimally. These results are expressed in terms of empirically meaningful parameters and redistributive tastes of the government.

## PUBLICATIONS

"Scale-dependent and risky returns to savings : Consequences for Optimal Capital Taxation", **Journal of Public Economic Theory**, forthcoming.

"Faut-il mettre au barème les dividendes", with Marie-Noëlle Lefebvre, Etienne Lehmann and Michaël Sicsic, **Revue Française d'Economie**, 36(1), 57-98, 2021.


## WORKING PAPERS

*"*Wealth and Income Responses to Dividend Taxation: Evidence from France*",* with Marie-Noëlle Lefebvre.

> Using an exhaustive panel of French households liable for wealth taxation, we implement a difference-in-difference strategy to elicit responses of both incomes and wealth to changes in dividend taxation. We first observe a decline in dividend payments due to the rise in dividend taxation. This drop is severe enough for the tax hike to actually result in a loss of government revenue. However, we show that this direct response of dividend to its own marginal tax rate is not sufficient to account for the total impact of the reform. Indeed, we document a significant increase in taxable wealth in response to the tax hike on dividends, especially when we focus on financial wealth. This cross-base response of taxable wealth to dividend taxation is the main contribution of our paper since we are the first, to our knowledge, to document such a reaction. This rise in taxable wealth mitigates the impact of the decline in dividends, although it does not completely offset the loss in government revenue. From a normative point of view, this interaction between dividend taxation and taxable wealth has to be taken into account when jointly designing the rates of capital income and wealth taxes.

"Taxing Batman or Wayne Enterprises? The Optimal Combination of Corporate and Personal Income Tax", with Etienne Lehmann.

> We investigate the optimal combination of corporate and personal capital income tax rates in a closed economy with heterogeneous taxpayers, endogenous labor, endogenous savings and imperfect capital-labor substitution. The assumption of a closed economy is made to focus the discussion on the relevance of corporate and personal income taxes as capital tax instruments, absent tax competition issues. After providing a general tax formula for both corporate and personal income tax rates, we specialize the model following Chetty and Saez (2010)'s distinction between the "old view" and the "new view". Under the "old view", where investment is financed through equity issuance, both forms of capital income taxation are equivalent. Alternatively, we also consider the "new view" case where investment is financed by reinvesting previous profits. Personal capital income tax then affects neither profits nor wages. We eventually assume that after-corporate-income-tax profits can be reinvested in tax-exempted assets (retained earnings) for avoidance purposes. We compute the optimal corporate and personal capital income tax rate in such a case. We numerically exhibit a case where avoidance responses are so large that the optimal corporate income tax rate becomes higher than the optimal personal income tax rate, despite the fact that the latter yields no real responses.


## RESEARCH PROJECT

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| 2019 - 2021 | [Evaluation of French Reforms on Capital Taxation](#) – *Financed by France Stratégie* – with Etienne Lehmann (scientific supervisor), Marie-Noëlle Lefebvre and Michaël Sicsic.<br>Two-year research project to evaluate the impact on public funds of the 2013 hike |

and the 2018 cut on dividend taxation, using household-level fiscal data.

## VISITING POSITION

Spring 2022       Ifo Institute for Economic Research, Munich.

## SEMINAR AND CONFERENCE PRESENTATIONS

2022       ADRES Doctoral Conference (Paris, January), CRED Fiscal workshop (Paris, March),
           CESIFO Area Conference on Public Economics (March, online), PEWorkshop LMU
           (Munich, March), LAGV (Marseille, June).
2021       CESIFO Area Conference on Public Economics (March, online), IIPF Public Finance
           Annual Congress (August, online), ASSET Annual Meeting (October, Marseille).
2020       IIPF Public Finance Annual Congress (August, online), CRED Fiscal workshop (Paris,
           November).

## TEACHING EXPERIENCE

2022           Public Economics, Sciences Po Paris, graduates (*lecturer)*
2019 - 2021    Game Theory and Corporate Strategy, undergraduates, Université Paris-Panthéon
               Assas, (*tutor)*
2019           Non-Cooperative Game Theory, undergraduates, Université Paris-Panthéon-Assas
               (*tutor)*

## RELEVANT WORK EXPERIENCE

2018       Economist intern – Natixis Pfandbriefbank AG – Frankfurt
           Research project: "An analysis of the drivers of globalization" with Aimé Bierdel.
           We investigate the determinants of the globalized production process using a Global
           Value Chain approach and exploiting the World Input-Output database.

## MISCELLANEOUS

Softwares      SAS, Stata, Mathematica, LaTeX, Pack Office
Language       French (native), English (fluent), Spanish (basic)