

From: Chad Walldorf <chad@eightysixllc.com>
To: Soura, ChristianChristianSoura@gov.sc.gov
Date: 10/29/2013 4:17:24 PM
Subject: FW: Tax Elasticities
Attachments: Sobel elasticities.docx
Sobel elasticities.pdf

I'll admit that I can't (at least not yet) follow the attachments but asked Frank to solicit input regarding elasticity from our economists since its often been an after-thought in BEA land...not surprisingly, I and they got more than we bargained for with Dr. Sobel who is riding up with me tomorrow.

I think this will be a good thing for you.

Judas

From: Russell Sobel [mailto:rsobel@citadel.edu]
Sent: Tuesday, October 29, 2013 4:01 PM
To: Chad Walldorf
Subject: FW: Tax Elasticities

Chad, just wanted you to see what I sent back to them on the elasticity issue. I can't believe they were doing a simple ratio, one year at a time. Hopefully what I typed up isn't too econometric for them, but if they can follow it, it would be a big improvement. Elasticity estimation is one of my main areas of research, so this one is right up my alley. Comments welcome

Russell S. Sobel, Ph.D.
Visiting Scholar in Entrepreneurship
School of Business Administration
171 Moultrie Street
The Citadel
Charleston, SC 29409
Phone: (843) 953-5162
Email: russell.sobel@citadel.edu
Website: <http://faculty.citadel.edu/sobel/>

From: Russell Sobel
Sent: Tuesday, October 29, 2013 2:51 PM
To: 'Martin, Robert'
Cc: Rainwater, Frank; Glenn, Debbie
Subject: RE: Tax Elasticities

Hi Robert, thanks again. I did the best I could on short notice here. But I am in a location without a printer or copier. I'm attaching my write up just on this issue in both MS Word and PDF format. Can you make copies for whomever would need it tomorrow? I have copies of my normal presentation to bring with me but won't be able to print and copy this new elasticity work in time.

If you need references or background info on this issue and how I addressed it see:

Sobel, Russell S. and Randall G. Holcombe. "Measuring the Growth and Variability of Tax Bases Over the Business Cycle." National Tax Journal 49, No. 4 (December 1996), pp. 535-552.

And/or:

Holcombe, Randall G., and Russell S. Sobel. Growth and Variability in State Tax Revenue: An Anatomy of State Fiscal Crises. Westport, CT: Greenwood Press, 1997.

Holcombe, Randall G. and Russell S. Sobel. "The Relative Variability of State Income and Sales Taxes Over the Revenue

Cycle." Atlantic Economic Journal 23, No. 2 (June 1995), pp. 97-112.

Thanks, Russ

Russell S. Sobel, Ph.D.
Visiting Scholar in Entrepreneurship
School of Business Administration
171 Moultrie Street
The Citadel
Charleston, SC 29409
Phone: (843) 953-5162
Email: russell.sobel@citadel.edu
Website: <http://faculty.citadel.edu/sobel/>

From: Martin, Robert [<mailto:Robert.Martin@bea.sc.gov>]
Sent: Tuesday, October 29, 2013 1:40 PM
To: Russell Sobel
Cc: Rainwater, Frank; Glenn, Debbie
Subject: Tax Elasticities

Hi Russ,

Attached is a spreadsheet containing revenue data by major tax sector, personal income, and tax elasticities by major tax sector. If you have trouble reading the file, please let me know and I'll get it to you in another format. Thanks for your assistance.

Have a safe trip tomorrow!

Sincerely,

Robert W. Martin, M.A.
Economist
S.C. Board of Economic Advisors
Rembert C. Dennis Building
1000 Assembly Street, Suite 459
Columbia, SC 29201
(Voice) 803-734-4637
(Fax) 803-734-4719
robert.martin@bea.sc.gov