

Name _____

Feb 13, 2017

Quiz 7

1. What is a Laffer Curve?
2. How does a tax on consumption goods affect the equilibrium for consumption, labor, and utility.
3. How does a tax on labor income affect the equilibrium for consumption, labor, and utility.
4. Which delivers greater revenue for the government, a 20% tax on labor income or a 20% tax on consumption goods.
5. State one condition under which the revenue both taxes will be equal.