



Colleges of Letters and Sciences
Distinguished Speaker Series

Julie Berry Cullen, Professor of Economics, University of California, San Diego

Title: Attitudes Toward Government and Tax Evasion

Abstract:

In her talk, Dr. Cullen will discuss research on the link between attitudes toward government and tax evasion. Cullen hypothesizes that taxpayers who feel that the government does not share their priorities will be more likely to rationalize cheating and underreport taxable income. Tax evasion can be viewed from this perspective as a modern form of tax resistance. Though most taxpayers have limited opportunities to resist by evading federal personal income taxes, the self-employed receive income that is only partially visible to the government. Cullen thus tests whether partisan individuals report less potentially hidden income when the President is from the opposing political party. That is, she explores whether Republicans are more likely to evade under a Democrat regime, and vice versa for Democrats. In analyses that track partisan counties from before to after Presidential election turnover, she finds that moving out of political alignment significantly reduces tax compliance, suggesting that individuals who disapprove of government tax and spending policies evade more. This is cause for concern given the inefficiencies of evasion, yet also suggests that there may be scope for remedying evasion through simple interventions, such as information campaigns.

