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On Behalf Of:

Committee: Senate Committee On Finance and Revenue

Measure, Appointment or Topic: SB1507

#### TAX INCIDENCE.

Tax incidence is the study of who bears the economic burden of a tax. This includes an analysis of the impact of taxes on the welfare within a society. It begins with a very basic insight that the person who has the legal obligation to make a tax payment may not be the person whose welfare is reduced by the presence of the tax.

Economic incidence differs Because of changes in behavior and changes in equilibrium prices. Consumers paid less for a taxed product and firms produce less and buy less.

In order to support this bill, I would Expect a tax incidence report prepared.

Respectfully, Tim Cowan