Successful taxing schemes can be difficult to design and are highly susceptible to the rule of unintended consequences. The most difficult factor to manage vis-à-vis tax strategy seems to be equity. The question of equity can transform, what would otherwise be straightforward and logical financial decisions, into seemingly illogical and even wasteful decisions. The political component of public finance is a serious consideration.

One of the most important challenges for public finance decision makers is to fully understand the domino effect of tax policy. Who is really paying and who is really benefiting? In many cases it would be very difficult to precisely or fully predict the consequences of tax policies.

I found our discussion on the relationship between taxes and behavior interesting. I had never taken the time to consider all of the ways that this is true. I intend to retire from the police department in 7 years and am already thinking about moving from Wyandotte County to avoid high property taxes. There are also many states that do not tax public pensions this too will be a consideration.

Businesses do not pay taxes people do.