Ze Song

75 Hamilton Street, New Brunswick, NJ 08901 | 7324292609 | zs219@rutgers.edu

09/01/2020

Dear Workshop Organizer:

Thank you for the opportunity to apply for the NBER Graduate Student Workshop on Business Income Taxation. After reviewing the workshop descriptions, it is clear that you are looking for a candidate that is conducting research related to business taxation. Given the requirement, I am confident that I have the necessary skills to participate.

I am a Ph.D. in Economics from Rutgers University. My research has focused extensively on the economic consequences of various tax policies. The topics covered in this NBER workshop align perfectly with my current research interests.

My advisor Rosanne Altshuler recommended me to apply for this workshop. She thought I would be a good match for this program.

After reviewing my resume and statement of interest, I hope you will agree that I am a competent and competitive candidate you are looking for. I look forward to learning from prominent researchers. Please contact me at (732) 429-2609 or via email at zs219@rutgers.edu.

Thank you for your consideration, and I look forward to hearing from you soon.

Sincerely,

Ze Song

ZE SONG

75 Hamilton Street, New Brunswick, NJ 08901 ⋄ (732) 429-2609 ⋄ zs219@rutgers.edu

EDUCATION

- **Ph.D. in Economics,** *Rutgers University,* GPA: 3.96/4.0 2022 (Expected)
- **M.A. in Economics,** *The University of Texas at Austin,* GPA: 3.87/4.0 2016
- **B.A. in Mathematics and Economics,** *Shandong University,* GPA: 89/100 2015
  Exchange student in Economics, University of California Berkeley

PHD COURSES

Core Courses
*Micro*2, Macro*2, Econometrics*2*

Elective Courses
*Public, Labor, Health*2, Development, Semiparametrics, Time Series, Economic History*

RESEARCH INTERESTS

Public Economics, Health Economics, and Energy Economics

WORKING PAPERS

"Long Term Health Effects of the Earned Income Tax Credit"
under review, 2020
accepted for presentation at the 2020 NTA Annual Conference and Annual Meeting of the Southern Economic Association, November 2020

"Infrastructure, Economic Growth, and Poverty"
with Govinda Timilsina and Gal Hochman, World Bank Working Paper, 2020

"Understanding Competition in the Electricity Market: Evidence from RGGI"
with Gal Hochman, under revision, 2019

WORK IN PROGRESS

"Capital Gains Taxes and Mergers & Acquisitions: Evidence from Dialysis Industry"

"Parenting Style, Health Behavior and Earnings Inequality"
with Jun Liu

"Child Support and the Earned Income Tax Credit"
with Jacob Bastian

TEACHING EXPERIENCE

- **Instructor** Summer 2019, 2020
  · Health Economics (Evaluation: 4.78/5)
- **Teaching Assistant** 2017-present
  · Public Economics, Labor Economics, Economics Data Analytics, Advanced Cross-sectional and Panel Econometrics

FELLOWSHIPS AND AWARDS

- Monroe Berkowitz Memorial Award for Outstanding Dissertation Work in Social Policy 2020
- Sidney I. Simon Prize for Outstanding Graduate Student Teaching 2020
- NAREA Best Student Conference Paper Award 2019
- Sidney I. Simon Research Award for Best Second Year Paper - Honorable Mention 2018
- TA-GA Professional Development Fund 2017-2018
- Graduate Excellence Fellowship 2016-2017

SKILLS

- Software: STATA, R, GAUSS
- Data Analytic Skill: Causal Inference, Semi-parametrics

Statement of Interest
NBER Graduate Student Workshop on Business Income Taxation

Ze Song
Rutgers University

I have been interested in understanding the role played by the government in regulating the economy and resource reallocation throughout my academic studies. I am particularly interested in tax policy as it integral to business and individual decisions, whether the economic climate sinks or soars.

While pursuing my doctorate in economics at Rutgers University, I have obtained a solid grounding in economic theory, econometrics, and the methodology of empirical research. I have been particularly fascinated by public economics, which covers the foundational knowledge of taxation and public programs. My research to date has focused extensively on the economic consequences of various tax policies, including the Earned Income Tax Credit and regional carbon taxes. I am particularly interested in the role of tax policy in healthcare and plan to do dissertation research on how business taxes impact the health industry.

My work on the EITC examined its long-term effects on the health outcomes using decades of variation in the federal and state EITC. I found beneficial health effects that are associated with increases in both family income and maternal labor supply. The paper was accepted for presentation at the 2020 NTA Annual Conference.

In keeping with my interest in the health industry, my dissertation research will focus on the impact of business taxes on concentration in the dialysis industry and its subsequent impact on patient's health. There is a large literature on the effect of tax policy on investment behavior. Less work has been done on the role played by taxes in mergers and acquisitions (M&A)[1], a large component of corporate investment. Focusing on M&As is topical since there is rising concern over industry concentration. Researchers have documented important unintended consequences of M&A activity, including a reduction in R&D investment and increasing wealth inequality (Comanor and Scherer, 2013; Crane, 2015). Industry concentration through M&As in healthcare can result in other negative impacts if it reduces the quality of care and patient health outcomes[2]. In my dissertation research, I hope to build on both the tax and healthcare literatures, studying how tax policies alter firm acquisition decisions and explore whether these tax-induced decisions impact patient health outcomes.

The topics covered in this NBER workshop align perfectly with my current research interests. Learning from prominent researchers, I hope to study theoretical models of business taxation and gain exposure to cutting-edge empirical research. The NBER workshop offers a unique opportunity to deepen my understanding of research in business taxation as I begin my dissertation research in this area.

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[1] Some of the pioneering work in the literature on mergers and acquisitions appears in Auerbach (1987). More recently, Ohrn and Seegert (2019) showed that eliminating the gap between dividend and capital gains tax rates reduced the quantity and increased the quality of acquisitions made by dividend-paying firms.

[2] Eliason et al. (2020) studied the effect of the acquisition on firm behavior and performance in the dialysis industry. Focusing on the dialysis industry, Wollmann (2020) examined the effect of premerger notification exemption on the antitrust enforcement and resulting patient health outcomes. Both studies found a negative relationship between industry concentration and the quality of care and patient health outcomes.

RUTGERS

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September 7, 2020

Dear Conference Committee,

I'm writing in support of Ze Song who is starting her fifth year in the doctoral economics program at Rutgers University. I know Ze well as she was a student in my (team taught) graduate public economics course. She was the most promising student of the group and has done quite well in our program. Ze is writing a dissertation focusing on the intersection between tax policy and health economics. Her main dissertation advisor is Carolyn Moehling, an economic historian who has done work in health economics. I will be Ze's secondary advisor.

Ze is just starting work on the impact of business taxes on concentration in the dialysis industry. I believe this will be her main dissertation paper. Because our public economics course is only one semester at Rutgers and is team taught, I could only spend one week on the topic of corporate taxation. I believe she would benefit tremendously from the NBER Workshop.

The first chapter of Ze's dissertation is a novel investigation of the long-term health effects of the EITC and a great example of her ability to combine her interests in tax policy and health care ("Long-term Health Effects of the Earned Income Tax Credit", 2020). She uses the PSID to build a link between EITC exposure from the prenatal period until age 18 and adulthood health outcomes. She finds that being exposed to the EITC has a small but positive impact on adult health outcomes. Her estimates suggest that the impact of the credit has a "U-shape" with positive effects for children in utero, positive (but insignificant) effects in the second period, negative effects in the third period, and positive effects in late childhood. Ze recognizes that there are two competing mechanisms that may drive her empirical results: income enhancement and maternal labor supply induced time substitution from parenting. She finds that the relative effect of these channels changes as children age and can explain the "U-shape" of health benefits. I think this is a nice paper that contributes to the existing literature on health effects of the EITC. This work will be included in highly selective Next Generation Session at the upcoming NTA Annual Conference.

I have high hopes for Ze's work on business taxes and concentration in the healthcare industry. I think this is a ripe area for investigation. Ze's empirical skills are first rate but she could use more exposure to research on business taxation. I enthusiastically support Ze's application. I believe she is a great candidate based on her interests and the potential for the workshop to benefit her dissertation work.

Sincerely,



Rosanne Altshuler