NBER Business Tax Workshop Application

Jordan Richmond, Princeton University, September 7, 2020

Jordan Richmond
152 Jerome St
Brooklyn, NY
☎ *(978) 314 9354*
✉ *jordan.richmond@princeton.edu*

September 7, 2020

To Whom It May Concern:

I am writing to apply for a spot in the NBER graduate student workshop on business income taxation. I have attached my CV and a one page essay explaining my desire to attend. I was encouraged to apply to this workshop by Professor Owen Zidar, who will also submit a recommendation letter on my behalf.

Thank you for considering my application.

Sincerely,

Jordan Richmond

Jordan Richmond

Princeton University
Julis Romo Rabinowitz Building
Princeton, NJ 08544
(978) 314-9354
jordan.richmond@princeton.edu

Education

Princeton University August 2018–Present
Ph.D., Department of Economics

Bowdoin College August 2012 - May 2016
B.A., Economics, *Summa Cum Laude*, and Physics
- Noyes Prize for best honors thesis in Economics

Prior Experience

Predoctoral Research Fellow, Opportunity Insights June 2016–July 2018
Stanford Institute for Economic Policy Research
- Applied microeconomics, economic mobility, and causal inference with big data under the direction of Raj Chetty, Nathan Hendren, and John Friedman
- Projects: The Impacts of Neighborhoods on Intergenerational Mobility, Creating Moves to Opportunity, The Role of Colleges in Intergenerational Mobility, SOI Databank

Summer Analyst, Global New Products June 2015 - August 2015
Citigroup
- Structured hybrid securities to take advantage of specific jurisdiction's tax codes and rating agency methodologies
- Conducted capital portfolio optimization analysis to educate clients on the most cost effective path to regulatory compliance

Economics Research Assistant May 2014 - August 2014
Bowdoin College Economics Department
- Assisted Professor Jonathon Goldstein on a project documenting the effects of financial capitalists on nonfinancial corporations

Courses

Public Finance, Industrial Organization, Labor, Applied Econometrics, First Year Sequence in Micro, Macro and Econometrics

Works in Progress

A Rough Scoring of the Biden Book Income Alternative Minimum Tax Propsal

The Optimal Tax Treatment of Corporate Debt

Skills and Interests

Technical Skills: Stata, SAS, SQL, R, LaTeX
Research Interests: Taxation, Inequality, Market Power

I am applying to attend the NBER's graduate student workshop on business taxation to further my knowledge of modern research in the field, and to broaden my professional network of other scholars working on business tax research.

Business tax policy is a key component in modern debates over how to build a more progressive tax system to combat inequality. Corporate taxes, particularly in the United States, offer the possibility of raising government revenue from the wealthy by taxing shareholders. However, raising corporate taxes also dampens incentives for firm growth, potentially reducing aggregate economic growth and harming workers.

U.S. policymakers have rewritten large portions of the corporate tax code more than once in just the last 3 years, beginning with the Tax Cuts and Jobs Act (TCJA) in 2017 and continuing with the Coronavirus Aid, Relief, and Economic Security (CARES) Act. For example, the TCJA eliminated net operating loss (NOL) carrybacks and restricted NOL deductions, while the CARES act temporarily eliminated the NOL restrictions and reopened a five year carryback window. In addition, the TCJA introduced an interest expense limitation that reduces the tax incentive for firms to use debt financing, and eliminated an alternative minimum tax aimed at firms with large deductions and credits.

These changes raise a number of unanswered questions about corporate tax policy. Does expanding NOLs and allowing carrybacks during economic contractions provide timely relief to struggling firms, or provide government handouts to specific industries that experience frequent losses? Will reducing tax incentives for debt financing raise investment costs, limiting growth and hurting workers, or only encourage firms to use more equity financing? How much tax revenue can an alternative minimum tax (AMT) raise? My current research is aimed at answering these questions.

In one ongoing project, I develop a revenue score of the Biden campaign's proposal to institute an AMT on book income. In another ongoing project, I write down a dynamic investment model that incorporates firm financing decisions and use the model to explore the optimal tax treatment of corporate debt. In future work, I hope to expand on this type of model to incorporate losses and explore whether NOLs provide well-timed and targeted fiscal stimulus. I am also involved in preliminary work seeking to assess the economic impacts of the TCJA using administrative tax data. It is my hope that this and other research can provide a rigorous foundation for future corporate tax policy and help develop a deeper understanding of the economic impacts and incidence of corporate taxes.

I believe the NBER's graduate student workshop on business taxation will provide an opportunity to learn more about these topics, and network with other young scholars interested in similar questions. Thank you for considering my application.