Poll Taxes

- Basically a tax of $x a person. Southern States had them basically as a device to restrict the vote.
- Whatever their heritage, the taxes have no disincentive effect on
  - Hours worked
  - Saving

Pollution Taxes

A different supply curve. The less pollutants cost firms, the more they will emit.

We should reduce pollutants to $Q_1$, where $MC = MB$. 
Suppose we impose a 50% tax on property receipts. The amount owners get falls to $5. The shaded area shows the efficiency loss; the value of the mutually advantageous trades forgone by suppliers and customers. There are none. Ergo, no efficiency loss.

Property taxes fall on both land and improvements. This graph assumes no tax on improvements only land.
End