



**Host:** Ao.Univ.-Prof. Ronald Wendner

## INVITATION

Prof. Thomas Aronsson  
(University of Umeå)

On the topic:

### ***"Optimal Taxation and Other-Regarding Preferences"*** (with Olof Johansson-Stenman)

The present paper analyzes optimal redistributive income taxation in a Mirrleesian framework extended with other-regarding preferences at the individual level. We start by developing a general model where the other-regarding preference component of the utility functions is formulated to encompass almost any form of preferences for other people's disposable income, and then continue with four prominent special cases. Two of these reflect self-centered inequality aversion, based on Fehr and Schmidt (1999) and Bolton and Ockenfels (2000), whereas the other two reflect non-self-centered inequality aversion, where people have preferences for a low Gini coefficient and a high minimum income level in society, respectively. We find that other-regarding preferences may substantially increase the marginal tax rates, including the top rates, and that different types of other-regarding preferences have very different implications for optimal taxation.

Date: January 9, 2024  
Starting time: 4.30 p.m.  
Location: HS 111.21/Beethovenstraße 8/2

**All professors, lecturers, assistants and students are cordially invited to this lecture!**