



Nicole Bosch

## Empirical studies on tax incentives and labour market behaviour

When designing tax policies, insight in the individual labour market responses to tax incentives is essential. This thesis consists of four empirical studies that analyze the impact of tax incentives on several labour market outcomes using different microeconomic methods. A common finding of these studies is that employee' responses to tax incentives are relatively small. Individuals hardly adjust their hours or their income when facing a changing tax rate. In contrast, the self-employed do adjust their income, probably because of their increased possibilities. Their high responsiveness should be taken into account in designing tax policies with minimal efficiency costs. As a result, some degree of complexity in the tax-benefit system is inevitable.



Nicole Bosch (1979) obtained her Tinbergen Research Master in Econometrics in 2009. While working at the CPB Netherlands Bureau for Economic Policy Analysis in the fields of Social Security and Labour, she started writing her PhD thesis. She is currently working as a researcher at the Taxation unit of the CPB. Her research interests and publications include applied microeconomics, labour economics and public economics.

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