

Impacts of the Alphaville Ride Sharing Tax Proposal

Data

Original price	20	price0
Tax	2	tax

Alphaville Survey

	H	L	
Population	100,000	200,000	pop
Per capita income	80,000	27,000	income
Per capita rides	50	30	quant0

Betatown Data

	H	L	
Predicted % change in Q	-20%	-10%	pct_change

Impacts of the Alphaville Ride Sharing Tax Proposal

Analysis

New price with tax $price1 = price0 + tax$

Per capita impacts

	H	L	
Initial spending on rides			$spend0 = price0 * quant0$
Change in Q			$q_change = quant0 * pct_change$
New Q			$quant1 = quant0 + q_change$
New spending			$spend1 = price1 * quant1$
Tax revenue			$rev = tax * quant1$
Effective tax rate			$etr = rev / income$

Community impacts

	H	L	Total	
Initial rides				$rides0 = pop * quant0$
New rides				$rides1 = pop * quant1$
Percent change				$pct_tot = (rides1 - rides0) / rides0$
Tax revenue				$rev_tot = pop * rev$

Impacts of the Alphaville Ride Sharing Tax Proposal

Analysis

New price with tax

22

 $price1 = price0 + tax$

Per capita impacts

	H	L	
Initial spending on rides	1,000	600	$spend0 = price0 * quant0$
Change in Q	-10	-3	$q_change = quant0 * pct_change$
New Q	40	27	$quant1 = quant0 + q_change$
New spending	880	594	$spend1 = price1 * quant1$
Tax revenue	80	54	$rev = tax * quant1$
Effective tax rate	0.1%	0.2%	$etr = rev / income$

Community impacts

	H	L	Total	
Initial rides	5,000,000	6,000,000	11,000,000	$rides0 = pop * quant0$
New rides	4,000,000	5,400,000	9,400,000	$rides1 = pop * quant1$
Percent change	-20.0%	-10.0%	-14.5%	$pct_tot = (rides1 - rides0) / rides0$
Tax revenue	8,000,000	10,800,000	18,800,000	$rev_tot = pop * rev$