

**“SUCCESS TAXES,”
ENTREPRENEURIAL ENTRY,
AND INNOVATION**

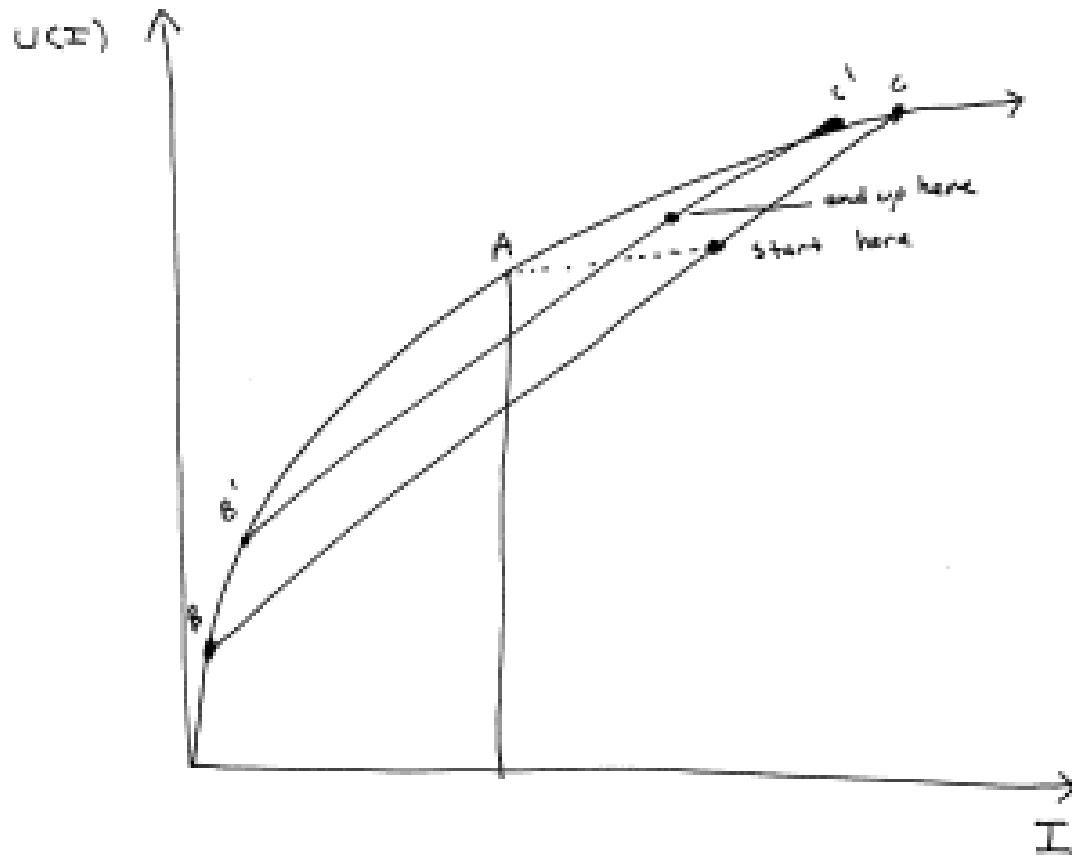
Discussion

November 12, 2004

By Kevin A. Hassett

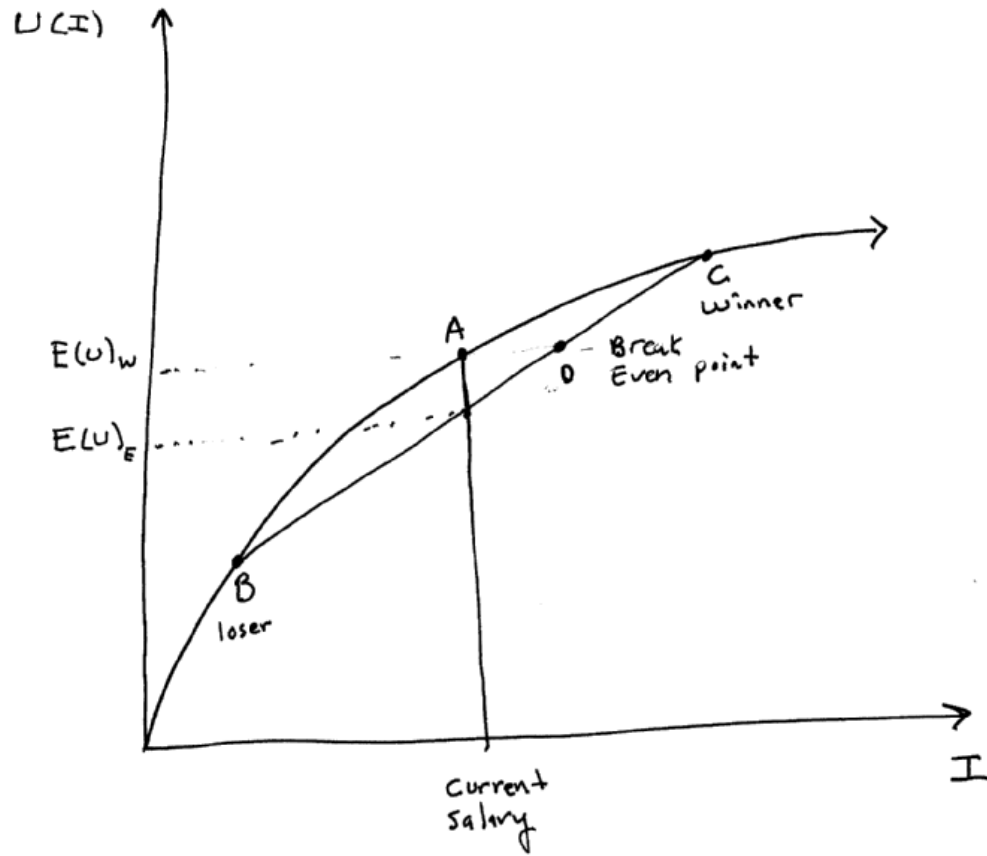
Director of Economic Policy Studies, AEI

Figure 1



Taxes can \uparrow entry probability

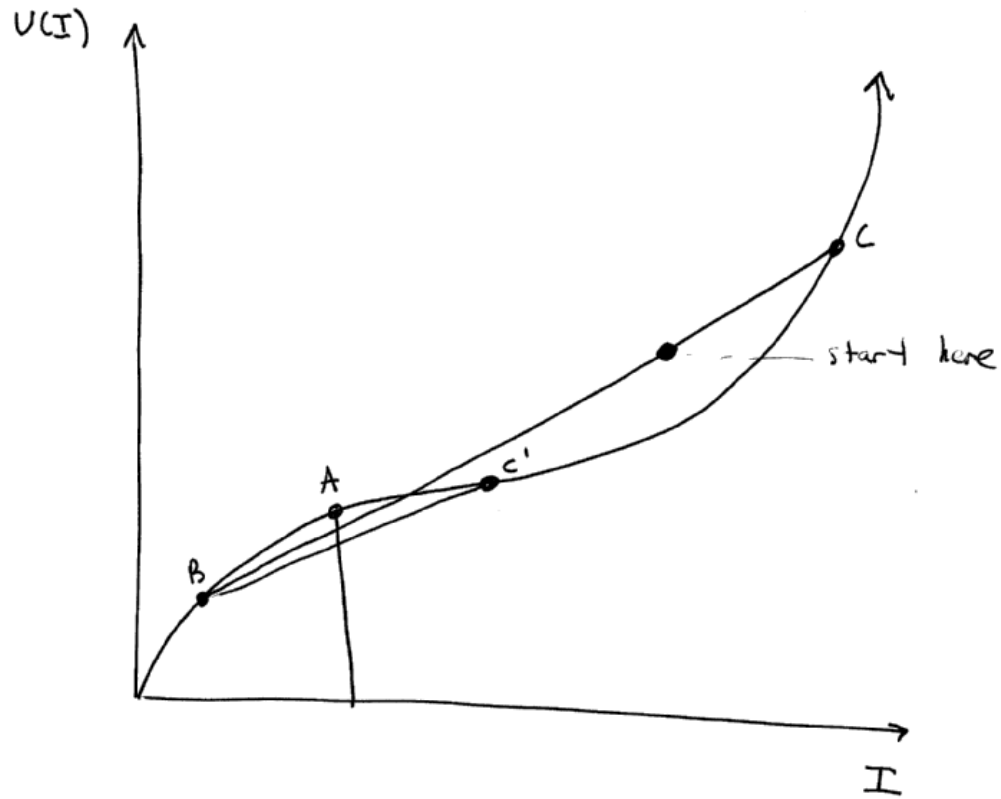
Figure 2



Problem for non Ent. ends up below D

Figure 3

Life changing. ^N



6-5 curve