

[The Lottery Receipt's Effect on Tax Declaration in Urban China](#)

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Abstract

China has introduced lottery receipt experiment (LRE) to capture taxation base. In this paper, we did some estimations based on individual data from the "Chinese Household Survey on Consumers' Preference and Satisfaction 2006," and found that LRE in the six biggest city, Shanghai, Beijing, Chengdu, Guangzhou, Shenyang, Wuhan, in China has promoted consumers' tax declaration by asking for official receipts. We also give suggests to the government to improve the system, for example, by largely raising the prize or by giving the consumer not lottery but direct cash back as presented in Wan (2009a, 2009b, and forthcoming).

JEL classification: H26, D81, D82 Keywords: lottery receipt, tax evasion, tax declaration

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