Assignment for Friday, March 3

Before class, do the following:

1. Read ch. 14 (pp. 237-254) of FPP and complete the following exercises:
   - Set A, pp. 240-241: 1-3
   - Set B, pp. 242-243: 2, 4, 5
   - Set C, pp. 246-247: 1-3, 5
   - Set D, pp. 250-251: 1-, 4
   - Review Exercises, pp. 252-254: 1-3, 5-7, 11
2. The second writing assignment asks you to develop model predicting tax changes (see Computing Assignment 8). Before Monday, come up with a final model specification so that we can begin to write the paper. Choose what variables to include and whehter to include polynomials and/or interactions. Use the code from Computing Assignment 8 to evaluate various specifications.