

**Problem Set 12**  
**Advanced Macroeconomics**  
**Winter 2025/26**

**Fiscal Policy Applications**

Consider the model applications from chapter 11 in the lecture with taxes.

1. Explain the code files labortax.mod and ramseytax.mod.
2. Do a sensitivity analysis in the Ramsey model with taxes with respect to the inverse intertemporal elasticity of substitution.