REMI

PI$^+$ v1.4

Predicted Revenue & Expenditure Effects

REMI PI⁺ models with state configurations include the Fiscal table to show changes to the fiscal module connected with a simulation. This table lists State Revenues at State Average Rates and State Expenditures at State Average Rates. The major state government revenues and expenditures are broken out under each sub-category, the sums of which equal total revenues and total expenditures.

State Government Finances, by State, were obtained from the U.S. Census Bureau (Governments Division, Survey of State Government Finances) Web site. The two most recent years of fiscal year data available were downloaded and averaged together to estimate calendar year information. State-specific average rates were then calculated for 12 major revenue categories and 15 major expenditure categories by dividing the state-specific revenues or expenditures by an appropriate base (base data comes from the REMI historical database for each individual state). All of the revenue, expenditure, and base data were converted to billions of nominal dollars prior to calculating the rates. The bases calibrated to state data are then used as growth factors.

Revenue and expenditure estimates by region are calculated within PI⁺ by simply multiplying the state-specific revenue or expenditure rate by the appropriate local base data. If a model region is comprised of counties from more than one state, then the state-specific rates are averaged together using GDP as the weight. All of the revenue and expenditure estimates are converted to billions of 2012 dollars prior to displaying on the Results tab. Historical revenue and expenditure estimates are not provided. REMI recommends that the revenue and expenditure values in the baseline forecast be calibrated to actual data prior to using the fiscal module results generated from running simulations (see the separate document "Using the Fiscal Module in Policy Insight").

Revenue Type	State Base (Growth Factor)
Intergovernmental	National Federal civilian spending per capita times state-level population.
General Sales Tax	State-level demand for selected industries[1].
Selective Sales Tax	State-level demand for selected industries[1].
License Taxes	State-level demand for selected industries[1].
Individual Income Tax	State-level personal income less transfer payments.
Corporate Income Tax	State-level profits across all industries (capital share of value added times value added).
Other Taxes	State-level personal income.
Current Charges	State-level personal income
Miscellaneous General Revenue	State-level personal income.
Utility Revenue	State-level personal income.
Liquor Store Revenue	State-level personal income.
Insurance Trust Revenue	State-level personal income.

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[1] Wood product manuf., Nonmetallic mineral product manuf., Machinery manuf., Computer and electronic product manuf., Electrical equipment and appliance manuf., Motor vehicle manuf., Furniture and related product manuf., Miscellaneous manuf., Textile products, Apparel manuf., Paper manuf., Printing and related support activities, Wholesale trade * 80%, Retail trade * 80%, Truck transportation * 50%, Couriers and messengers * 50%, Warehousing and storage * 50%, Publishing industries (except Internet), Accommodation, Food services and drinking places * 70%.

Expenditure Type	State Base (Growth Factor)
Education	State-level state government demand driven by the average per capita demand in the last history year.
Public Welfare	Dependent population relative to the U.S. times state-level state government demand driven by the average per capita demand in the last history year.
Hospitals	State-level state government demand driven by the average per capita demand in the last history year.
Health	State-level state government demand driven by the average per capita demand in the last history year.
Highways	State-level state government demand driven by the average per capita demand in the last history year.
Police Protection	State-level state government demand driven by the average per capita demand in the last history year.
Correction	State-level state government demand driven by the average per capita demand in the last history year.
Natural Resources	State-level state government demand driven by the average per capita demand in the last history year.
Parks and Recreation	State-level state government demand driven by the average per capita demand in the last history year.
Government Administration	State-level state government demand driven by the average per capita demand in the last history year.
Interest on General Debt	State-level state government demand driven by the average per capita demand in the last history year.
Other and Unallocable	State-level state government demand driven by the average per capita demand in the last history year.
Utility Expenditure	State-level state government demand driven by the average per capita demand in the last history year.
Liquor Store Expenditure	State-level state government demand driven by the average per capita demand in the last history year.
Insurance Trust Expenditure	Dependent population relative to the U.S. times state-level state government demand driven by the average per capita demand in the last history year.