REMI Tax-PI

ESTIMATING ECONOMIC & FISCAL IMPACTS IN TAX-PI

what does REMI say? sm

Presented by Jungjun Park, Ph.D.

Agenda

- Introduction
- Overview of Tax-PI
- Model Structure
- Major Economic Data Sources
- Model Demonstration
- Q & A

About REMI

REMI Tax-PI

Regional Economic Models, Inc. (REMI) is a World Leader in Economic Policy Modeling

Software

- REMI tools are the industry standard for rigorous policy analysis.
- PI+
- TranSight
- Tax-PI
- E3+
- Metro-PI

Support

- REMI licenses include access to full remote technical support and model assistance.
- REMI users have myriad resources to enhance their understanding and skill in the model.

Services

- Macroeconomic impact consulting
- Analysis of prominent state and federal legislation
- Led by REMI's team of highly experienced and qualified research economists

About REMI

Answers to "what-if…?" questions about the economic and demographic effects of events and policies

- **Economic Results:**
  - Employment by Industry and/or by Occupation
  - Output by Industry
  - Gross Regional or State Product
  - Personal Income
  - Total wages, compensation, earnings
- **Demographic Results:**
  - Population, by 808 age-ethnicity-gender cohorts
  - Migration, by 808 age-ethnicity-gender cohorts

About REMI

REMI Tax-PI

REMI's 40-year history of rigorous academic research and software development has led to the development of the the industry standard in macroeconomic research methodology:

Input-Output

Close analysis of inter-industry relationships

General Equilibrium

Estimate of long-run stability of the economy allows for analysis of policy decisions

Econometrics

Advanced statistical analyses underpinning the model

Economic Geography

Effects of geographic concentration of labor and industry

Integrated REMI economic modeling approach

what does REMI s

DECD State of Connecticut Department of Economic and Community Development

ILLINOIS REVENUE

Iowa Department of REVENUE

LOUISIANA DEPARTMENT of REVENUE

FLORIDA DEPARTMENT OF REVENUE

BND Bank of North Dakota

Kansas Department of Revenue

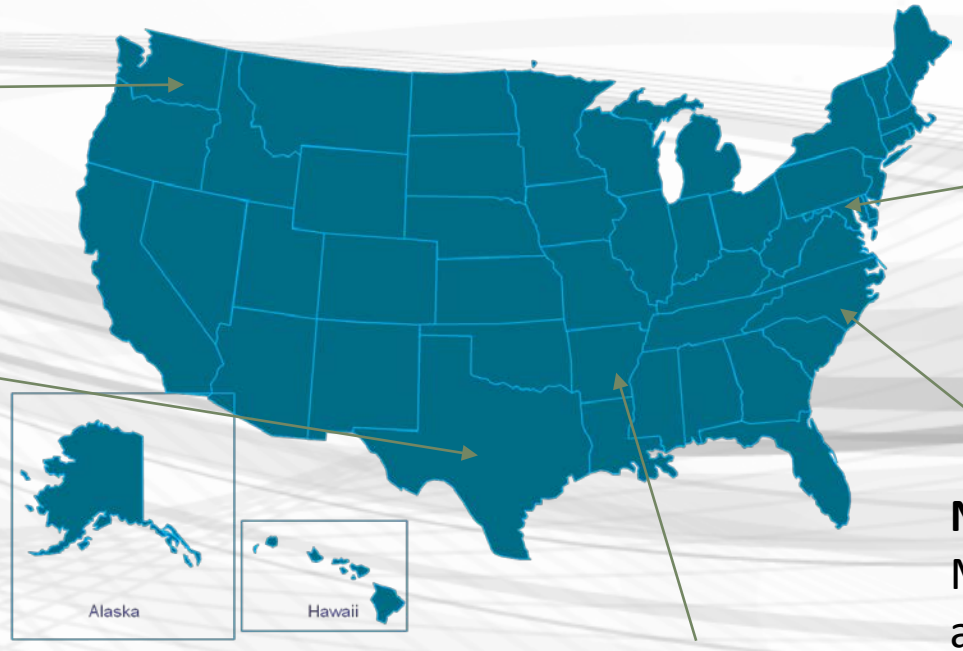
NEW YORK STATE OF OPPORTUNITY Division of the Budget

Prior Tax Analyses

REMI's Tax-PI is a versatile tool for public policy and fiscal impact analysis across topic areas and regions.

Washington: Aerospace tax credit analysis

Texas: Statutory impact analysis requirement for appropriations legislation

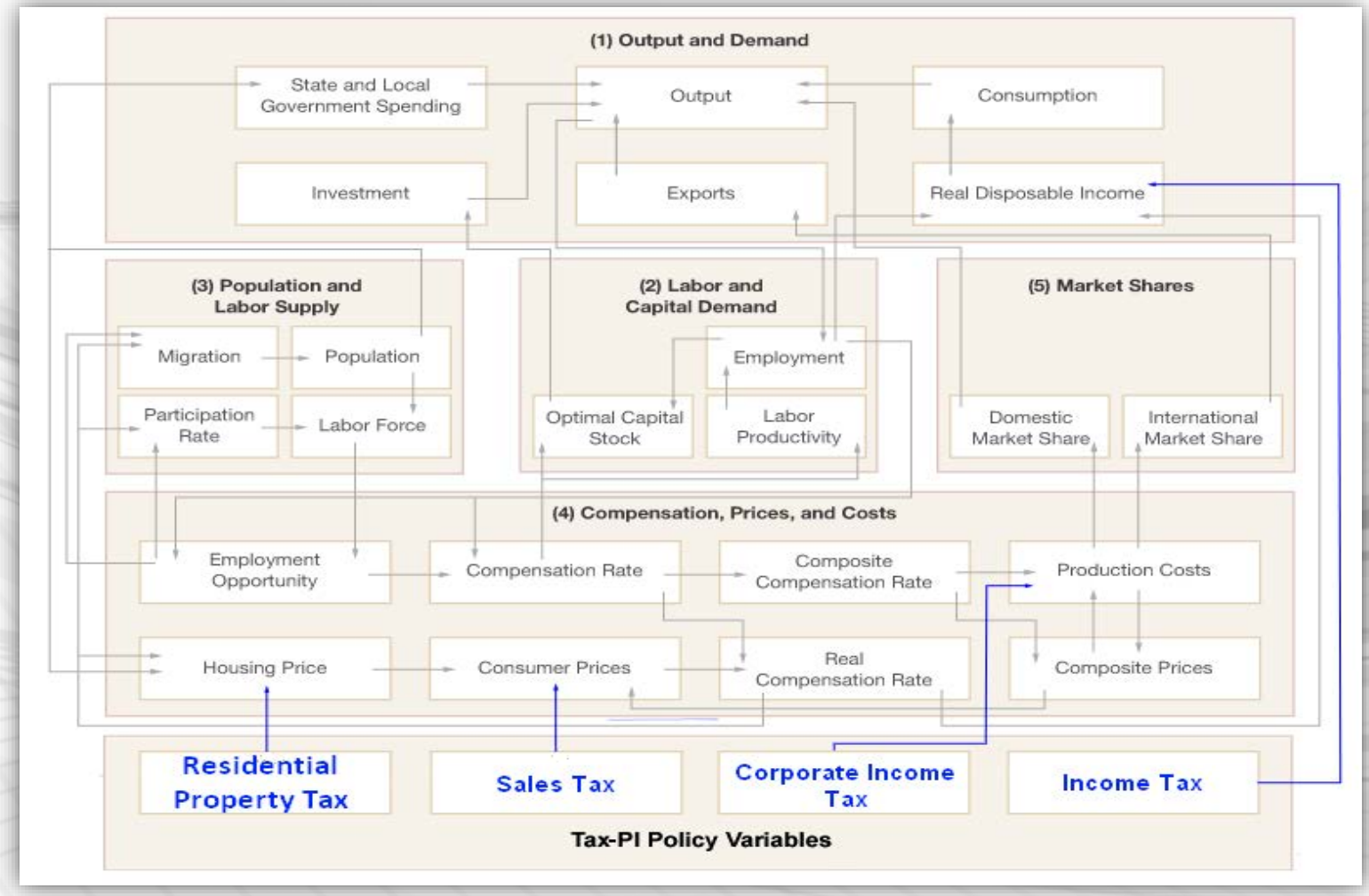


Maryland: Corporate tax rate reduction analysis

North Carolina: Medicaid expansion analysis

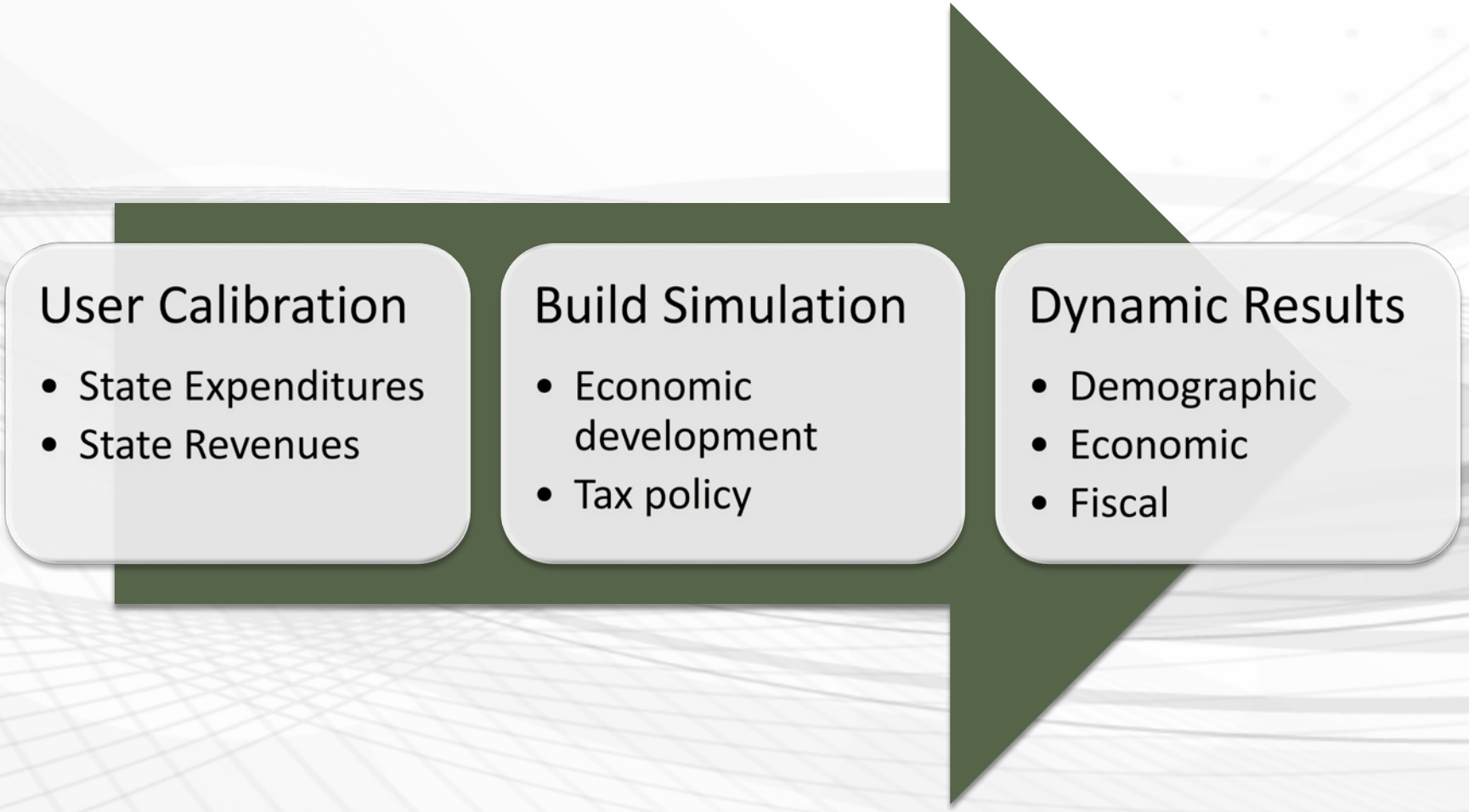
Arkansas: Big River Steel manufacturing facility analysis

What is Tax-PI?

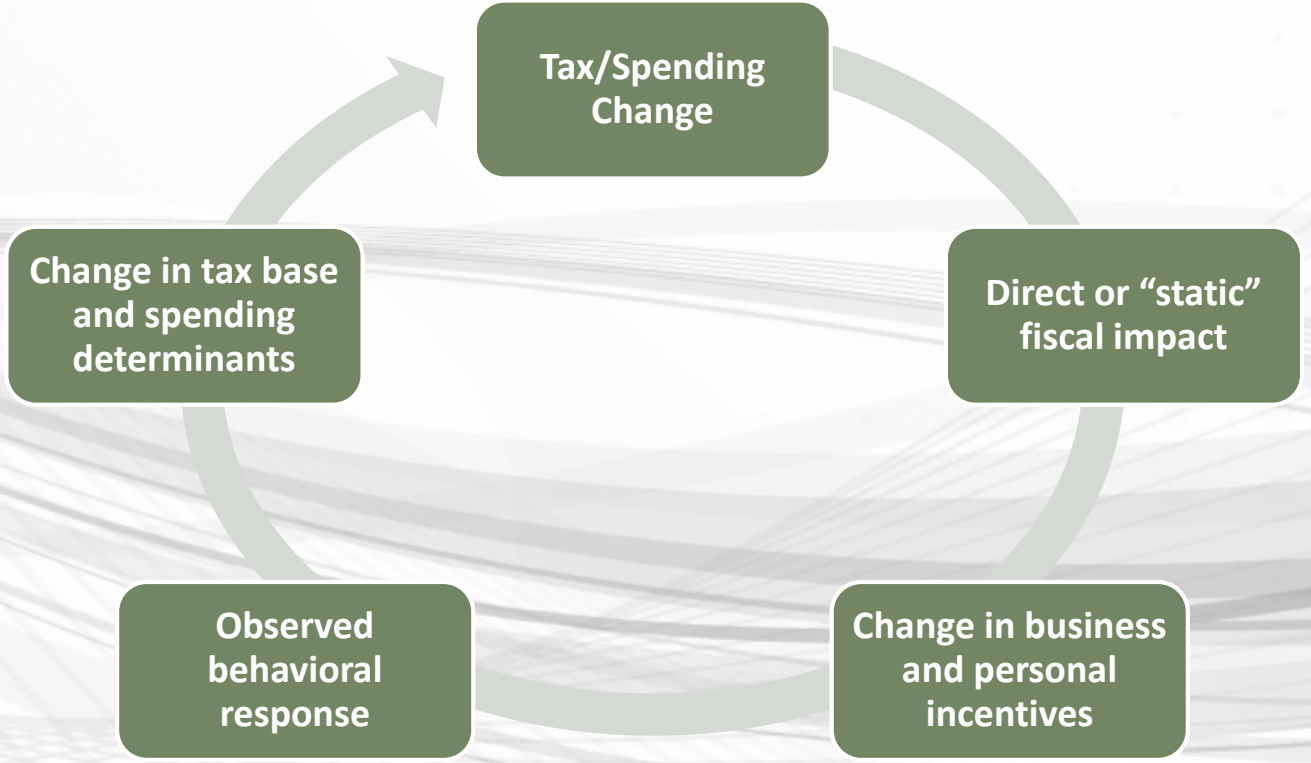


what does REMI say? [sm]

Modeling Process Review



Dynamical Fiscal Analysis

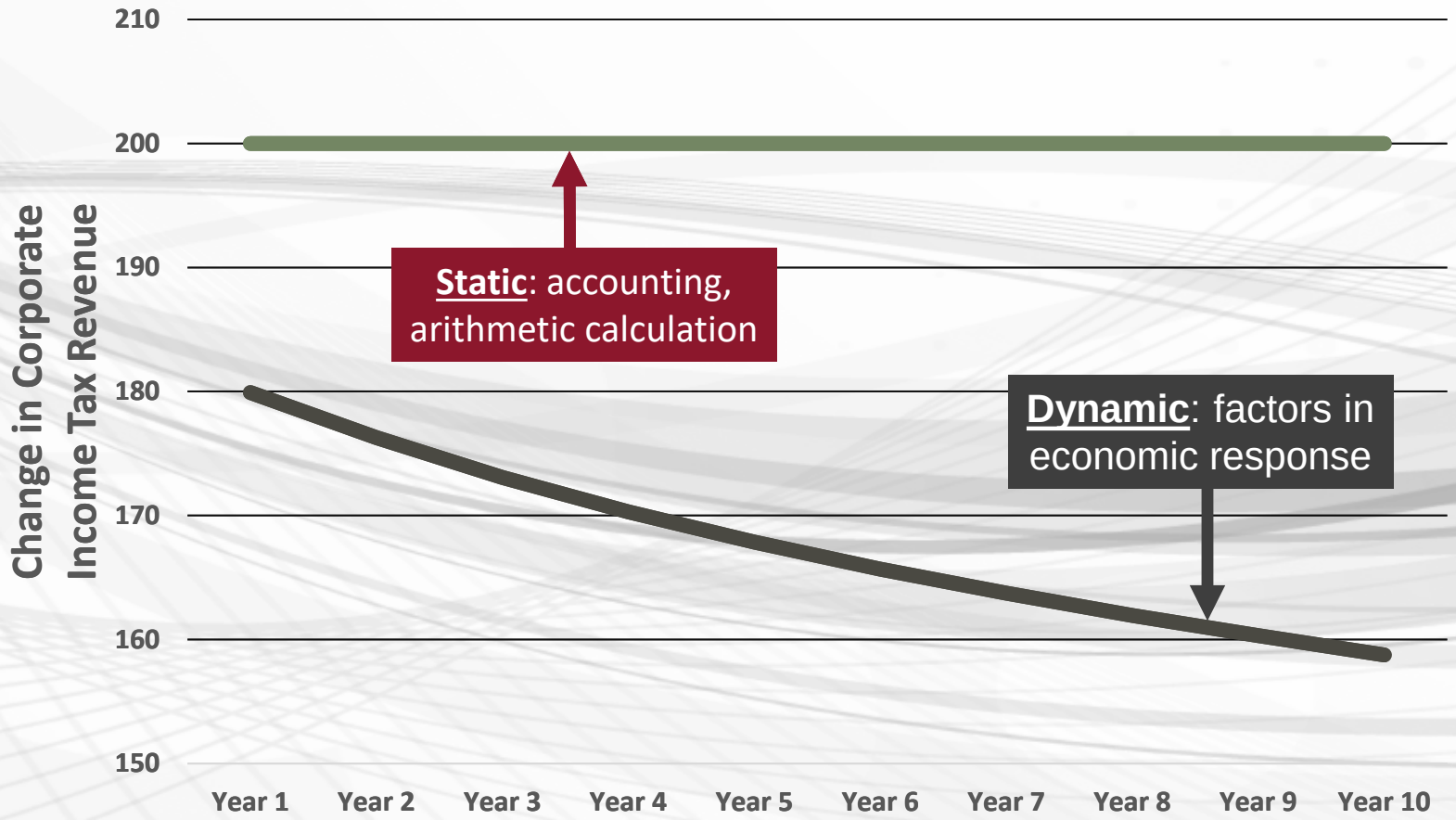


what does REMI

"Conventional analysis of proposed legislation…does not incorporate effects on the economy… trying to account for such effects may increase the likelihood of producing an accurate answer."

Keith Hall, Director, Congressional Budget Office

Dynamic vs. Static Example



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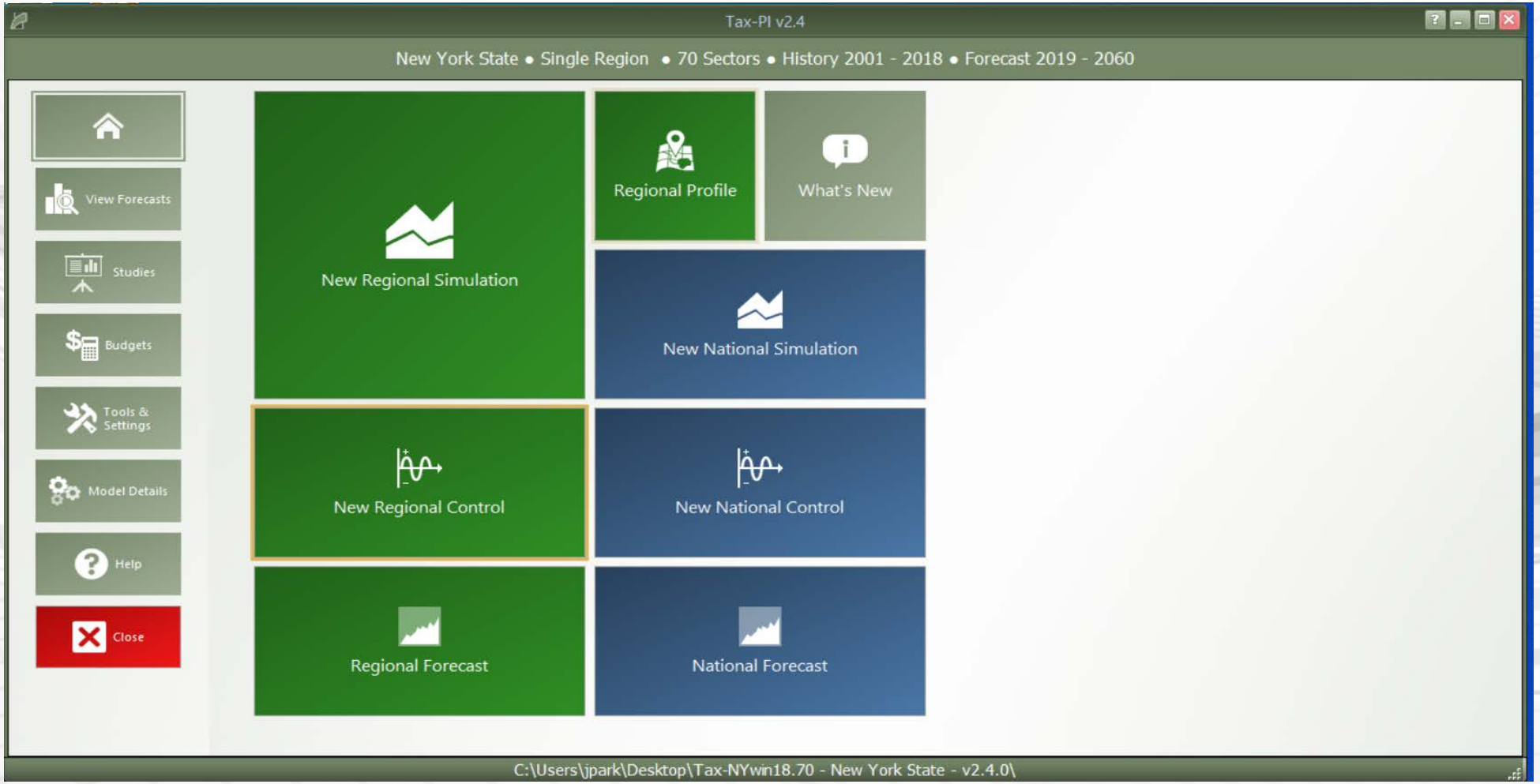
Model Demonstrations

- Impact Study 1: Increase in Sales Tax.
- Impact Study 2: Increase in Minimum Wage.

New Controls and Simulations



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Revenues & Expenditures

Revenues	FY2018	FY2019
Sales Tax	3236	3340
Individual Income Tax	7577	8247
Corporate Income Tax	782	920

Expenditures	FY2018	FY2019
Education	5492	5919
Healthcare	10374	10689

Q & A

REMI Tax-PI

Thank you so much!