

JOINT COMMITTEE ON TAXATION
PRESS RELEASE

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The staff of the Joint Committee on Taxation ("JCT") today published a pamphlet entitled "[Joint Committee on Taxation Tax Modeling Project and 1997 Tax Symposium Papers.](#)"

On January 17, 1997, the JCT staff hosted a symposium entitled "Modeling the Macroeconomic Consequences of Tax Policy." This symposium presented the results of a year-long modeling project by economists noted for their work in developing models of the U.S. economy. The purpose of this project was to explore the predictions of a variety of models regarding the macroeconomic feedback effects of major changes in the U.S. tax code with a focus on evaluating the feasibility of using these types of results to enhance the U.S. budgeting process.

The modeling project focused on two generic proposals to restructure the U.S. income tax system: (1) a broad-based unified income tax, and (2) a broad-based consumption tax. Several modelers ran multiple simulations of these proposals to examine the effects of transition rules, monetary policy, and international capital flows on the analysis.

In releasing the pamphlet, Ken Kies, Chief of Staff for the Joint Committee on Taxation, indicated, "The release of this publication is part of our continuing effort to improve the quality of our estimating work and to better inform the Congress and the public concerning this important aspect of the tax legislative process. I want to express my sincere thanks to all who devoted endless hours to this important project."

This pamphlet ([JCS-21-97](#)) describes the modeling project, presents the symposium papers submitted by the modelers and two discussants, and provides the comments of the four JCT Revenue Estimating Advisory Board members who participated in the symposium. In addition, the pamphlet presents JCT staff observations and JCT strategies for the future with regard to macroeconomic modeling.