



# Economic modeling & policy analysis



We apply rigorous modeling, economic principles, and data analytics to help government agencies and businesses to assess the impacts of policies and programs. We provide pragmatic and practical solutions for complex problems at the local, state, or national geographic levels.

## The KPMG approach

Economic and Statistical Consulting professionals in the KPMG LLP (KPMG) Economic and Valuation Services practice apply economic and modeling techniques to estimate the impacts of proposed and existing policies and programs.

We use innovative approaches to deliver practical and timely results that help clients meet their goals, no matter how complex. We assist government agencies, economic development agencies, and NGOs as they look for new ways to evaluate programs in order to make the best investment to boost economic activity.

Our interdisciplinary team of economists, data scientists, statisticians, and other quantitative analysts use state-of-the-art methodologies, yet are able to present results to a variety of audiences.

We develop reports that resonate with decision-makers in the health, infrastructure, transportation, financial, labor market, and other sectors.

## Services

1

### **Economic impact analysis:**

Assess the effects of programs, policies, or investments on economic output, job creation, and tax revenue.

2

### **Triple bottom line analysis:**

Assess the social, financial, and environmental impacts of programs and policies.

3

### **Tax policy analysis and revenue forecasting:**

Evaluate tax incentives. Estimate the extent of tax revenue shortfalls and develop forecasts for budget planning.

We tailor our economic analysis to provide public and private sector clients with insights to make better decisions and effectively engage with stakeholders, including regulators and policymakers.

We help evaluate program alternatives through:

- Economic impact analysis
- Triple bottom line analysis
- Data analytics, econometric analysis, and forecasting
- Labor market analysis

## Our experience

We work with public and private sector clients to deliver high- quality, objective results. We highlight four sample projects:



**Policy benefit assessment** for a state transportation department: Developed a state and local road and bridge prioritization system and project priority list based on a cost-benefit model that captures safety, congestion, and other benefits.



**Tax policy analysis** for venture capital firms. Estimated economic contributions of over 500 investments related to state tax credit incentive programs across multiple states.



**Industry competitiveness analysis** for an economic development corporation: Developed an economic model to compare the costs of doing business in the state across industries and business sizes. Deployed a dashboard to summarize the model results.



**Tax policy scenario modeling** for a state department of treasury: In support of a major tax reform initiative, we helped develop solutions for growing fiscal imbalances. Assisted the government in quantifying the economic impact of alternative tax policies on tax revenue and economic activity.

## Contact us

For more information on how the KPMG Economic and Statistical Consulting practice can help, please contact:

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