

Application of microsimulation models in HCSO

ZSOLT KOVARI (*HCSO Statistical Research and Methodology Department, Hungary, zsolt0427@hotmail.com*)

Microsimulation dates back to 1957 when the famous article “A new type of socio-economic system” by Orcutt was published. Thanks to countless research that has been carried ever since out on the basis of this article, nowadays microsimulation models are made for numerous aims as well as countless technical accomplishments. In the HCSO the development of the Hungarian Household Statistical Microsimulator was launched in cooperation with the Darmstadt University in 1983. It was used for testing the effects of the different tax systems on income distribution. In the mid 90’s the HCSO in collaboration with researchers of Cambridge University drew up a simplified microsimulation model which was used to test the effects of social transfer programs on households’ incomes. It was utilised during the income survey in 1996 but no straightforward microsimulation work was carried on. In 2006 a static model was developed in cooperation with Ecostat, which was used for tax simulation and the testing of taxation of family allowance. In this lecture I will give a brief presentation of the simulation model made in 2006 and our efforts on further developments.

Keywords: Microsimulation, income, tax simulation, family allowance