United States Congress
Joint Economic Committee

Methodology
March 17, 2026

Immigration Fiscal Impact Calculator Methodology

Data was taken from the most recent vintage of the American Community Survey (ACS). At the time of publication, this was the 2024 dataset. This data is at the individual level but may be aggregated into households. Fields exported include marital status, state, sex, age, birthplace, education level, industry, occupation, wage, Medicare and Medicaid coverage, Social Security income, Supplemental Security Income, welfare income, year immigrated to the U.S., and some spousal information. While over three million data points exist in this vintage, analysis was restricted to immigrants alone (denoted in the data by individuals with a non-null "year immigrated" value).

Calculation of annual net federal fiscal impact (ANFFI) follows the methods used by Evans and Fitzgerald (2017).[1] ANFFI is the difference between imputed or observed individual tax revenue and the sum of various imputed or observed benefits.

$$\text{Annual net federal fiscal impact} = \text{annual individual tax revenue} - \text{annual individual benefits}$$

The ACS readily reports dollar quantities of welfare, Social Security income, Supplemental Security Income, and wage income. Medicare and Medicaid coverage is indicated by dummy variables, and each covered respondent is assumed to consume the average amount in their state, which is reported by the Centers for Medicare and Medicaid Services. Individual tax liability and SNAP consumption is imputed through a tax calculator. For married individuals, spousal information is incorporated into the model. Households are assumed to file jointly if their estimated joint tax liability is less than the sum of their estimated individual liabilities. SNAP recipience and amount are also imputed from the tax calculator.

The tax calculator used was PolicyEngine's microsimulation model, run via the "policyengine_us" Python library.[2] Average values of each observed or imputed variable are calculated for each combination of industry, occupation, education, marital status, age, and number of dependents. To ensure sufficient observations for each combination, the following steps were taken:

- Education was simplified to "high school or less," "bachelor's degree," and "master's degree or higher."
- Marital status was simplified to "not married" or "married." Separated individuals were assumed to not be filing taxes jointly.
- Age is discretized into three bins: 18–35, 36–50, and 51 and over.
- Quantities of dependents considered were 0, 1, 2, or 3.
- The quantity of labor inflows across the entire U.S. economy is capped at 100,000 and wage suppression or deflation impacts are assumed to be negligible.
- Job losses due to general purpose technologies are assumed to be temporary and will in the long term be offset by the eventual generation of jobs in new fields.

Cam Healy, *Senior Economist*
Jack Dacey, *Research Assistant*

[1] William N. Evans and Daniel Fitzgerald, "The Economic and Social Outcomes of Refugees in the United States: Evidence from the ACS," NBER Working Paper no. 23498 (June 2017), https://doi.org/10.3386/w23498.
[2] PolicyEngine, "PolicyEngine household API," https://www.policyengine.org/us/api.