Research Agenda: Statistics for International Organizations

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Government Statistics Users Conference
Washington, D.C.
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Major Economic Estimates Provided by the Special Studies Branch

- Stock and depreciation of all government assets
- Government Receipts by Industry
- Reconciliation between BEA's personal income and IRS’s adjusted gross income
- Biomedical Research and Development Price Index
- Stocks and depreciation of military equipment
- Government Finance Statistics for the IMF
- Statistics on government tax revenues for the OECD
General Categories of Inconsistencies in Financial Statistics Across Nations

• Coverage/Scope: Inconsistencies among nations in the inclusion or exclusion of various concepts within the same financial or economic aggregates

• Timing: Where the cash versus accrual basis of reporting differ

• Detail: Concepts in a nation’s accounts may be measured at a level that is more aggregate than what is recommended under international standards.
The Movement to Accrual Accounting

• Revenue on a *cash basis* is easy to explain— it is simply the net inflow of cash over a well-defined time interval.

• An accrual basis, as defined by the International Federation of Accountants, “is a basis for accounting under which transactions and other events are recognized when they occur.”

• In more general terms, accrual accounting requires us to record *whenever* receipts, or *obligations* (such as pension obligations), are known to exist with reasonable certainty.
Accrual Accounting on Tax Payments

- Both the IMF and OECD have recognized the difficulty of measuring tax payments on an accrual basis, especially for the case of income taxes.
- There may not be a clear “event” at a specific point in time that can be identified as the cause of the tax.
- The IMF states that pay-as-you-earn income taxes “may be recorded in periods in which they are paid, and any final liability on income may be recorded in the period in which it is determined.”
- This is consistent with the NIPAs.
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