Exercise 3: The *Elig* and *ArithOp* functions

Implementing a reform using *Elig* and *ArithOp*

# Objectives

* Use the *Elig* and *ArithOp* functions to add a benefit worth £30 per week payable to benefit units with at least two dependent children to the 2026 tax and benefit system for the UK.
* Analyse effects of the reform.

# Directions

We will implement the new reform as a supplementary component to child benefit and use the Statistics Presenter to analyse the associated effects.

* Open UKMOD and access the UK policy descriptions.
* Copy the *UK\_2026* system and call the copy *UK\_2026\_ex3*.
* Open the child benefit policy (*bch\_uk*).
* Add an *Elig* function to the end of the *bch\_uk* policy of the *UK\_2026\_ex3* system that identifies benefit units (*tu\_bu\_uk*) with at least 2 dependent children.
  + *nDepChildrenInTu* is a query that returns the number of dependent children in a tax unit – check EUROMOD help for further details.
* Add an *ArithOp* function after the preceding *Elig* function that adds the supplementary benefit to the child benefit.
* Use the *Who\_Must\_Be\_Elig* parameter to the *ArithOp* function to limit payment of the supplement to eligible benefit units described by the *Elig* function.
* Save the model changes.
* Run both *UK\_2026* and *UK\_2026\_ex3*.
* Use the Statistics Presenter’s *Baseline/Reform* template to analyse the distributional effects.