



GOP TAX REFORM BILL CREATES JOBS AND CUTS TAXES FOR KENTUCKY RESIDENTS

Tax reform legislation currently being considered by Congress will have a positive impact on the Kentucky economy.¹ If the current legislation is approved, Kentucky can expect its economy to grow by an additional 12.0% over the next 10 years.² That's good news for Kentucky businesses, workers and taxpayers.

Expected Benefits from The Conference Plan

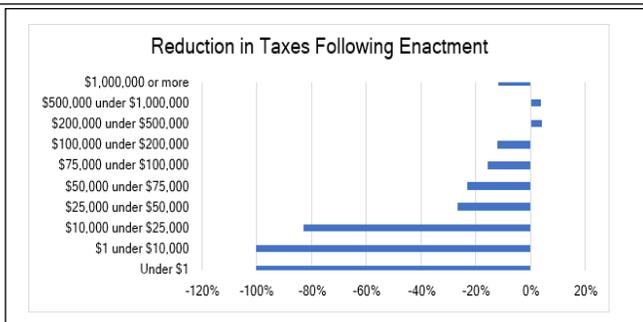
YEAR	JOBS	WAGES	ECONOMIC OUTPUT
2018	68,281	\$2,439,716,300	\$8,835,643,600
2019	25,906	\$954,771,100	\$3,414,534,800
2020	44,661	\$1,727,433,500	\$6,053,930,300
2021	43,939	\$1,771,692,000	\$6,105,258,000
2022	44,902	\$1,805,783,800	\$6,242,433,900
2023	38,503	\$1,541,008,800	\$5,349,567,600
2024	33,780	\$1,332,862,800	\$4,666,741,700
2025	28,717	\$1,160,832,900	\$4,023,770,300
2026	27,704	\$1,113,565,100	\$3,874,457,900
2027	28,817	\$1,161,897,300	\$4,041,743,800

TAX REFORM BENEFITS BOTH BUSINESSES AND WORKERS

The changes to the corporate tax will benefit Kentucky businesses by providing an influx of capital that can be used to create jobs, increase wages, or invest in the overall economy. In addition, a significant amount of this savings will be passed through to workers through higher wages or benefits.

It is estimated that 68,281 jobs will be created along with an increase in wages by \$2,439,716,300. In particular, the Business and Personal Services, Retailing, and Travel and Entertainment industries will benefit from the Conference proposal and overall, wages will rise by more than 2.0 percent.

KENTUCKY RESIDENTS WILL SEE TAX CUTS



MOST IMPACTED Kentucky INDUSTRIES

INDUSTRY	JOBS
Business and Personal Services	25,699
Retailing	9,788
Travel and Entertainment	9,761
Finance, Insurance and Real Estate	6,487
Manufacturing	4,923
Transportation and Communication	3,763
Agriculture	2,605
Wholesaling	1,789
Other	1,279
Government	961
Construction	790
Mining	436

Kentucky taxpayers, especially those in the middle to lower classes, will see their taxes reduced by as much as 12.7 percent in the year following the enactment of the Conference proposal. These cuts occur across the board, with people in all income groups seeing a reduction.³

¹ According to a study released by John Dunham & Associates and The Bluegrass Institute.

² Total growth over 10 years above the CBO baseline.

³ Note that some reductions might actually be larger than 100% due to certain refundable tax credit provisions. Does not include taxes paid due to repatriation or movement to territorial system