



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

Tax reform legislation currently being considered by Congress will have a positive impact on the Hawaii economy.¹ If the current legislation is approved, Hawaii can expect its economy to grow by an additional 13.7% over the next 10 years.² That's good news for Hawaii businesses, workers and taxpayers.

Expected Benefits from The Conference Plan

YEAR	JOBS	WAGES	ECONOMIC OUTPUT
2018	24,252	\$980,982,400	\$3,575,091,700
2019	10,754	\$448,958,000	\$1,618,304,000
2020	12,643	\$565,773,900	\$2,022,647,800
2021	11,120	\$532,085,000	\$1,877,984,700
2022	11,797	\$557,915,800	\$1,974,152,000
2023	10,547	\$491,806,000	\$1,745,874,100
2024	9,780	\$444,472,800	\$1,587,601,900
2025	7,941	\$373,109,000	\$1,322,323,500
2026	7,990	\$370,384,800	\$1,315,816,200
2027	8,502	\$394,116,800	\$1,399,331,600

TAX REFORM BENEFITS BOTH BUSINESSES AND WORKERS

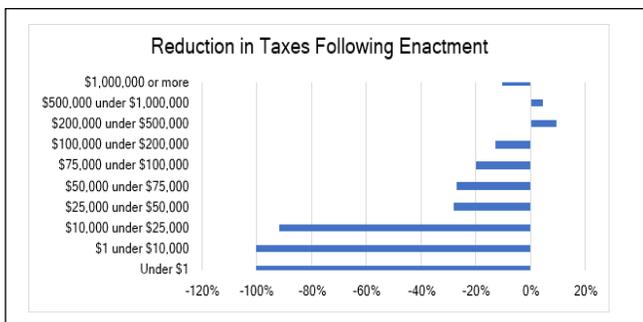
The changes to the corporate tax will benefit Hawaii businesses by providing an influx of capital that can be used to create jobs, increase wages, or invest in the overall economy. In addition, a significant amount of this savings will be passed through to workers through higher wages or benefits.

It is estimated that 24,252 jobs will be created along with an increase in wages by \$980,982,400. In particular, the Business and Personal Services, Travel and Entertainment, and Retailing industries will benefit from the Conference proposal and overall, wages will rise by more than 1.9 percent.

MOST IMPACTED Hawaii INDUSTRIES

INDUSTRY	JOBS
Business and Personal Services	9,522
Travel and Entertainment	4,826
Retailing	3,095
Finance, Insurance and Real Estate	2,400
Transportation and Communication	1,321
Other	659
Wholesaling	614
Manufacturing	602
Agriculture	593
Government	342
Construction	258
Mining	21

HAWAII RESIDENTS WILL SEE TAX CUTS



Hawaii taxpayers, especially those in the middle to lower classes, will see their taxes reduced by as much as 11.6 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 local policy groups.

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