



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

Tax reform legislation currently being considered by Congress will have a positive impact on the Iowa economy.¹ If the current legislation is approved, Iowa can expect its economy to grow by an additional 6.4% over the next 10 years.² That's good news for Iowa businesses, workers and taxpayers.

Expected Benefits from The Conference Plan

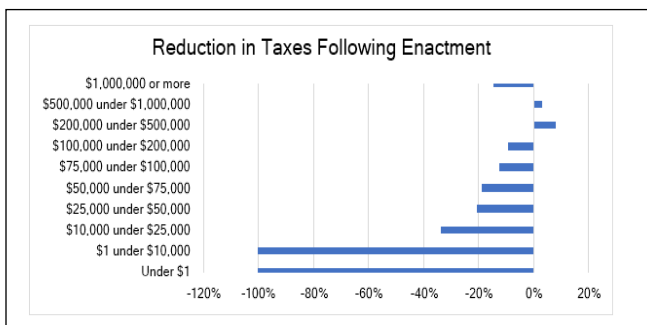
YEAR	JOBS	WAGES	ECONOMIC OUTPUT
2018	55,405	\$1,890,422,300	\$7,081,307,600
2019	16,199	\$575,890,300	\$2,132,274,300
2020	17,115	\$686,516,400	\$2,455,829,800
2021	8,197	\$431,706,800	\$1,440,327,000
2022	11,605	\$542,750,600	\$1,864,821,600
2023	13,015	\$561,249,100	\$1,971,704,800
2024	15,022	\$599,667,400	\$2,155,374,400
2025	10,124	\$436,158,900	\$1,533,161,300
2026	11,789	\$484,455,100	\$1,726,392,300
2027	13,299	\$541,160,600	\$1,934,445,900

TAX REFORM BENEFITS BOTH BUSINESSES AND WORKERS

The changes to the corporate tax will benefit Iowa 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 55,405 jobs will be created along with an increase in wages by \$1,890,422,300. 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 1.8 percent.

IOWA RESIDENTS WILL SEE TAX CUTS



MOST IMPACTED Iowa INDUSTRIES

INDUSTRY	JOBS
Business and Personal Services	19,854
Retailing	8,198
Travel and Entertainment	7,571
Finance, Insurance and Real Estate	5,833
Manufacturing	4,324
Agriculture	2,917
Transportation and Communication	2,883
Wholesaling	1,532
Other	1,049
Construction	665
Government	503
Mining	77

Iowa taxpayers, especially those in the middle to lower classes, will see their taxes reduced by as much as 9.9 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