



GOP TAX REFORM BILL CREATES JOBS AND CUTS TAXES FOR NORTH CAROLINA RESIDENTS

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

Expected Benefits from The Conference Plan

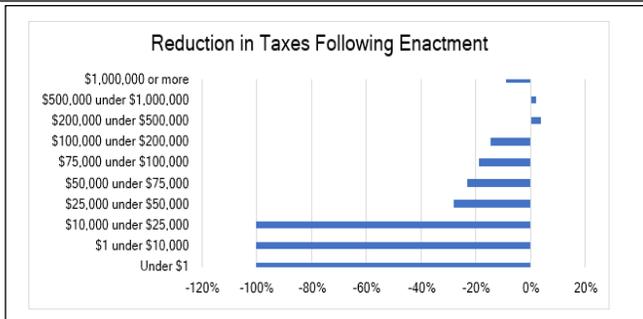
YEAR	JOBS	WAGES	ECONOMIC OUTPUT
2018	200,173	\$7,345,830,400	\$26,923,125,900
2019	98,314	\$3,688,498,100	\$13,489,487,800
2020	102,344	\$4,057,496,400	\$14,906,932,700
2021	80,466	\$3,404,443,700	\$12,505,879,100
2022	84,624	\$3,553,607,600	\$13,033,428,500
2023	75,944	\$3,154,479,300	\$11,553,736,100
2024	74,868	\$3,031,622,300	\$11,094,299,200
2025	55,781	\$2,339,961,600	\$8,543,488,300
2026	57,150	\$2,369,651,300	\$8,635,561,500
2027	59,424	\$2,473,050,500	\$8,993,446,000

TAX REFORM BENEFITS BOTH BUSINESSES AND WORKERS

The changes to the corporate tax will benefit North Carolina 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 200,173 jobs will be created along with an increase in wages by \$7,345,830,400. 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 2.4 percent.

NORTH CAROLINA RESIDENTS WILL SEE TAX CUTS



MOST IMPACTED North Carolina INDUSTRIES	
INDUSTRY	JOBS
Business and Personal Services	79,785
Travel and Entertainment	30,572
Retailing	29,532
Finance, Insurance and Real Estate	21,178
Manufacturing	11,482
Transportation and Communication	9,689
Wholesaling	5,893
Other	5,264
Agriculture	2,576
Construction	2,425
Government	1,576
Mining	202

North Carolina taxpayers, especially those in the middle to lower classes, will see their taxes reduced by as much as 16.0 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