



## GOP TAX REFORM BILL CREATES JOBS AND CUTS TAXES FOR SOUTH DAKOTA RESIDENTS

Tax reform legislation currently being considered by Congress will have a positive impact on the South Dakota economy.<sup>1</sup> If the current legislation is approved, South Dakota can expect its economy to grow by an additional 10.7% over the next 10 years.<sup>2</sup> That's good news for South Dakota businesses, workers and taxpayers.

### Expected Benefits from The Conference Plan

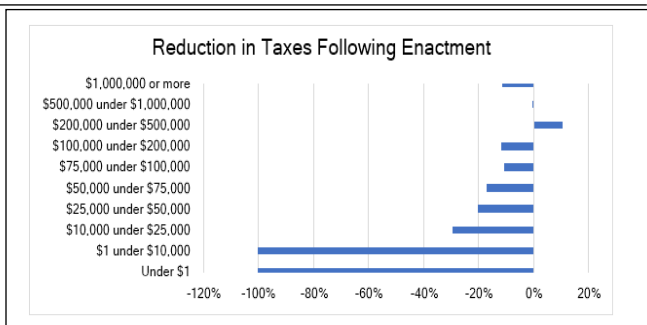
YEAR	JOBS	WAGES	ECONOMIC OUTPUT
<b>2018</b>	14,908	\$497,332,400	\$1,971,701,100
<b>2019</b>	4,887	\$168,953,200	\$659,242,100
<b>2020</b>	7,932	\$291,504,900	\$1,106,052,700
<b>2021</b>	7,643	\$295,908,600	\$1,097,139,100
<b>2022</b>	8,341	\$318,870,000	\$1,192,130,500
<b>2023</b>	7,382	\$279,201,400	\$1,051,472,600
<b>2024</b>	6,894	\$254,608,300	\$972,122,500
<b>2025</b>	5,950	\$225,041,100	\$850,331,400
<b>2026</b>	5,819	\$218,436,600	\$829,639,200
<b>2027</b>	5,973	\$225,338,600	\$855,051,600

### TAX REFORM BENEFITS BOTH BUSINESSES AND WORKERS

The changes to the corporate tax will benefit South Dakota 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 14,908 jobs will be created along with an increase in wages by \$497,332,400. 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 1.6 percent.

### SOUTH DAKOTA RESIDENTS WILL SEE TAX CUTS



### MOST IMPACTED South Dakota INDUSTRIES

INDUSTRY	JOBS
Business and Personal Services	5,009
Travel and Entertainment	2,350
Retailing	2,121
Finance, Insurance and Real Estate	1,745
Agriculture	1,025
Manufacturing	807
Transportation and Communication	671
Wholesaling	465
Other	263
Government	217
Construction	188
Mining	48

South Dakota taxpayers, especially those in the middle to lower classes, will see their taxes reduced by as much as 8.9 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.<sup>3</sup>

<sup>1</sup> According to a study released by John Dunham & Associates and local policy groups.

<sup>2</sup> Total growth over 10 years above the CBO baseline.

<sup>3</sup> 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