
\$4,500 to \$8,100 Increase in Wages 122,000 Jobs Protected

WAGES, TAKE-HOME PAY, AND DISPOSABLE INCOME

CEA finds that the OBBB will raise wages in Colorado by an inflation-adjusted range of about \$4500 to \$8100 over the next four years.

A typical family with two children in Colorado can expect to see higher take-home pay of about \$8100 to \$11900 with OBBB compared to if it was not passed.

Around 4% of the labor force is employed in occupations that would likely benefit from the no taxes on tips provision of the OBBB.

Around 1.0 million seniors in Colorado could benefit from the no taxes on social security provision of the OBBB.

Around 26% of all employees in Colorado regularly work overtime and could benefit from the no tax on overtime provision of the OBBB. An even larger 57% of workers in Colorado are in occupations that are likely eligible for overtime and could also benefit.

JOBS, BUSINESSES, AND HOUSING

CEA finds that the OBBB will protect about 122 thousand full-time equivalent jobs in Colorado over the next four years relative to if the TCJA had been allowed to expire.

There are several provisions in the OBBB that will boost the manufacturing industry. In Colorado, about 3% of firms, 3% of establishments, and 5% of employment is in the manufacturing sector.

The OBBB extends the 199A passthrough deduction for small businesses. There are about 125 thousand firms in Colorado which could be eligible for the deduction, or about 44% of all firms.

The OBBB enhances Opportunity Zones incentives and makes the policy permanent. In Colorado, there are 126 Opportunity Zones. CEA finds that Opportunity Zones created an estimated 17 thousand jobs following the passage of the TCJA through 2021 and led to the construction of about 4000 housing units in Colorado through the third quarter of 2024.

