
\$3,300 to \$6,000 Increase in Wages 134,000 Jobs Protected

WAGES, TAKE-HOME PAY, AND DISPOSABLE INCOME

CEA finds that the OBBB will raise wages in Indiana by an inflation-adjusted range of about \$3300 to \$6000 over the next four years.

A typical family with two children in Indiana can expect to see higher take-home pay of about \$6900 to \$9700 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 1.2 million seniors in Indiana could benefit from the no taxes on social security provision of the OBBB.

Around 25% of all employees in Indiana regularly work overtime and could benefit from the no tax on overtime provision of the OBBB. An even larger 67% of workers in Indiana 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 134 thousand full-time equivalent jobs in Indiana 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 Indiana, about 6% of firms, 5% of establishments, and 18% of employment is in the manufacturing sector.

The OBBB extends the 199A passthrough deduction for small businesses. There are about 90 thousand firms in Indiana 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 Indiana, there are 156 Opportunity Zones. CEA finds that Opportunity Zones created an estimated 21 thousand jobs following the passage of the TCJA through 2021 and led to the construction of about 5600 housing units in Indiana though the third quarter of 2024.

