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*\$3,500 to \$6,300 Increase in Wages      19,000 Jobs Protected*

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## WAGES, TAKE-HOME PAY, AND DISPOSABLE INCOME

CEA finds that the OBBB will raise wages in South Dakota by an inflation-adjusted range of about \$3500 to \$6300 over the next four years.

A typical family with two children in South Dakota can expect to see higher take-home pay of about \$7100 to \$10000 with OBBB compared to if it was not passed.

Around 5% of the labor force is employed in occupations that would likely benefit from the no taxes on tips provision of the OBBB.

Around 200 thousand seniors in South Dakota could benefit from the no taxes on social security provision of the OBBB.

Around 28% of all employees in South Dakota regularly work overtime and could benefit from the no tax on overtime provision of the OBBB. An even larger 68% of workers in South Dakota 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 19 thousand full-time equivalent jobs in South Dakota 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 South Dakota, about 4% of firms, 4% of establishments, and 12% of employment is in the manufacturing sector.

The OBBB extends the 199A passthrough deduction for small businesses. There are about 19 thousand firms in South Dakota 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 South Dakota, there are 25 Opportunity Zones. CEA finds that Opportunity Zones created an estimated 3 thousand jobs following the passage of the TCJA through 2021 and led to the construction of about 600 housing units in South Dakota through the third quarter of 2024.

