

THE EFFECTS OF THE OBAMA TAX PLAN

Virginia

President Obama's tax plan would allow portions of the 2001 and 2003 tax cuts to expire, resulting in steep tax hikes beginning in January 2011 for small businesses and those earning \$250,000 or more. The tax hikes would significantly affect the economy in Virginia, most notably in the number of jobs and change in personal income.

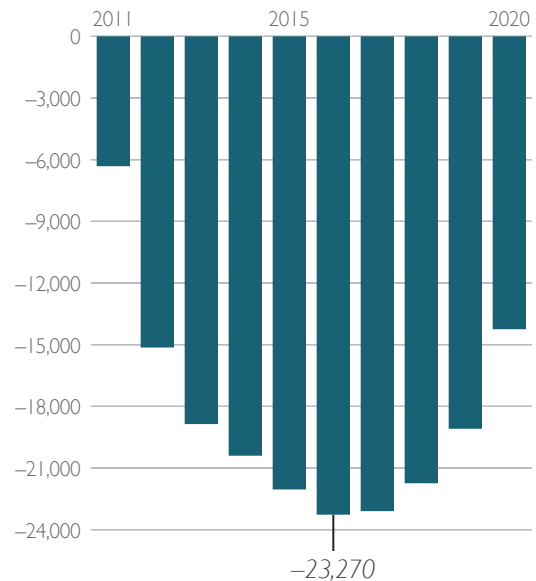
Among the results, from 2011 to 2020, the state of Virginia would:

- Lose, on average, 18,422 jobs annually.
- Lose, per household, \$8,210 in total disposable personal income.
- See total individual income taxes increase by \$14.6 billion.

Source: Heritage Foundation calculations based on the IHS Global Insight U.S. macroeconomic model, and data from the U.S. Census Bureau and U.S. Department of Labor; Bureau of Labor Statistics.

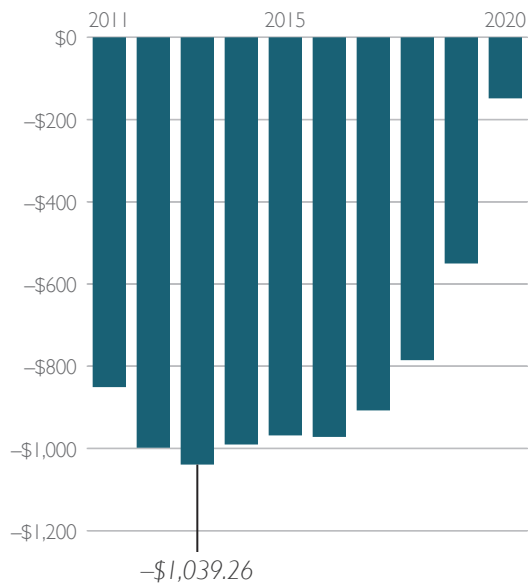
TOTAL EMPLOYMENT

Annual Change in Jobs



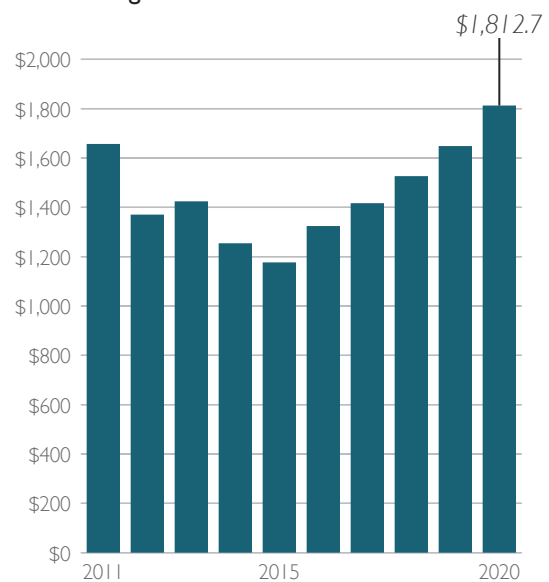
REAL DISPOSABLE INCOME

Annual Change per Household



TOTAL INDIVIDUAL INCOME TAXES

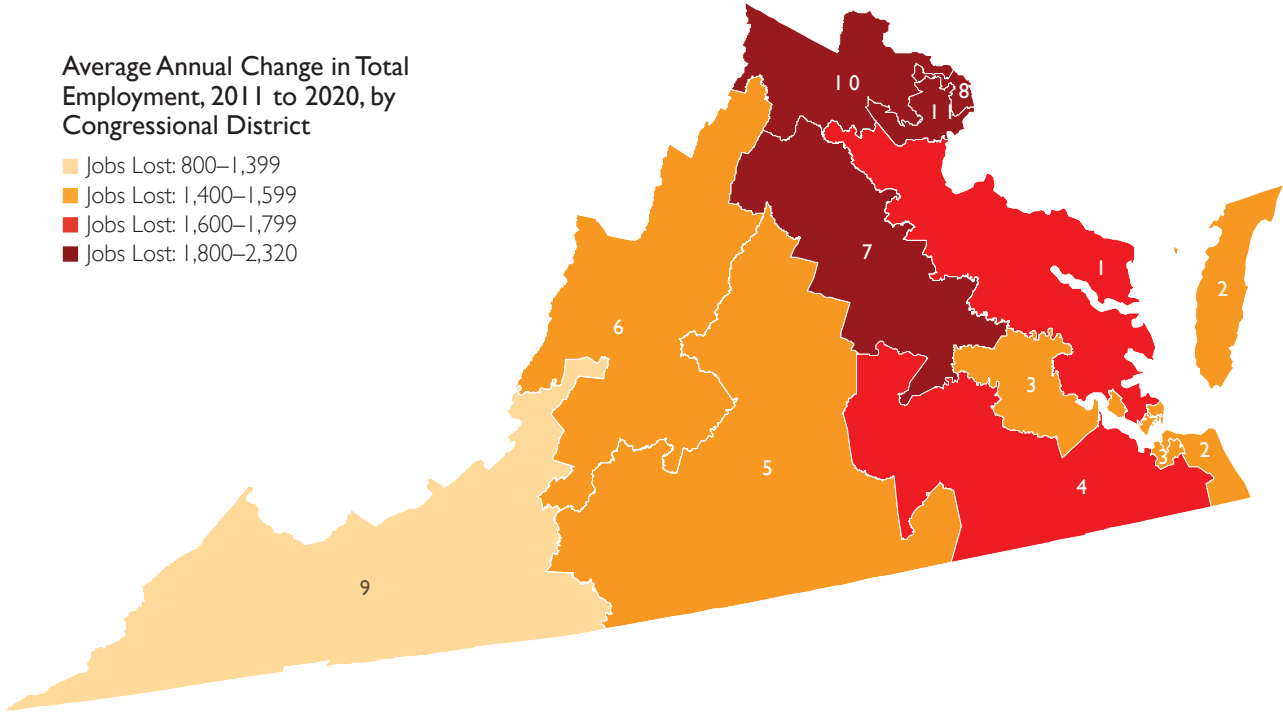
Annual Change in Millions of Dollars



Change in Employment in Virginia

Average Annual Change in Total Employment, 2011 to 2020, by Congressional District

- Jobs Lost: 800–1,399
- Jobs Lost: 1,400–1,599
- Jobs Lost: 1,600–1,799
- Jobs Lost: 1,800–2,320



State: 18,422 jobs lost annually on average

Source: Heritage Foundation calculations based on the IHS Global Insight U.S. macroeconomic model, and data from the U.S. Census Bureau and U.S. Department of Labor; Bureau of Labor Statistics.