

# The 20% Small Business Tax Deduction and Its Big Impact on Virginia



Nine out of ten small businesses face a massive tax hike if the 20% Small Business Deduction is allowed to expire at the end of 2025.

## Making the deduction permanent will benefit Virginia:<sup>1</sup>

**\$1.9 Billion**

Increase in Virginia's state GDP  
each year for the first 10 years

**33,000**

Jobs created in Virginia  
each year for the first 10 years

**\$3.94 Billion**

Increase in Virginia's state GDP  
each year after 2035

**64,000**

Jobs created in Virginia  
each year after 2035

## And the U.S. economy:<sup>1</sup>

**\$75 Billion**

Increase in U.S. GDP  
each year for the first 10 years

**1.2 Million**

Jobs created in the U.S.  
each year for the first 10 years

**\$150 Billion**

Increase in U.S. GDP  
each year after 2035

**2.4 Million**

Jobs created in the U.S.  
each year after 2035

[SmallBusinessDeduction.com](https://SmallBusinessDeduction.com)

LEARN MORE

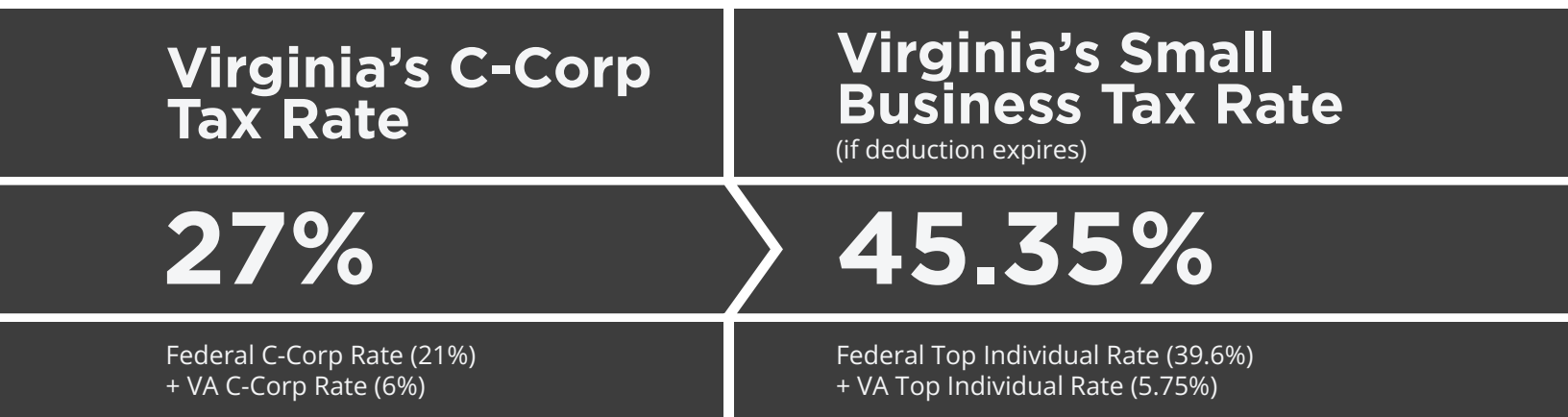


<sup>1</sup> Brandon Pizzola, EY, Macroeconomic Impacts of Permanently Extending the Section 199A Deduction on Small Businesses, September 2024, [NFIB.com/EYReport2024](https://NFIB.com/EYReport2024)

# Leveling the Tax Rate Playing Field in **Virginia**

The Small Business Tax Deduction allows small businesses to deduct up to 20% of their business income, providing relief for Virginia's small business owners.

**Without action from Congress, this deduction expires in 2025 while the tax deduction for larger corporations remains.**



## Small Business Economic Impact: Virginia<sup>2</sup>

Small businesses are the foundation of Virginia's economy, powering our state's economy and strengthening its communities.



<sup>2</sup> U.S. Small Business Administration Office of Advocacy, 2024 Small Business Profiles for the States, November 2024, <https://advocacy.sba.gov/2024/11/19/2024-small-business-profiles-for-the-states-territories-and-nation/>