



Tax Cuts and Jobs Act of 2017: What's in It For You?

On December 22, 2017, the President signed the Tax Cuts and Jobs Act of 2017, the most sweeping change to the tax code in 31 years. What effect might the new law have on the amount you pay?

The Act focuses most of its effort on corporate taxes, with a new flat rate of just 21% and various provisions designed to make American businesses more competitive globally. The law also makes several moves in the direction of true "tax reform," which involves eliminating deductions in exchange for lowering rates. (The fraction of taxpayers who itemize may drop from about 1/3 to 1/10.) However, the new law gets us nowhere near the dream of filing taxes on a postcard.

Are you curious what might happen to your taxes under the new proposal? Contact us to schedule your free 10 minute basic Tax Analysis. If you already know you want us to do a FULL TAX PLAN, then we suggest you reserve your appointment slot by calling Cassandra and give her the \$250 retainer to start. We are already scheduling the full tax plans beginning on April 23rd!! The fee will be based on each individual plan because every circumstance will be different. We'll tell you where your opportunities lie, and work with you to take maximum advantage of any new rules!

Individual Taxes

- Cut brackets, cap at 37% top rate
- Boost standard deductions to \$12,000/\$18,000/\$24,000
- Eliminate personal exemptions
- Increase Child Tax Credit to \$2,000
- Limit state/local tax deduction to \$10,000
- Limit mortgage interest deduction to \$750,000 of loan value
- Increase AMT threshold

Gift/Estate Taxes

- Boost Unified Credit to \$10.98 million

Corporate/Business Taxes

- New flat rate of 21% for corporations
- New 20% deduction for "Qualified Business Income" (pass-through income from proprietorships, partnerships, and S corporations)
- Limit deduction for net business interest paid by taxable corporations
- Allow immediate expensing for non-real estate capital assets
- Eliminate domestic production activity deduction
- Impose repatriation tax to bring back profits of foreign subsidiaries
- Move to "territorial system" (taxing companies on U.S. earnings only) to level the playing field for American companies

