

Home Mortgage Interest Deduction No change from current law, keeps in place deduction for homes up to \$1M. No HELDC. Medical Expenses Enhanced, with a lower threshold in 2018 and 2019 of 7.5% of AGI floor instead of the current 10% Preserved, higher AGI threshold in 2018 Eliminated Eliminated Eliminated Eliminated Eliminated Tax prep fees, unreimbursed employee Expenses Casualty losses Curtailed, but not entirely eliminated Eliminated Above-the-Line Deductions Student Loan Interest Educator Expenses Doubled to \$500 Eliminated Eliminated Eliminated Eliminated Eliminated Eliminated Alimony Deductions Preserved Eliminated Eliminated Eliminated Eliminated Freserved Eliminated Eliminated Eliminated Eliminated Eliminated Eliminated Eliminated Eliminated Eliminated Freserved Eliminated Eliminate	Individual Tax Provisions				
Rate Single Married, filing jointly 10% Up to \$4,575 Up to \$19,050 \$77.4K \$19,050 \$77.4K \$22,50% \$88.7K \$60K \$77.4K \$19,050 \$77.4K \$25,00K \$20.0K \$20.0K \$20.0K \$20.0K \$20.0K \$20.0K \$20.0K \$30.0K \$10.0K \$10					
10%	It would maintain seven tax brackets, but lower the rates for most brackets.				
12% S0.525-338.7K \$19.056-\$77.4K	Rate	Single	Married, filing jointly		
22.50% \$80K-\$170K \$120K-\$290K \$120K-\$290K \$20K-\$290K \$250K-\$290K \$35 K-\$20K-\$20K \$250K-\$290K \$35 K-\$20K-\$290K \$35 K-\$20K-\$20K \$35 K-\$20K \$35 K-\$20K \$35 K-\$20K \$35 K-\$20K \$35 K-\$20K \$25 K-\$20K \$	10%	Up to \$9,525	Up to \$19,050		
25% \$60K-\$170K \$120K-\$290K 32.50% \$170K-\$200K \$290K-\$390K 35% \$200K-\$500K \$590K-\$390K 38.50% More than \$500K More than \$1M Tax Rates — House Bill Would consolidate the current seven tax brackets to four. Rate Single Married, filing jointly 12% Up to \$45K Up to \$90K 25% \$44K-\$200K \$590K-\$290K 35% \$200K-\$500K \$590K-\$290K 35% \$200K-\$500K \$500K-\$290K 35% \$200K-\$500K \$500K-\$290K 35% \$200K-\$500K \$660K-\$1M More than \$1M Individuals Senate Bill House Bill Personal Exemptions Repealed Repealed Repealed ### Repealed ### Repealed ### Brand of Household - \$18.000 ### Individuals ### Brand of	12%	\$9,525-\$38.7K	\$19,050-\$77.4K		
\$25.00% \$170K-\$200K \$200K-\$500K \$300K-\$1M \$30K \$30K \$30K \$30K \$30K \$30K \$30K \$30K	22.50%	\$38.7K-\$60K	\$77.4K-\$120K		
S200K S200K S300K S300	25%	\$60K-\$170K	\$120K-\$290K		
Tax Rates – House Bill Would consolidate the current seven tax brackets to four. Rate Single Married, filing jointly 12½ Up to \$44K Up to \$30K 25% \$45K-\$200K \$30K-\$260K 35% \$20K-\$260K \$30K-\$260K 35% \$200K-\$500K \$26K-\$11M More than \$500K More than \$1M Individuals Senate Bill House Bill Personal Exemptions Repealed Repealed Standard Deduction Increased – almost double from existing law existing law existing law setting law existing law setting law existing law setting law existing law setting law (15%) and 16% of Household - \$18,000 Married Filing Joint - \$24,400 **Head of Household - \$18,000 Married Filing Joint - \$24,400 **Hemized Deductions** State and local taxes Up to \$10,000 deduction for property tax No Helloc. **Hemized Deduction for property tax No Helloc. **Home Mortgage Interest Deduction for property tax No Helloc. **Hemized Deducti	32.50%	\$170K-\$200K	\$290K-\$390K		
Tax Rates - House Bill Would consolidate the current seven tax brackets to four. Rate Single Married, filing jointly 12% Up to \$45K Up to \$90K \$90K \$250K \$30K \$30K \$30K \$30K \$30K \$30K \$30K \$3	35%	\$200K-\$500K	\$390K-\$1M		
Novide consolidate the current servent tax brackets to four.	38.50%	More than \$500K	More than \$1M		
Rate Single Married, filing jointly 12% Up to \$45K Up to \$90K 25% \$46K-\$200K \$90K-\$260K 35% \$20K-\$500K \$260K-\$1M 30.60% More than \$500K More than \$1M Individuals Senate Bill House Bill Personal Exemptions Repealed Repealed Repealed Standard Deduction Increased - almost double from existing law Increased - almost doubled from existing law Increased Increase		Tax Rates - House Bill			
12% Up to \$45K Up to \$90K 25% \$45K-\$200K \$50K-\$260K 35% \$20K-\$500K \$20K-\$260K 39.60% More than \$500K More than \$1M 39.60% More than \$500K More than \$1M Individuals Sente Bill House Bill Personal Exemptions Repealed Rep	Woul				
25% \$45K-\$200K \$90K-\$260K \$20K-\$260K \$35% \$200K-\$500K \$260K-\$1M \$30.60% More than \$500K More than \$500K More than \$1M \$1M \$10 \$10.00% More than \$500K More than \$1M \$10 \$10.00% More than \$10 \$10.00% More than \$10 \$10.00% More than \$10 \$10 \$10.00% More than					
S200K-\$10M S200K-\$10M S200K-\$10M More than \$500K More than \$1M					
More than \$500K More than \$11M					
Natividuals Repealed Repeal					
Repealed Repealed Repealed Repealed Repealed	39.60%	More than \$500K	More than \$1M		
Increased - almost double from existing law Increased - almost doubled from existing law Single - \$12,000 Head of Household - \$18,000 Head of Household - \$18,300 Married Filing Joint - \$24,000 Married Filing Joint - \$24,400 Married Filing Joint - \$	Individuals	Senate Bill	House Bill		
existing law existing law Single - \$12,200 Head of Household - \$18,000 Single - \$12,200 Head of Household - \$18,000 Married Filing Joint - \$24,400 **Temized Deductions** State and local taxes Up to \$10,000 deduction for property tax Up to \$10,000 deduction for property tax Home Mortgage Interest Deduction No change from current law, keeps in place deduction for homes up to \$1M. No HELOC. Medical Expenses Enhanced, with a lower threshold in 2018 and 2019 of 7.5% of AGI floor instead of the current 10%. Charitable contributions Preserved, higher AGI threshold in 2018 Freserved, higher AGI threshold in 2018 Eliminated Eliminated Eliminated Eliminated **Tax prep fees, unreimbursed employee expenses Curtailed, but not entirely eliminated Eliminated **Above-the-Line Deductions** Student Loan Interest Preserved Eliminated **Above-the-Line Deductions Eliminated **Eliminated Eliminated **Eliminated Eliminated **Eliminated **Eliminated Eliminated **Eliminated **Eliminated Eliminated **Eliminated **Eli	Personal Exemptions	Repealed	Repealed		
Head of Household - \$18,000 Married Filing Joint - \$24,000 Married Filing Joint - \$24,400 Head of Household - \$18,300 Married Filing Joint - \$24,400 Married Filing Joint - \$24,400 Head of Household - \$18,300 Married Filing Joint - \$24,400 Married Fili	Standard Deduction				
Married Filing Joint - \$24,400		Single - \$12,000	Single - \$12,200		
Itemized Deductions		Head of Household - \$18,000	Head of Household - \$18,300		
State and local taxes		Married Filing Joint - \$24,000	Married Filing Joint - \$24,400		
State and local taxes		Itemized Deductions			
Home Mortgage Interest Deduction No change from current law, keeps in place deduction for homes up to \$1M. No HELOC.	State and local taxes		Up to \$10,000 deduction for property tax		
and 2019 of 7.5% of AGI floor instead of the current 10% Charitable contributions Preserved, higher AGI threshold in 2018 Preserved, higher AGI threshold in 2018 Eliminated Eliminated Eliminated Casualty losses Curtailed, but not entirely eliminated Eliminated Above-the-Line Deductions Student Loan Interest Preserved Eliminated Eliminated Eliminated Alimony Deductions Preserved Eliminated Eliminated Eliminated Alimony Deductions Preserved Repeals individual mandate Not addressed Tax Credits Adoption Credit Preserved Child Tax Credit Preserved Preserved Child Tax Credit Preserved Preserved Sale of principal residence Home must be used as your principal residence 5 out of the last 8 years to utilize the \$500K exclusion. Capital gains and qualified dividend rates Preserved and aligned with new brackets. However, stock and mutual flunds sale cost basis would be determined under FIFO, not on an average basis. Business loss limitation Losses over \$500,000 could not offset No similar provision	Home Mortgage Interest Deduction	No change from current law, keeps in place deduction for homes up to \$1M.	Reduced threshold to \$500,000.		
Charitable contributions	Medical Expenses	and 2019 of 7.5% of AGI floor instead of	Eliminated		
Tax prep fees, unreimbursed employee expenses Casualty losses Curtailed, but not entirely eliminated Eliminated Above-the-Line Deductions Student Loan Interest Preserved Eliminated Eliminated Eliminated Moving Expenses Doubled to \$500 Eliminated Eliminated Alimony Deductions Preserved Eliminated Eliminated Alimony Deductions Preserved Repeals individual mandate Not addressed Tax Credits Adoption Credit Preserved Credit amount \$2,000; Phase out limit at \$1 million AGI for married filing joint Topendent Care Credit Preserved Home must be used as your principal residence Home must be used as your principal residence 5 out of the last 8 years to utilize the \$500K exclusion. Capital gains and qualified dividend rates Preserved and aligned with new brackets. However, stock and mutual funds sale cost basis would be determined under FIFO, not on an average basis. Business loss limitation Losses over \$500,000 could not offset No similar provision	Charitable contributions		Preserved, higher AGI threshold in 2018		
Casualty losses Curtailed, but not entirely eliminated Eliminated					
Student Loan Interest Preserved Eliminated					
Student Loan Interest Preserved Eliminated	Casualty losses	Curtailed, but not entirely eliminated	Eliminated		
Educator Expenses Doubled to \$500 Eliminated		Above-the-Line Deductions			
Alimony Deductions	Student Loan Interest	Preserved	Eliminated		
Alimony Deductions Preserved Repeals individual mandate Not addressed Tax Credits Adoption Credit Preserved Credit amount \$2,000; Phase out limit at \$1 million AGI for married filing joint Dependent Care Credit Preserved Home must be used as your principal residence Home must be used as your principal residence 5 out of the last 8 years to utilize the \$500K exclusion. Capital gains and qualified dividend rates Preserved and aligned with new brackets. However, stock and mutual funds sale cost basis would be determined under FIFO, not on an average basis. Business loss limitation Eliminated for divorce agreements entered into after 2017 Ereserved Home must be used as your principal residence 5 out of the last 8 years. Incording the served and aligned with new brackets. However, stock and mutual funds sale cost basis would be determined under FIFO, not on an average basis. Business loss limitation Eliminate for into after 2017	Educator Expenses	Doubled to \$500	Eliminated		
Child Tax Credit Preserved Preserved Preserved Credit amount \$2,000; Phase out limit at \$1 million AGI for married filing joint Preserved	Moving Expenses	Eliminated	Eliminated		
Tax Credits Adoption Credit Preserved Preserved Child Tax Credit Credit amount \$2,000; Phase out limit at \$1 million AGI for married filing joint at \$230,000 AGI for married filing joint Dependent Care Credit Preserved Preserved Sale of principal residence Home must be used as your principal residence 5 out of the last 8 years to utilize the \$500K exclusion. Capital gains and qualified dividend rates Preserved and aligned with new brackets. However, stock and mutual funds sale cost basis would be determined under FIFO, not on an average basis. Business loss limitation Losses over \$500,000 could not offset No similar provision	Alimony Deductions	Preserved			
Tax Credits Adoption Credit Preserved Preserved Child Tax Credit Credit amount \$2,000; Phase out limit at \$1 million AGI for married filing joint Preserved Dependent Care Credit Preserved Preserved Sale of principal residence Home must be used as your principal residence 5 out of the last 8 years to utilize the \$500K exclusion. Capital gains and qualified dividend rates Preserved and aligned with new brackets. However, stock and mutual funds sale cost basis would be determined under FIFO, not on an average basis. Business loss limitation Losses over \$500,000 could not offset No similar provision		Obamacare			
Adoption Credit Child Tax Credit Credit amount \$2,000; Phase out limit at \$1 million AGI for married filing joint Dependent Care Credit Preserved Preserved Preserved Preserved Home must be used as your principal residence outilize the \$500K exclusion. Capital gains and qualified dividend rates Preserved and aligned with new brackets. However, stock and mutual funds sale cost basis would be determined under FIFO, not on an average basis. Preserved Preserved Home must be used as your principal residence 5 out of the last 8 years to utilize the \$500K exclusion. Preserved and aligned with new brackets. However, stock and mutual funds sale cost basis would be determined under FIFO, not on an average basis. Business loss limitation Losses over \$500,000 could not offset No similar provision	Repeals individual mandate Not addressed				
Child Tax Credit Credit amount \$2,000; Phase out limit at \$1 million AGI for married filing joint Credit amount \$1,600; Phase out limit at \$230,000 AGI for married filing joint Dependent Care Credit Preserved Preserved Sale of principal residence Home must be used as your principal residence 5 out of the last 8 years to utilize the \$500K exclusion. Home must be used as your principal residence 5 out of the last 8 years. Incording apply to this exclusion. Capital gains and qualified dividend rates Preserved and aligned with new brackets. However, stock and mutual funds sale cost basis would be determined under FIFO, not on an average basis. Preserved and aligned with new brackets. No similar provision	Tax Credits				
at \$1 million AGI for married filing joint Dependent Care Credit Preserved Preserved Home must be used as your principal residence 5 out of the last 8 years to utilize the \$500K exclusion. Preserved and aligned with new brackets. However, stock and mutual funds sale cost basis would be determined under FIFO, not on an average basis. Preserved at \$230,000 AGI for married filing joint Preserved Home must be used as your principal residence 5 out of the last 8 years. Incordance apply to this exclusion. Preserved and aligned with new brackets. However, stock and mutual funds sale cost basis would be determined under FIFO, not on an average basis. Business loss limitation Losses over \$500,000 could not offset No similar provision	Adoption Credit	Preserved	Preserved		
Sale of principal residence Home must be used as your principal residence 5 out of the last 8 years to utilize the \$500K exclusion. Home must be used as your principal residence 5 out of the last 8 years. Incordance caps apply to this exclusion. Preserved and aligned with new brackets. However, stock and mutual funds sale cost basis would be determined under FIFO, not on an average basis. Business loss limitation Home must be used as your principal residence 5 out of the last 8 years. Incordance caps apply to this exclusion. Preserved and aligned with new brackets. However, stock and mutual funds sale cost basis would be determined under FIFO, not on an average basis. No similar provision	Child Tax Credit				
residence 5 out of the last 8 years to utilize the \$500K exclusion. Capital gains and qualified dividend rates Preserved and aligned with new brackets. However, stock and mutual funds sale cost basis would be determined under FIFO, not on an average basis. Preserved and aligned with new brackets. Preserved and aligned with new brackets. However, stock and mutual funds sale cost basis would be determined under FIFO, not on an average basis. Rusiness loss limitation Losses over \$500,000 could not offset No similar provision	Dependent Care Credit	Preserved	Preserved		
However, stock and mutual funds sale cost basis would be determined under FIFO, not on an average basis. Business loss limitation Losses over \$500,000 could not offset No similar provision	Sale of principal residence	residence 5 out of the last 8 years to	residence 5 out of the last 8 years. Income		
	Capital gains and qualified dividend rates	However, stock and mutual funds sale cost basis would be determined under FIFO, not	Preserved and aligned with new brackets		
compensation of portions modifie	Business loss limitation	Losses over \$500,000 could not offset compensation or portfolio income	No similar provision		
million; MFJ - \$22 Million) with no repeal. Gift tax annual exclusion of \$15,000. Stepped-up basis upon death million; MFJ - \$22 Million) with ultimate estate and GST tax repeal in 2024. Gift to remains at 35% rate with \$15,000 annual	Estate and Gift Tax	million; MFJ - \$22 Million) with no repeal. Gift tax annual exclusion of \$15,000.	Lifetime exemption doubled (Single - \$11 million; MFJ - \$22 Million) with ultimate estate and GST tax repeal in 2024. Gift tax remains at 35% rate with \$15,000 annual exclusion. Stepped-up basis upon death		
AMT Preserved, but increases the exemption amount Repealed	AMT	-	Repealed		
Retirement accounts No major changes No major changes	Retirement accounts	No major changes	No major changes		

Business Tax Provisions				
Businesses	Senate Bill	House Bill		
Corporate Tax Rate	20% Starting in 2019	20% starting in 2018		
Pass Through Business Income Tax Rates	Deduction equal to 23% allowed against taxable income, resulting in top rate on business income of about 30%. Deduction not available for professional services, except for smaller businesses. W-2 limitation in place to forestall gaming the deduction. Trusts cannot take this deduction.	Passive investors - 25% rate. Active participants - 30% of income deemed to be from capital of business and taxed at 25%. Remainder taxed at individual rates. Provisions do not apply to professional services.		
Self-employment tax	No changes	No changes		
Section 179 expense	Limited to \$1 million, phase-out beginning at \$2.5 million	Limited to \$5 million, phase-out beginning at \$20 million		
Real property Depreciation	Shortens depreciation to 25 years	Retains current depreciation schedules		
Immediate expensing of assets with life < 20 years	For the next five years, phase out after that over another 5 years	For the next five years		
Deduction for Net interest expense	Limited to 30% of "adjusted taxable income" - earnings before interest and taxes (EBIT); indefinite carryover.	Limited to 30% of EBITDA; 5-year carryover; applies to businesses with gross revenue exceeding \$25 million		
Net Operating Losses	No carryback; carryforward indefinitely limited to 80% of taxable income	No carryback; carryforward indefinitely limited to 90% of taxable income		
Entertainment Deductions/Some Employee Fringe Benefits	Eliminated	Eliminated		
New accounting method revenue thresholds: cash, percentage-of- completion, UNICAP	\$15 million revenue threshold	\$25 million revenue threshold		
Nonqualified Deferred Compensation	Changes, however, private company employees may still be able to defer income from stock grants	Changes, however, private company employees may still be able to defer income from stock grants; RSU would be immediately taxable		
Like-kind exchanges for non-real estate assets	Eliminated	Eliminated		
Domestic production activity deduction - Section 199	Repealed in 2019	Repealed in 2018		
Cash, contract and inventory accounting methods	New threshold of \$15M in revenue would apply	New threshold of \$25M in revenue would apply		
Deferred income	Advance payment Income deferred by accrual basis taxpayers under Revenue Procedure 2004-34 would have to match book treatment	No changes		
Tax Credits				
R&D Credit	Preserved, but R&D expenditures would need to be capitalized and amortized over 5 years	Preserved		
Orphan Drug	Modified, but retained	Repealed		
Rehabilitation credit	Modified, but retained	Repealed		
Corporate AMT	Preserved	Repealed		
Carried Interests	Capital gain treatment for investments held at least three years	Capital gain treatment for investments held at least three years		

International Tax Provisions				
	Senate Bill	House Bill		
Territorial System	Eliminates the current "worldwide" system; change to territorial	Eliminates the current "worldwide "system; change to territorial		
	Adopts anti-abuse rules and base erosion rules - minimum tax of the excess of 10% of modified taxable income over an amount equal to regular tax liability	Adopts base erosion rules - inclusion of 50% of excess returns by CFCs in U.S. shareholders' income.		
		Excise tax on payments made to foreign firms unless claimed as effectively connected income		
Repatriation	Deemed repatriation on foreign earnings - 14.5% liquid assets; 7.5% illiquid assets	Deemed repatriation on foreign earnings - 14% liquid assets; 7% illiquid assets		