



TAX REFORM - INDIVIDUAL

	OLD LAW	NEW LAW (to expire after 2025)
Tax Rates/Brackets		
Individual tax rates	10%, 15%, 25%, 28%, 33%, 35%, 39.6%	10%, 12%, 22%, 24%, 32%, 35%, 37%
Pass-through taxation	Top rate 39.6% (taxed at individual marginal rate)	20% deduction allowed for domestic qualified business income
Individual alternative minimum tax	Exemption \$86,200 (MFJ); phase-out threshold \$164,100 (MFJ)	Exemption \$109,400 (MFJ); phase-out threshold \$1M (MFJ)
Deductions/Exemptions		
Personal exemption	\$4,150 each for taxpayer, spouse and all dependents	Eliminates
Standard deduction	\$13,000 (MFJ)	\$24,000 (MFJ)
Excess business losses	All business losses allowed	Overall net losses limited to \$500K (MFJ); excess carried forward as NOL
Mortgage interest deduction	Limits to first \$1M of loan	Limits to first \$750k of loan; repeals interest deduction for home equity indebtedness
Property tax deduction	Allowed as paid	Allows \$10K total deduction
State/local/sales tax deductions	Allowed as paid	
Medical expense deduction	10% AGI limitation imposed by The Affordable Care Act	7.5% AGI limitation for 2017 & 2018
Cash charitable contributions	50% AGI limitation	60% AGI limitation
College athletic ticket deductions	80% deductible	Eliminates
Personal casualty and theft losses	Deductible with limits	Eliminates, except in presidentially declared disaster area
Alimony	Deductible by payor, taxable to payee*	Not deductible by payor, not taxable to payee for agreements executed after 2018
Overall limit on itemized deductions	Reduced by 3% if AGI exceeds threshold	Eliminates
Child tax credit	\$1k per child; \$110k (MFJ) AGI phaseout	\$2,000 per child, first \$1,400 refundable; \$400k (MFJ) AGI phase-out
Affordable Care Act individual mandate	Penalty for no insurance	Eliminates
Estate, Gift & Generation Skipping Transfer (GST)		
Lifetime exclusion	\$5.6M (or \$11.2M if you're able to utilize DSUE)	\$10M (or \$20M if you're able to utilize DSUE) and adjusted for inflation since 2011.

*unless designated otherwise by the divorce decree

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Rate	Married Filing Joint	Single	Rate	Married Filing Joint	Single
10%	\$0 - \$19,050	\$0 - \$9,525	10%	\$0 - \$19,050	\$0 - \$9,525
15%	\$19,051 - \$77,400	\$9,526 - \$38,700	12%	\$19,051 - \$77,400	\$9,526 - \$38,700
25%	\$77,401 - \$156,150	\$38,701 - \$93,700	22%	\$77,401 - \$165,000	\$38,701 - \$82,500
28%	\$156,151 - 237,950	\$93,701 - \$195,450	24%	\$165,001 - \$315,000	\$82,501 - \$157,500
33%	\$237,951 - \$424,950	\$195,451 - \$424,950	32%	\$315,001 - \$400,000	\$157,501 - \$200,000
35%	\$424,951 - \$480,050	\$424,951 - \$426,700	35%	\$400,001 - \$600,000	\$200,001 - \$500,000
39.6%	Over \$480,050	Over \$426,700	37%	Over \$600,000	Over \$500,000