

## Comparison of Tax Cuts and Jobs Act vs Prior Law

	<u>Prior Law (2017)</u>	<u>New Law (2018)</u>
* Child Tax Credit	\$1,000 (refundable up to \$1,000)	\$2,000 (refundable up to \$1,400)**
	** Phase out raised to AGI of \$400K for MFJ and \$200K for Single & HH	
* Individual Rates	10, 15, 25, 28, 33, 35, 39.6%	10, 12, 22, 24, 32, 35, 37%
* Standard Deduction	MFJ: \$12,700 S: \$ 6,350 HH: \$ 9,350	MFJ: \$24,000 S: \$12,000 HH: \$18,000
* Corporate Tax Rate	35% maximum rate	21% flat rate
* Pass-through Income (S-corp, LLC)	Same as individual rates	20% deduction***
	***Specified service businesses (health, law, accounting, consulting, financial services, performing arts, athletics, brokerage services, investing, etc) lose the 20% deduction when taxable income exceeds \$415K for MFJ or \$207,500 for single & HH taxpayers	
* Alternative Minimum Tax	26-28% effective rate	Increased exemption so fewer taxpayers impacted
* Personal Exemptions	\$4,050	Repealed = \$0
* State & Local Taxes	Deductible	Maximum \$10,000 deduction
* Mortgage Interest	Deductible up to \$1,000,000 in mortgage debt	Deductible up to \$750,000 in mortgage debt
* Miscellaneous Itemized Deductions	Allowable in excess of 2% of AGI	Repealed = \$0