

## BUSINESS CHANGES

- New corporate tax rate a flat 21%
- Meals and entertainment are no longer deductible
- Staff and travel meals are 50% deductible
- No Net Operating Loss carryback
- Method of Accounting - you can use cash method for average sales of 25 million or less
- 100% of fixed asset purchases are deductible except for real estate and certain building improvements

NEW: 20% deduction for certain pass-thru entities  
(S Corps, Partnerships, Sole Proprietors)

## INDIVIDUAL CHANGES

The following items have been eliminated:

- Personal exemptions
- Deductibility of home equity loan interest
- Moving deduction
- Alimony payment deduction
- Miscellaneous itemized deductions - tax preparer fees, brokerage advisory fees, unreimbursed employee expenses
- Casualty Losses - unless it is a named storm

Items that have been Limited:

State and taxes - limited to \$10,000

Mortgage interest is limited to \$750,000 for new acquisition debt

Standard deduction increased to \$24,000/\$12,000 for Married/Single

# Individual Tax Brackets

Individual tax rates for the top bracket decreased from a maximum of 39.6% to 37%

Rate	Joint Return	Individual Return
10%	\$0-\$19,050	\$0-\$9,525
12%	\$19,050-\$77,400	\$9,525-\$38,700
22%	\$77,400-\$165,000	\$38,700-\$82,500
24%	\$165,000-\$315,000	\$82,500-\$157,500
32%	\$315,000-\$400,000	\$157,500-\$200,000
35%	\$400,000-\$600,000	\$200,000-\$500,000
37%	Over \$600,000	Over \$500,000

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