

Provision	Current Law	New Law (Enacted)
Estate & Gift Tax Exemption	Lifetime exemption amount set at \$13.99 million in 2025; exemption amount reduced in 2026	Exemption amount increased to \$15 million per taxpayer in 2026 and indexed for inflation thereafter; makes higher exemption permanent.
State & Local Tax (SALT) Cap	SALT itemized deductions limited to \$10,000 (\$5,000 MFS) through 2025	SALT itemized deductions limited to \$40,000 for 2025, subject to income phaseout but not reduced below \$10,000
Standard Deduction	The increased standard deduction amounts under TCJA expire after 2025.	The increased standard deduction amounts under TCJA expire after 2025.
Personal Exemptions & Senior Deduction	Personal exemptions are suspended under TCJA through 2025.	Permanently eliminates the deduction for personal exemptions and creates a temporary senior deduction, subject to phaseout, for years 2025 through 2028.
Child Tax Credit	Maximum child tax credit is \$2,000 per qualifying child subject to phaseouts, with up to \$1,700 per child refundable.	Maximum child tax credit is \$2,200 per qualifying child indexed for inflation and subject to phaseouts, with up to \$1,700 per child refundable.
Charitable Deductions	Charitable deductions available only for taxpayers who itemize.	For taxpayers who itemize, the deduction is allowed only for contributions that exceed 0.5% of the taxpayer's contribution base. In 2026, non-itemizers can deduction of up to \$1,000 (or \$2,000 for joint filers) for certain charitable contributions.
Auto Loan Interest Deduction	No current deduction for auto loan interest expense.	Above-the-line deduction for up to \$10,000 in interest subject to phaseout and other restrictions (temporary).
No Tax on Tips or Overtime Pay	Tips and overtime pay are subject to income tax.	Deduction for years 2025 through 2028 per taxpayer (for tips \$25,000 and for overtime pay \$12,500) is subject to phase out.
Individual Income Tax Rates	Tax Cuts and Jobs Act (TCJA) rates (lowered rates) expire after 2025; rates revert to pre-TCJA levels. Seven tax brackets: 10%, 12%, 22%, 24%, 32%, 35% and 37%. Bracket thresholds are adjusted annually for inflation.	Makes TCJA rates permanent. All brackets continue to be indexed for inflation after 2025. Also adds an additional year of inflation adjustment to the end of the 10% and 12% brackets (where the 22% bracket begins).
Alternative Minimum Tax (AMT) Exemption	Higher exemption and phase-out thresholds (TCJA) expire after 2025.	Makes higher exemption and phase-out thresholds permanent. The Senate bill includes modifications to the phaseout amount of the extended individual alternative minimum tax. The bill preserves TCJA's AMT exemption amounts but increases the phase-out rate to 50% (vs. 25% under current law), steepening the claw-back for upper-income filers.
"Trump Accounts"	N/A — did not exist.	Includes a pilot program where the federal government pays a onetime \$1,000 credit to an account of each qualifying child born after 2024 and before 2029 subject to further refinements.
529 Plan Qualified Expenses	Limited to higher education and \$10,000 K-12 tuition.	Expands to include more K-12 and homeschool expenses, and postsecondary credentialing expenses. In particular, CPA credentialing would also be allowed (including exam expenses).

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Sec. 199A – QBI Deduction	20% deduction for pass-through income, expiring after 2025; phaseout for SSTBs; limits based on income, wages, SSTBs.	20% deduction made permanent. Higher phase-out thresholds (\$150k MFJ, \$75k single); new \$400 minimum deduction for QBI ≥ \$1k.
PTET SALT Deduction	Individual SALT deduction capped at \$10,000; PTET allowed in some states.	Individual SALT cap raised to \$40,000. No SALT limitation for pass-through entities.
R&E Expensing	Domestic: 5-year amortization; Foreign: 15 years.	Full expensing for domestic R&E from 2025; foreign remains at 15 years. Option for retroactive application to 2022 allowing small businesses to Amend prior returns. It also allows taxpayers to accelerate any remaining Sec 174 deductions.
Bonus Depreciation	80% in 2023, phasing down; sunsets after 2026.	100% bonus depreciation permanently extended for property placed in service after Jan. 19, 2025.
Sec. 179 Expensing	Expense up to \$1.16M, phase-out at \$2.89M (inflation-indexed).	Limit increased to \$2.5M; phase-out at \$4M.
Sec. 1202 QSBS Exclusion	100%/75%/50% gain exclusion based on acquisition date; \$50M corp. asset limit.	Tiered exclusion: 50% (3 yrs), 75% (4 yrs), 100% (5+ yrs). Asset limit raised to \$75M.
Sec. 163(j) Interest Limitation	Based on EBIT (through 2021), then EBITDA.	Returns to EBITDA calculation with no expiration.
FDII & GILTI Deductions	37.5% (FDII), 50% (GILTI).	Reduced to 33.34% (FDII), 40% (GILTI); renamed to FDDEI and NCTI.
Corporate Charitable Deduction	10% of taxable income.	1% floor: Only contributions above 1% of taxable income deductible, up to 10%.
Sec. 461(l), Excess Business Loss (EBL) Limitation	Limits pass-through business losses through 2028. Disallowed losses become NOLs and can be used in subsequent years, subject only to NOL rules.	Makes the Sec. 461(l) EBL limitation permanent, and retains the existing treatment of EBL carryforwards.
Form 1099 Information Reporting	The general Form 1099 reporting threshold remains at \$600 and applies to payments made in the course of a trade or business.	Increase the information reporting threshold for certain payments to persons engaged in a trade or business and payments of remuneration for services to \$2,000 in a calendar year (from \$600)