

Issue	Prior Law	New Law
Corporate Tax Rate	Four brackets (10%, 25%, 34% 35%). 34% rate starts at income of \$75,000.	21% permanent starting in 2018
Individual Tax Rate	Seven brackets (10, 15, 25, 28, 33, 35, 39.6)	Seven brackets (10, 12, 22, 24, 32, 35, 37) with higher thresholds for most brackets. Expires after 2025.
Pass through Tax Rate	Individual marginal rates	20% deduction on Qualified business income. Eligible income for partnership or S Corp owner limited to 50% of wages or 25% of wages plus 2.5% of business assets. Specified service business income is not eligible for the deduction. Taxpayers with taxable income less than \$157,500 (\$315,000 filing joint) would be exempt from wage limitation and would be eligible to treat service income as qualified business income. Expires after 2025.
Bonus Depreciation	50% bonus depreciation on qualified property purchased new	100% bonus depreciation for qualified property purchased new or used and placed in service from 09/27/2017-12/31/2022
Section 179 Deduction	Up to \$500,000 of eligible property can be expensed annually.	Up to \$1M of eligible property can be expensed annually.
Like Kind Exchange	Real or personal property	Only real property not held primarily for sale
Meals and Entertainment Expense Deduction	50% deductible if directly related to trade or business	Entertainment deduction eliminated, meals deduction retained.
Standard Deduction	\$6,350 individual, \$12,700 joint filers	\$12,000 individual, \$24,000 joint filers. Expanded deduction expires after 2025.
Property Tax Deduction	Permitted as itemized deduction	Limited to \$10,000 aggregate for property taxes and state and local income/ sales tax. Change applies from 2018 to 2025.

State and Local Tax Deduction for Non Business Income	Permitted as itemized deduction	Limited to \$10,000 aggregate for property taxes and state and local income/ sales tax. Change applies from 2018 to 2025.
Mortgage Interest Deduction	Permitted up to \$1.1M in debt on two personal residences as itemized deduction	Permitted on \$750,000 of home acquisition indebtedness. Deduction of interest on home equity indebtedness disallowed. Expires after 2025.
Principal Residence Gain Exemption	Gain excluded on sale up to 250,000 for individuals (\$500,000 for joint filers). Taxpayer must use the home for two of five years. Available only once every two years.	No change to prior law.
Personal Exemptions	\$4,000 per filer and dependent	Eliminated. Expires after 2025.
Alternative Minimum Tax Regime	Affects over 4.5M American personal and corporate filers	Corporate AMT eliminated. Higher thresholds for personal AMT.