

Tax Cuts and Jobs Act Synopsis Comparison for Individuals

Pre-Act Law

Tax Cuts and Jobs Act

Tax Brackets -2017

	Single	MFJ	HOH
10%	0-9,325	0-18,650	0-13,350
15%	9,325-37,950	18,650-75,900	13,350-50,800
25%	37,950-91,900	75,900-153,100	50,800-131,200
28%	91,900-191,650	153,100-233,350	131,200-212,500
33%	191,650-416,700	233,350-416,700	212,500-416,700
35%	416,700-418,400	416,700-470,700	416,700-444,550
39.6%	418,400 and up	470,700 and up	444,550 and up

Tax Brackets -2018

	Single	MFJ	HOH
10%	0-9,525	0-19,950	0-13,600
12%	9,525-38,700	19,950-77,400	13,600-51,800
22%	38,700-82,500	77,400-165,000	51,800-82,500
24%	82,500-157,500	165,000-315,000	82,500-157,500
32%	157,500-200,000	315,000-400,000	157,500-200,000
35%	200,000-500,000	400,000-600,000	200,000-500,000
37%	500,000 and up	600,000 and up	500,000 and up

Standard Deduction

	Single	MFJ	HOH
	6,350	12,700	9,350

	Single	MFJ	HOH
	12,000	24,000	18,000

Personal Exemptions \$4,150 per person claimed on tax return

Personal Exemptions Suspended

Kiddie Tax Unearned Income taxed at parents' rates

Earned Income taxed at ordinary single rates
Unearned income taxed at trust rates

Capital Gains Taxes Rates for LT Cap Gains and Dividends: 0%, 15%, 20%

No Change

Child Tax Credit Credit up to \$1,000 per child
Phaseout of \$50 each \$1,000 over:

Single	MFJ	MFS
75,000	110,000	55,000

Refundable up to 15% of Earned Income over \$3,000, up to \$1,100

Credit up to \$2,000 per child
Phaseout of \$50 each \$1,000 over:

Single	MFJ	MFS
200,000	400,000	200,000

Refundable up to 15% of Earned Income over \$2,500, up to \$1,400
Additional \$500 nonrefundable credit for non-child qualifying dependents

State and Local Tax All state, local, sales, real property and personal property tax deductible

All state, local, sales, real property and personal property tax capped at \$10,000

Mortgage Interest Deductible on debt up to \$1,000,000 plus home equity indebtedness of \$100,000

Deductible on new or additional debt up to \$750,000
New limit does not apply to indebtedness incurred to refinance current debt, so long as the refinance does not exceed current debt.

Medical Expenses Must exceed 10% on AGI

Must exceed 7.5% of AGI, beginning 1/1/2017

Charitable Contributions Limited to 50% AGI
Need contemporaneous written acknowledgment
College athletic ticket rights 80% deductible

Limited to 60% AGI
Contemporaneous written acknowledgment requirement repealed
College athletic ticket rights no longer deductible

Alimony Income to receiver, deduction to payer

No longer included on tax return for receiver or payer for new alimony.
Pre-existing agreements before 1/1/19 still includable

Misc. Deductions Certain miscellaneous deductions were subject to a 2% floor of AGI

All Misc. deductions suspended through 2025
Common expenses no longer deductible:
Tax Prep Fee / Safe Deposit Box / Brokerage Fees

ACA Individual Mandate Penalty for no health insurance

Individual mandate repealed after 12/31/18

529 Plans Used for Higher Education

Used for Higher Education
Used for tuition at private grade schools, up to \$10,000 per year

Moving Expenses Relocation costs related to jobs partially deductible

Suspended until 2025

Pease Limitation Limits Itemized Deductions if AGI above thresholds

Suspended until 2025

ESTATE AND GIFT TAX Lifetime Exclusion: \$5.6 million per person
Annual Exclusion: \$14,000

Lifetime Exclusion: \$11.2 million per person
Annual Exclusion: \$15,000