

# 2018 TAX REFORM HIGHLIGHTS

**2017**

**2018**

<b>Child Tax Credit</b>	\$1,000 (refundable up to \$1,000)	\$2,000 (refundable up to \$1,400)
<b>Individual Rates</b>	10%, 15%, 25%, 28%, 33%, 35%, 39.6%	10%, 12%, 22%, 24%, 32%, 35%, 37%
<b>Standard Deduction</b>	MFJ = \$12,700 Single = \$6,350 Head of Household = \$9,350	MFJ = \$24,000 Single = \$12,000 Head of Household = \$18,000 Do not need to file a tax return if income is under the standard deduction.
<b>Corporate Rate</b>	35% Max Rate	21% Flat Rate
<b>Pass-through Income</b>	Same as Individual Rates	20% Deduction
<b>Alternative Minimum Tax</b>	Individual = 26.28% Corporate = 20%	Individual Exemption Increased Corporate Repealed
<b>Personal Exemption</b>	\$4,050	Repealed
<b>State &amp; Local Taxes</b>	Deductible	Maximum \$10,000 Deductible
<b>Mortgage Interest (acquired after 2017)</b>	\$1 million limit on underlying mortgage	\$750,000 limit on underlying mortgage
<b>Obama Care Health Care Mandate</b>	Individual Shared Responsibility Penalty Tax	Individual Shared Responsibility Penalty Tax still in effect for 2018 – Repeal begins 12/31/2018
<b>Phase Out of Itemized Deductions</b>	Total amount of itemized deductions allowed is reduced by \$.03 for each dollar of AGI in excess of: MFJ - \$313,800 Single - \$261,500	<b>Overall limitation suspended.</b>
<b>Home Equity Interest Deduction</b>	Allowed and included in the calculation mortgage interest limit of \$1 million of underlying indebtedness.	<b>Suspended</b>
<b>Personal Casualty Loss</b>	Itemized deduction for uncompensated personal casualty losses, including those arising from fire, storm, shipwreck or theft.	The taxpayer may only claim a personal casualty and theft loss if the loss was attributable to a federally declared disaster.
<b>Charitable Contributions</b>	Charitable donation in return for the right to purchase college athletic tickets - 80% charitable deduction allowed.	<b>No deduction for amounts paid for college athletic seating rights.</b>
<b>Job Related Moving Expenses</b>	Deductible when meeting certain criteria.	<b>Suspended</b>