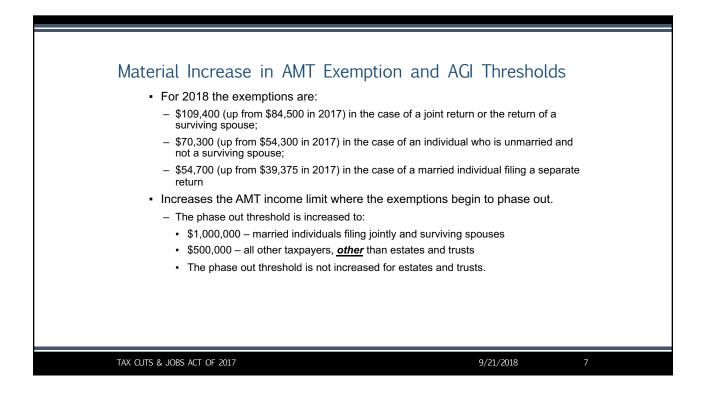
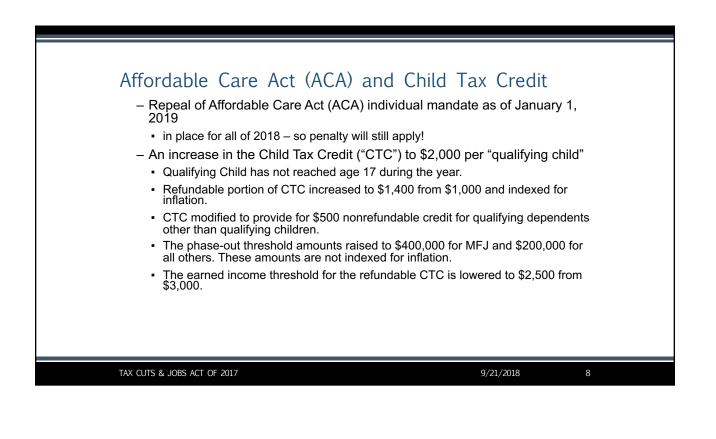
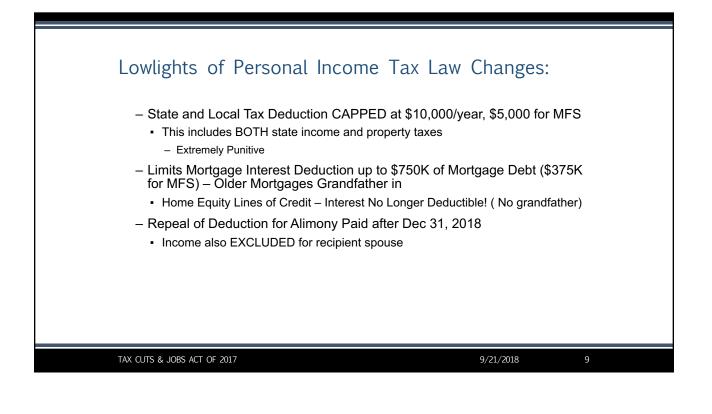


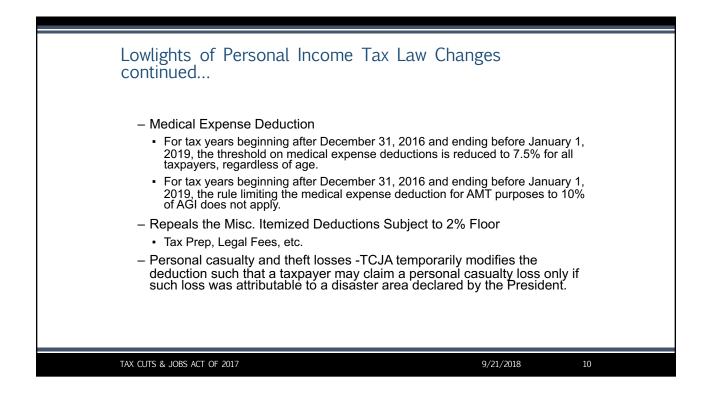
 Lowere 	d Highest	Tax Brac	ket from 3	9.6 % to	37%
Tax Rates	Single	Married Filing Jointly/ Surviving Spouse	Married filing Separately	Head of Household	Estate and Trusts
			ginning Point		
10%	\$9,525	\$19,050	\$9,525	\$13,600	\$2,550
12%	\$38,700	\$77,400	\$38,700	\$51,800	N/A
22%	\$82,500	\$165,000	\$82,500	\$82,500	N/A
24%	\$157,500	\$315,000	\$157,500	\$157,500	\$9,150
32%	\$200,000	\$400,000	\$200,000	\$200,000	N/A
35%	\$500,000	\$600,000	\$300,000	\$500,000	\$12,500
37%	\$500,000+	\$600,000+	\$300,000+	\$500,000+	\$12,500+

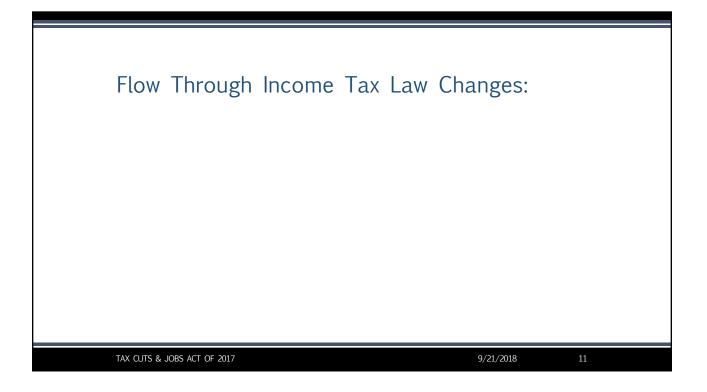
 Personal Exemptions for tax before January 1, 2026 <u>are i</u> 		after December 31, 20 ⁻	7 and
 Standard Deduction Increase 	es to: New	<u>Old</u>	
 MFJ 	\$24,000	\$12,700	
 Hoh 	\$18,000	\$9,350	
 Single 	\$12,000	\$6,350	
 Capital Gains and Qualified 	Dividend Rates	Basically Remains the S	ame
 Rules for Exclusion of Gain f 	from the Sale of	a Principal Residence U	nchanged
 Estates and trusts: 		•	-
 Estates - 	\$600		
 Complex trust - 	\$100		
 Simple trust - 	\$300		
 Qualified disability Trust 	\$4,150		

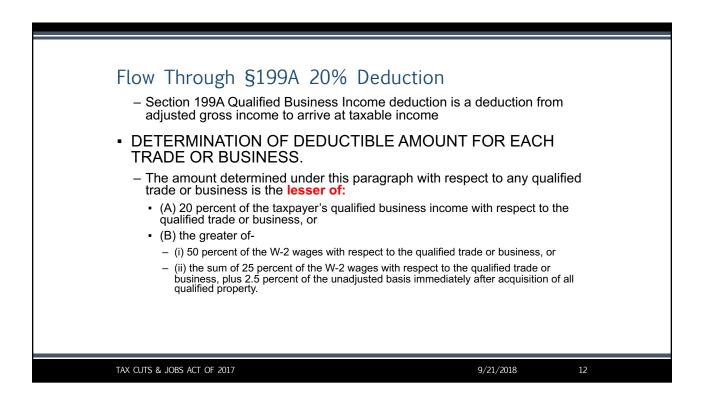


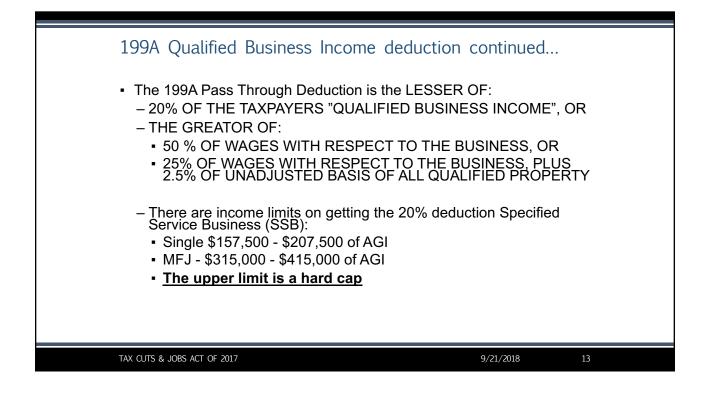


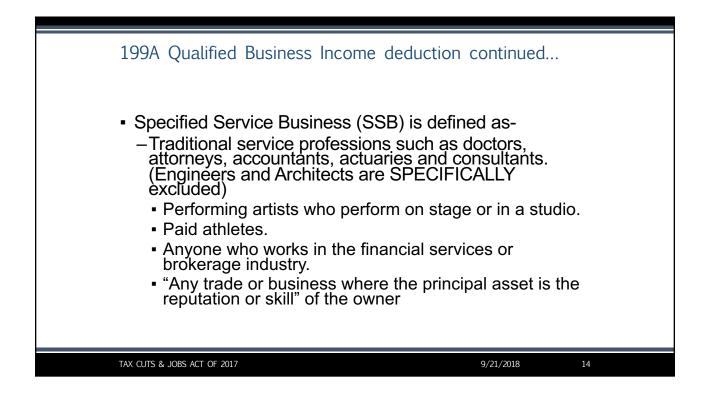


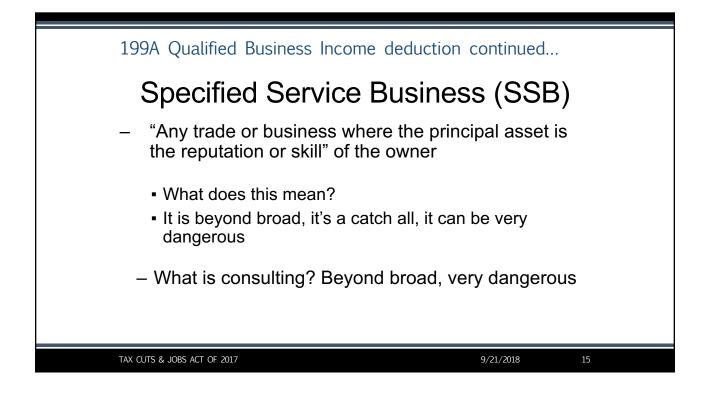


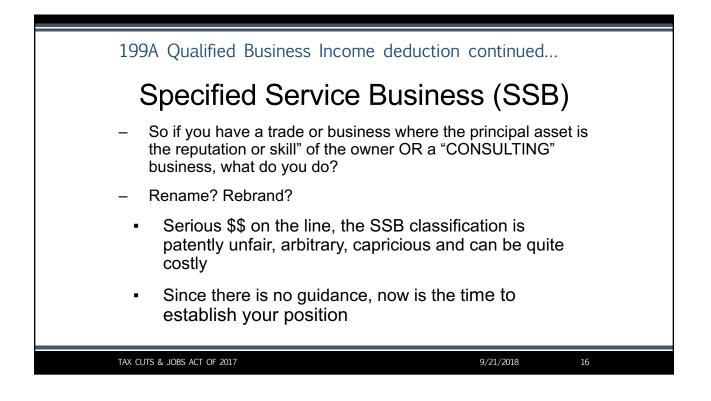


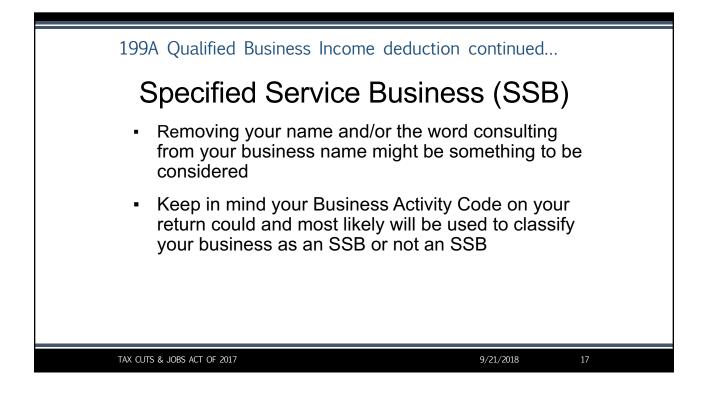


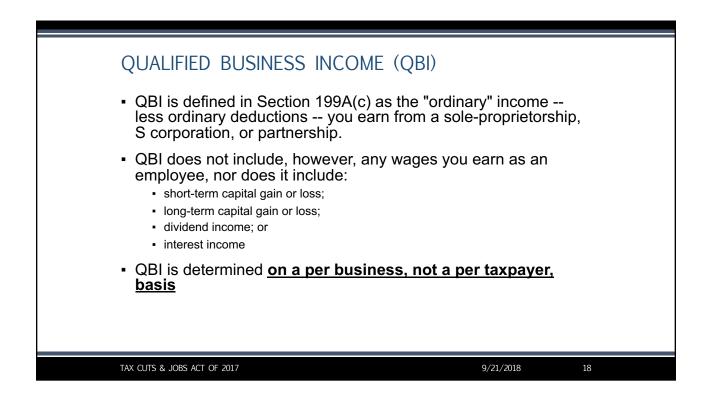


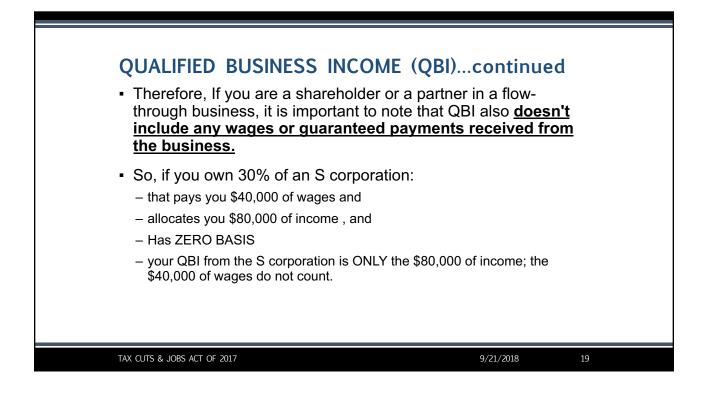


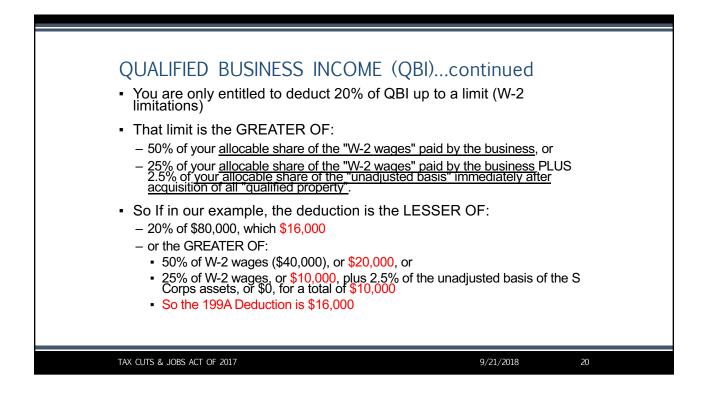


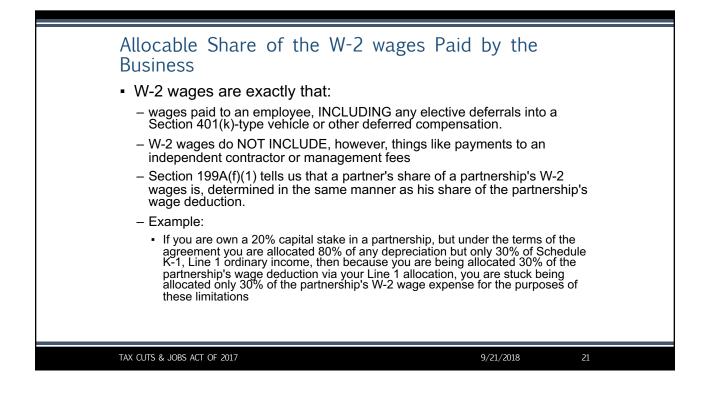


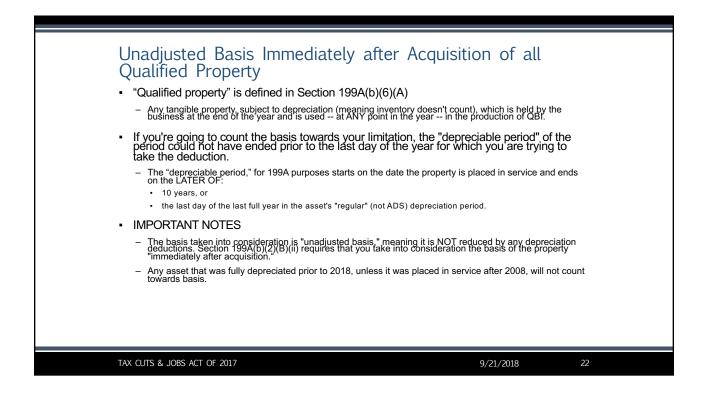


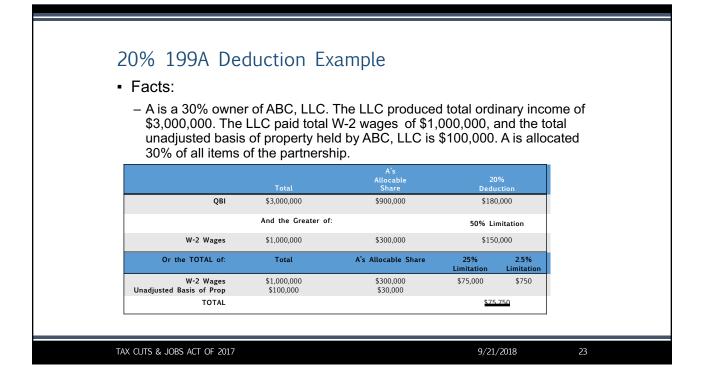


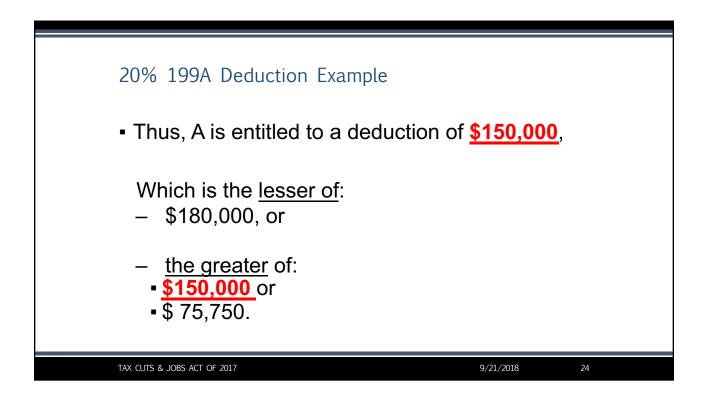


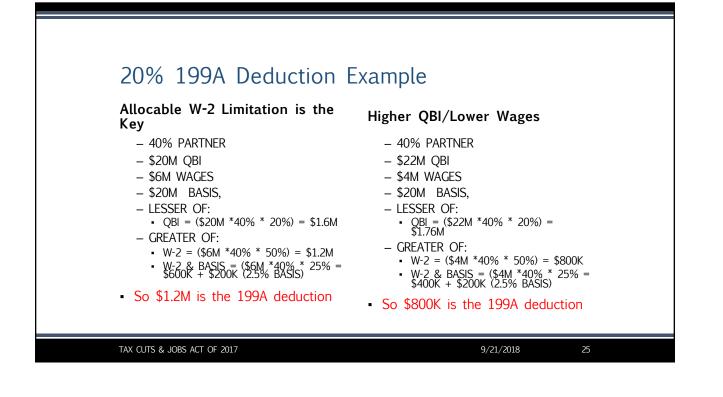




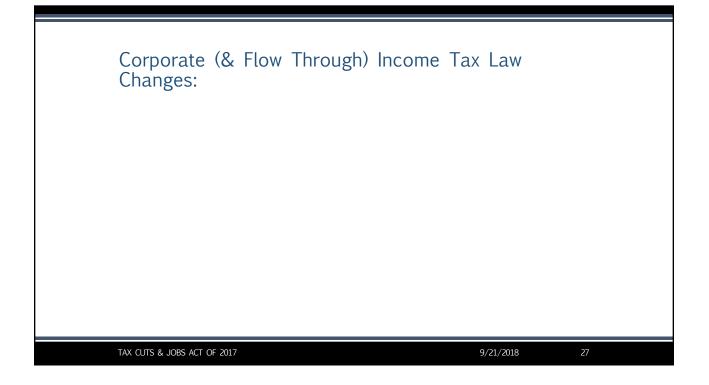


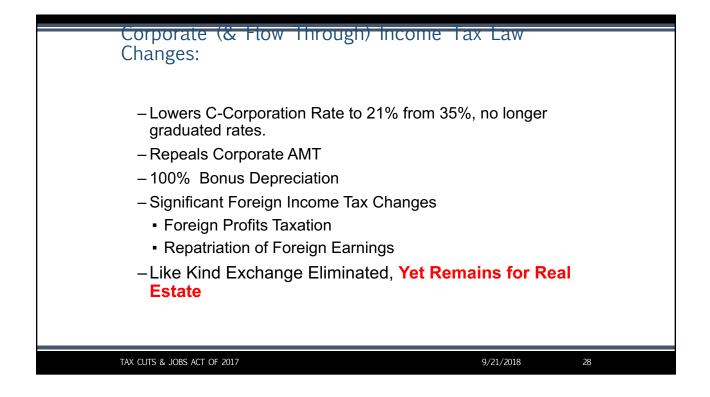


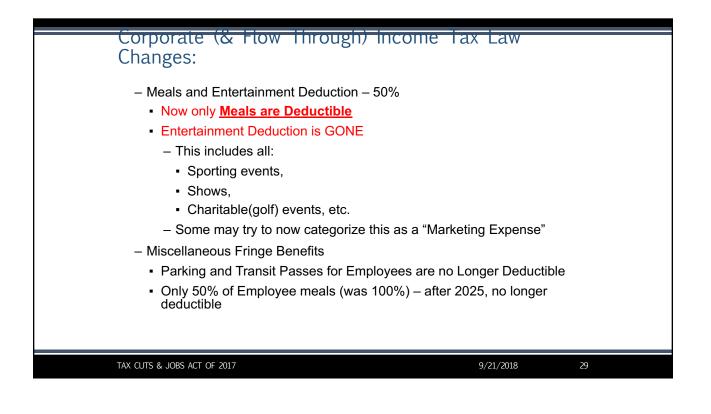


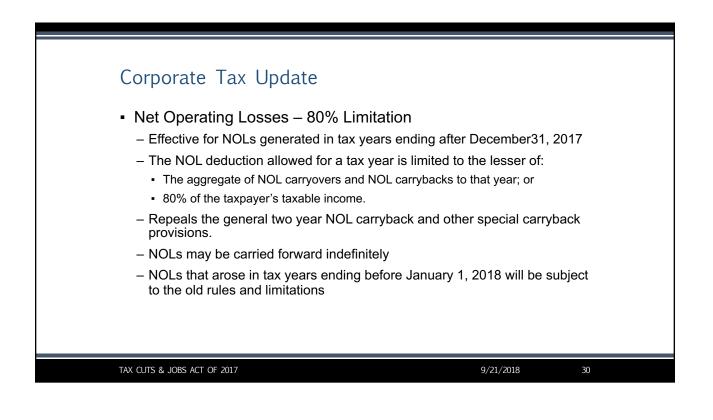


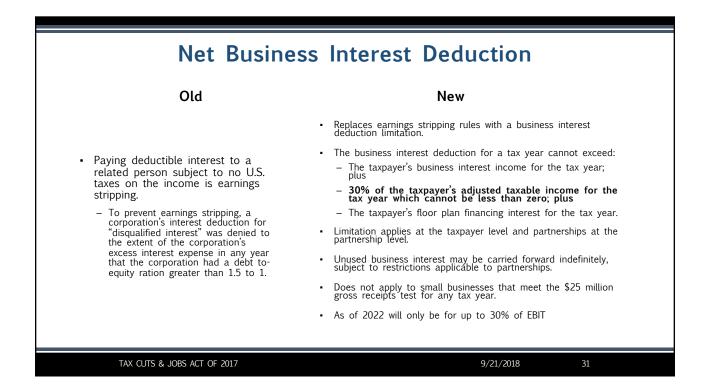
20% 199A Deduction E	xamples
Higher QBI/Lower Wages	Lower QBI/Higher Wages
 - 40% PARTNER - \$22M QBI - \$4M WAGES - \$20M BASIS, - LESSER OF: OBL = (\$22M *40% * 20%) = \$1.76M - GREATER OF: W-2 = (\$4M *40% * 50%) = \$800K W-2 & BASIS = (\$4M *40% * 25% = \$400K + \$200K (2.5% BASIS) 	 40% PARTNER \$16M QBI \$10M WAGES \$20M BASIS, LESSER OF: OBI = (\$16M *40% * 20%) = \$1.28M GREATER OF: W-2 = (\$10M *40% * 50%) = \$2M W-2 & BASIS = (\$10M *40% * 25% = \$1M + \$200K (2.5% BASIS)
 So \$800K is the 199A deduction 	 So \$1.28 M is the 199A deduction

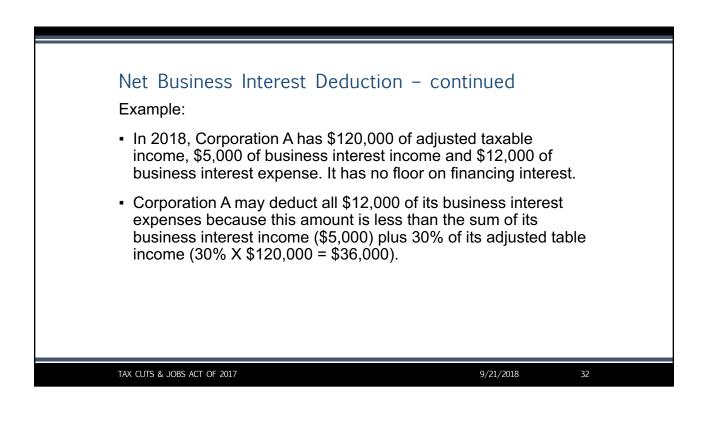


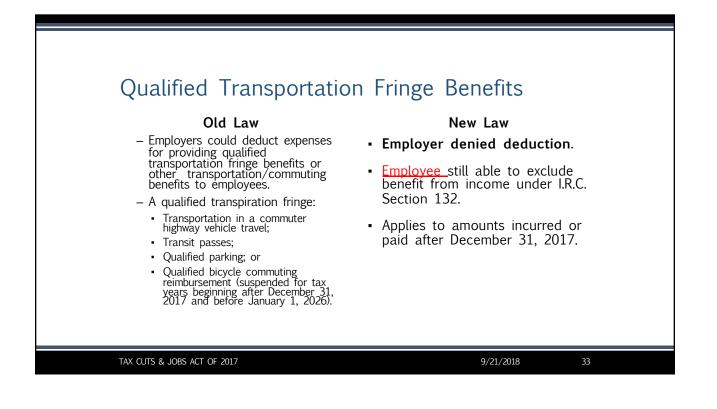


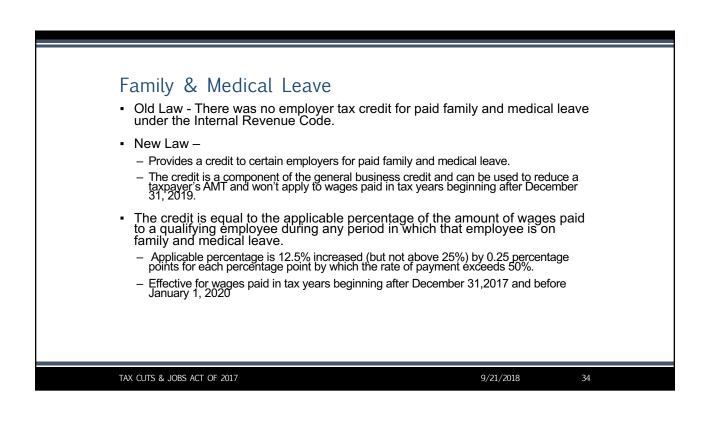


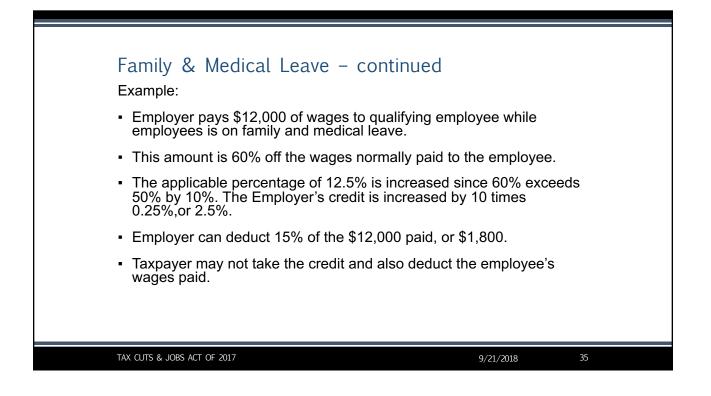


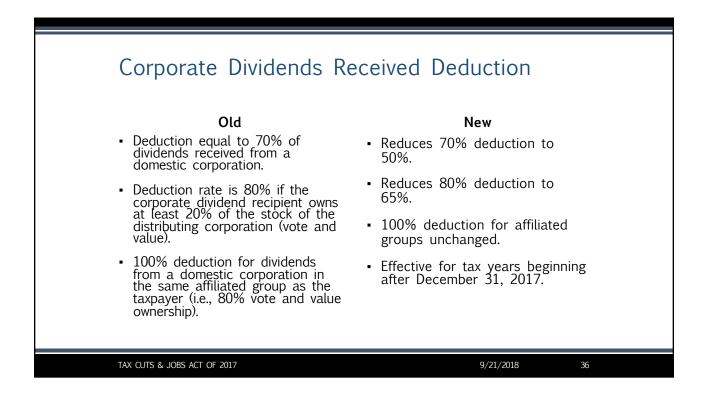






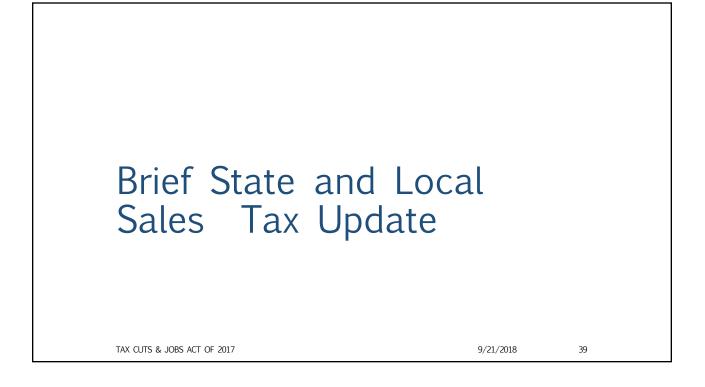


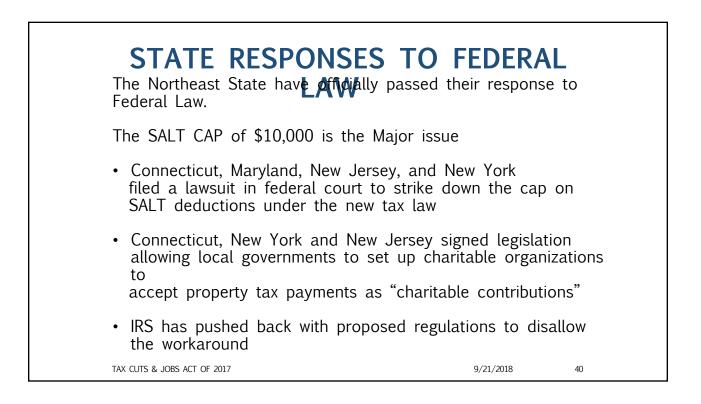


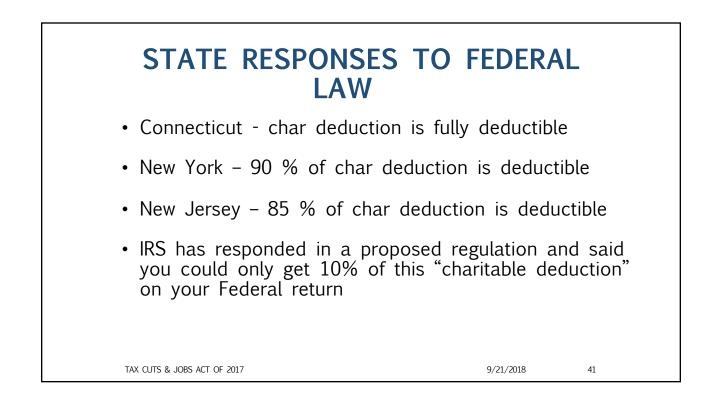


Provisions Increased Code 179 – Election to expense the – The \$25,0000 per-SUV	e cost of qualifying pro		eciation
	Old	New	
Maximum annual deduction	\$510,000	\$1,000,000	T
Claw-back threshold	\$2,070,000	\$2,500,000	

		Yr1	Yr2	Yr3	Yr4+	
	Old Law*	\$3,160	\$5,100	\$3,050	\$1,875	
	New Law	\$10,000	\$16,000	\$9,600	\$5,760	
\$8,0 – O	JUU ld law phase	down of \$1,	,600 per yea	ar beginning	j in 2018 is	repealed
– O – C						•







STATE	RESPONSES	ТО	FEDERAL
	LAW		

- New York also passed the Employer Compensation Expense Tax (ECET) as a 'work around' to deal with the limitation on the deductibility of state and local taxes - See TSB-M-18(1) ECEP
 - The ECET is an optional tax beginning Jan. 1, 2019, for employers paying annual wages in excess of \$40,000 for each employee who elect to participate.
 - If an employer elects to pay this tax, a credit will be available to the employee, reducing the employee's New York personal income tax, thereby mitigating the effect of the federal SALT limitation.

TAX CUTS & JOBS ACT OF 2017

9/21/2018

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