

Provision	Previous Policy (2025)	OBBBA (2026)	Further Guidance & IRC Code
<b>Individual marginal tax rates</b> Rates apply to taxable income within designated tax brackets.	Seven brackets: 10%, 12%, 22%, 24%, 32%, 35%, 37%	Seven brackets made permanent by OBBBA: 10%, 12%, 22%, 24%, 32%, 35%, 37%. Brackets under 24% receive additional inflation adjustments.	Bracket ranges indexed by chained CPI (base 2016 for lower brackets, base 2017 for others). <a href="#">IRC §1(j)</a> .
<b>Standard deduction</b> Standard deduction reduces taxable income to create a zero rate tax bracket. Not available for taxpayers who itemize.	Single: \$14,600; Married: \$29,200	Permanently set at expanded TCJA levels: Single \$15,700; Married \$31,400; HOH \$23,600 (indexed from 2024 base).	Additional senior deduction (\$6,000 per person, 2025–2028, phased out above \$75k/\$150k). <a href="#">IRC §63(c)</a> ; <a href="#">§151(d)(5)</a> .
<b>Personal exemptions</b> Exemptions reduce taxable income for each self, spouse, and child.	None. Exemption set at \$0.	Permanently eliminated by OBBBA. Senior deduction allowed 2025–2028.	Confirmed by Act <a href="#">§70103</a> . <a href="#">IRC §151</a> .
<b>Child tax credit</b> Tax credit reduces taxes owed. Some low-income taxpayers with little or no tax liability can receive a direct payment in the form of a refundable credit.	\$2,000 per child under 17; phase-out at \$400k MFJ.	\$2,200 per child under 17, permanent, indexed after 2025. Refundable portion (\$1,700 in 2025) indexed. SSNs required for taxpayer and child. Phase-out remains \$400k MFJ/\$200k others.	Omission of SSN treated as math error. Guidance needed for inflation indexing methodology post-2025. <a href="#">IRC §24(h)</a> .
<b>Credit for other dependents</b> Tax credit for dependents not eligible for the child credit.	\$500 credit per dependent.	\$500 per dependent made permanent, not indexed.	<a href="#">IRC §24(h)(4)</a> .
<b>State and local tax (SALT) deduction</b> Itemized deduction for income or sales and property SALT payments.	Deduction capped at \$10k.	Cap raised to \$40k (2025), \$40,400 (2026), indexed annually through 2029. Phase-out 30% above MAGI \$500k MFJ (\$250k MFS), not below \$10k. Reverts to \$10k in 2030.	IRS guidance pending on phase-out mechanics and indexation formula. <a href="#">IRC §164(b)(6)</a> .
<b>Mortgage interest deduction (MID)</b> Itemized deduction for interest paid on first and second homes.	Interest deductible on up to \$750k mortgage debt.	\$750k acquisition debt cap made permanent. Home equity only deductible if used to buy, build, or improve residence.	<a href="#">IRC §163(h)(3)</a> .
<b>Limits on certain other individual itemized deductions</b>	Miscellaneous deductions suspended; casualty losses limited; wagering losses limited to winnings.	Permanently eliminates miscellaneous itemized deductions. Casualty losses allowed only in federally declared disasters. Wagering expenses limited to extent of winnings.	Educator expenses deductible above-the-line ( <a href="#">§62(a)(2)(D)</a> ). <a href="#">IRC §662</a> , <a href="#">67</a> , <a href="#">165</a> , <a href="#">212</a> .
<b>Overall limitation on itemized deductions</b> Known as Pease limitation.	None.	Pease permanently repealed. New limit caps value of itemized deductions at 35¢ per \$1 for 37% bracket taxpayers.	QBI deduction excluded from limitation. Await IRS guidance on interaction with phase-outs. <a href="#">IRC §68</a> .
<b>Fringe benefits exclusions</b> Exclusion of employer-provided bicycle commuter and moving expense reimbursements from taxable income.	Bicycle & most moving reimbursements taxable; moving exclusion limited to Armed Forces.	Bicycle commuting exclusion repealed. Moving reimbursements excluded only for Armed Forces and intelligence community.	<a href="#">IRC §132(f)</a> , <a href="#">§132(g)</a> .
<b>Moving expense deduction</b> Above-the-line (not itemized) deduction for qualifying moving expenses.	Only for Armed Forces.	Deduction eliminated except for Armed Forces/intelligence community.	<a href="#">IRC §217</a> .
<b>ABLE accounts</b> Tax-favored savings accounts for qualifying disabled individuals.	Higher ABLE contributions for employed; Saver's Credit and 529 rollovers temporary.	Contribution limit = annual gift tax exclusion (\$18,000 in 2025). Extra "ABLE to Work" contributions, Saver's Credit, and 529 rollovers eliminated.	IRS guidance needed on transition. <a href="#">IRC §§529</a> , <a href="#">25B</a> , <a href="#">529A</a> .
<b>Health insurance premium tax credit</b> Refundable tax credit to cover cost of insurance premiums purchased on ACA marketplace based on income, family size.	Expanded subsidies: full coverage ≤150% FPL, no 400% cap.	Enhanced subsidies expire after 2025. Above 400% FPL no credit. Contribution % higher at all incomes.	IRS/HHS regs required for exact contribution schedule post-2025. <a href="#">IRC §36B</a> .
<b>Alternative minimum tax (AMT)</b> Parallel income tax system with different definition of taxable income. Tax rates of 26% and 28% after an AMT exemption.	Higher exemption, expires after 2025.	Exemption amounts permanently increased. Phase-out thresholds \$500k single / \$1m joint. Phase-out rate 50%. Indexed annually.	<a href="#">IRC §55(d)(4)</a> .
<b>Expensing</b> Businesses generally must deduct the cost of new investments over time (3 years–39 years), depending on the asset.	100% bonus through 2022, then phased down (60% in 2024).	100% bonus made permanent for qualified property acquired after Jan 19, 2025.	Guidance needed on acquisition date/anti-abuse rules. <a href="#">IRC §168(k)</a> .
<b>Pass-through deduction for business income</b> Personal business income is generally taxable at individual income tax rates.	20% of QBI; restrictions above thresholds.	23% QBI deduction made permanent. SSTB restrictions remain. Phase-in thresholds \$75k/\$150k. Minimum \$400 if \$1k QBI.	Treasury guidance pending on new phase-in mechanics. <a href="#">IRC §199A</a> .
<b>Employer credit for paid leave</b> Business tax credit for wages paid to employees on family and medical leave.	Credit up to 25% of wages, temporary.	Extended and enhanced; not repealed.	Await IRS regs for new eligibility and wage calculation. <a href="#">IRC §45S</a> .
<b>Limitation on losses for noncorporate taxpayers</b> Business losses can generally be deducted from taxable income.	Excess business loss limit (\$610k MFJ in 2025).	Excess business loss limitation made permanent. Disallowed losses carried forward as NOLs.	<a href="#">IRC §461(l)</a> .
<b>International taxes</b> TCJA included three new international taxes on certain foreign income (GILTI, FDII) and cross-border transactions (BEAT).	TCJA created GILTI, FDII, BEAT.	GILTI, FDII, BEAT repealed; replaced by territorial system. Transition rules for FTCs/Subpart F pending.	[UNCERTAIN] – Regulations will define foreign tax credit coordination. <a href="#">IRC §§59A</a> , <a href="#">250</a> , <a href="#">951A</a> (repealed).
<b>Opportunity Zones (OZ)</b> Capital gains from qualified OZs deferred and excluded from income.	No deferrals after 12/31/2026.	No new deferral elections after 2026. OZ incentives phased out.	<a href="#">IRC §1400Z</a> .
<b>Estate and gift tax</b> Inheritances and gifts are taxed at 40% after excluding a fixed amount from taxation.	Exclusion \$13.61m per person.	Exclusion raised to \$15m per person (indexed thereafter), permanent. No repeal.	<a href="#">IRC §§2001</a> , <a href="#">2010</a> .

**Sources:** Thomson Reuters Checkpoint Executive Summary of the Act of 2025 (July 14, 2025); U.S. House Ways & Means Committee Section-by-Section Summary (May 2025); IRS Notices and Revenue Rulings (2024–2025); Basics & Beyond Tax Newsletter (May–July 2025); Internal Revenue Code as amended by the One Big Beautiful Bill Act (OBBBA, P.L. 119-21).

**Disclaimer:** This handout is provided by Basics & Beyond, Inc. for educational purposes only. It is not intended as legal, accounting, or tax advice and should not be relied upon as such. Attendees should consult the Internal Revenue Code, Treasury Regulations, official IRS guidance, and/or their own professional advisors before applying any provisions discussed herein to specific situations. While Basics & Beyond strives for accuracy, we make no warranties as to the completeness or currentness of this information.