



# Understanding the New Tax Law

	OLD LAW	NEW LAW
Top Marginal Rate S Corp and SP Earnings	39.6%	20% Deduction
Top Corporate Tax Rate	35%	21%
Top Marginal Rate Salaries	39.6%	37.0%
State Income Taxes and Property Taxes	Fully Deductible	\$10,000 Limitation

(Alternative Minimum Tax considerations)

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	OLD LAW	NEW LAW
Standard Deduction	\$12,700	\$24,000
Personal Exemption	\$4,050	GONE
Home Mortgage	\$1 M	\$750,000
Home Equity Loans	\$100,000	GONE

These new limits are only for new loans

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OLD LAW

NEW LAW

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Most Tax Rates are reduced by 2%

Capital Gains Tax rates remain the same

Child Tax Credit increased and limits changed

Individual Alternative Minimum Tax remains but with higher thresholds

Estate Tax Exempt Amount per person

\$5.4M

\$11M