

Key tax reform changes that could effect you next year

We understand that tax reform may be a lot to take in. So we've gathered these topics to help you understand how the new law could affect you.

Tax rates & brackets



Most taxpayers will see lower rates
Highest rate drops from 39.6% to 37%
Bigger exemptions for Modified Alternative Minimum Tax (AMT)

State & local taxes



State and local tax deductions capped at \$10,000
No income tax prepayment for 2018 allowed

Home mortgages



Mortgage interest paid on new loans deductible up to \$750,000 (or existing loans up to \$1,000,000)
Interest from home equity loans is no longer deductible

Families



Doubles the Child Tax Credit to \$2,000
Adds a \$500 credit for other types of dependents

Healthcare



Eliminates the tax penalty for not having health insurance (starting in 2019)
Lowers the floor on out-of-pocket medical expenses to 7.5% for 2017 & 2018

Businesses & Self-Employed



New, 20% deduction for small businesses, including sole proprietorships and S corps
Increases the amount small businesses can expense to \$1,000,000
Corporate tax rate decreases from 35% to 21%

[Get the complete picture](#)