

# Anchin Alert

**Anchin, Block & Anchin LLP**  
**Accountants and Advisors**

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## Tax Bill Released

Late Friday night, a written version of the Republican tax proposal was finally released. The bill represents a substantial revision of our country's tax code. Here are a few highlights:

- Top individual rate of 37% versus 39.6% today
- 20% deduction from income of certain types of "pass through" income
- \$10,000 limit on real property tax or state and local income or sales tax
- Expansion of the Child Tax Credit to \$2,000 per child
- Medical expense deduction will be retained subject to a threshold
- Home mortgage interest will be deductible on \$750,000 for first or second home
- The proposal to use the FIFO method to identify basis of securities sold has been eliminated
- Obamacare's individual mandate penalty has been eliminated
- Doubling of the standard deduction with the elimination of personal exemptions
- The individual alternative minimum tax is retained with a higher exemption level
- Estate tax is retained but the lifetime exemption is doubled
- Corporate tax rate is 21%, effective in 2018
- The corporate alternative minimum tax has been repealed
- Worldwide system of international taxation has been replaced with a territorial one

The above only touches on a handful of the provisions that are contained in over 1,000 pages of the proposed new law. The bill still needs to be voted on by the House and Senate before it is passed on to the President for his approval. Count on this happening before the end of this week.

We plan on issuing a more detailed analysis of the changes shortly and are evaluating how these changes, if approved, will impact your tax planning. If you have any questions, please contact your Anchin relationship partner.



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