

2025 ONE BIG BEAUTIFUL BILL

KEY CHANGES AT A GLANCE



Tax Provision	New 2025 Rules	Previous Law
Bonus Depreciation	100% permanent bonus depreciation	40% bonus depreciation phase-out for 2025
R&D Expensing (Sec. 174)	Full immediate deduction for U.S. R&E; 15-year amortization for foreign	5-year amortization for U.S.; 15-year for foreign
Manufacturing Facilities	Full expensing for qualifying structures (Sec. 168(n))	Not previously available
Energy-Efficient Buildings (179D)	Ends for projects starting after June 30, 2026	Up to \$5.81/sq ft benefit
Efficient Home Credit (45L)	Ends for homes acquired after June 30, 2026	Up to \$5,000 per unit
SALT Deduction Cap	\$40,000 cap, phases out above \$500K income (married)	\$10,000 cap
Section 179 Expensing	\$2.5M limit; \$4M phaseout; inflation reset to 2024	\$1M limit; \$2.5M phaseout (2019 base year)
Pass-Through Entity Tax (PTET)	Deducts state taxes at entity level, bypassing \$40K SALT cap	Same, but bypassed \$10K cap
199A Deduction	20% deduction made permanent	20% deduction
Interest Deduction (163j)	Based on EBITDA	Based on EBIT
Clean Energy Credits (48E / 45Y)	Ends for solar and wind projects starting 12+ months post-enactment and placed in service after 2027	Available through 2032
Advanced Manufacturing Credit	35% credit (semiconductor and semiconductor equipment manufacturing facilities)	25% credit

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Estate Tax Exemption	\$15M/person (\$30M married), indexed from 2026	\$13.99M/person; reverts to ~\$5–7M in 2026
Standard Deduction	\$15,750 (single) / \$31,500 (married)	\$15,000 / \$30,000
Child Tax Credit	\$2,200 per child, inflation-adjusted	\$2,000 per child
Tax-Free Tips & Overtime	Up to \$25,000 excluded; phases out > \$150k (\$300k for joint filers) Overtime up to \$12,500 (\$25,000 for joint filers); phases out \$150K (\$300k for joint filers)	Not applicable
Auto Loan Interest Deduction	Up to \$10,000 for U.S. vehicles; phases out >\$100K (\$200K for joint filers)	Not applicable
Adoption Credit	\$5,000 refundable portion, inflation-adjusted	Up to \$17,280, non-refundable
Senior Deduction	\$6,000 for 65+, phases out >\$75K (\$150K for joint filers)	\$1,600 for 65+
1099-K Reporting Threshold	\$20,000 in gross payments and 200+ transactions	\$2,500 threshold

Important Disclosures:

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