

BUSINESS + ECONOMIC

FORUM 2025

GVUTM

Navigating Tax Law Changes: From Blind Chutes to Guided Success

**BUSINESS
ECONOMIC**
FORUM 2025



Roadmap for today

**Road
Closing**

Ride into the Sunset

What is the current tax
law and areas of
change

**Re-
routing**

New Route Calculating

What are the proposed
changes for individuals
and business

Arrived

You Have Arrived

Guiding our clients to
Chute for success

Road Closed... 2025 The Sunset of the Tax Cuts & Jobs Act

Key Changes for
individuals and business



The Chute
Sand Hollow,
Utah

Thanks to
Sand Hollow
4 x 4

Will you Chute Blindly...

Your clients may be driving blind and are not aware of the obstacles in their path.

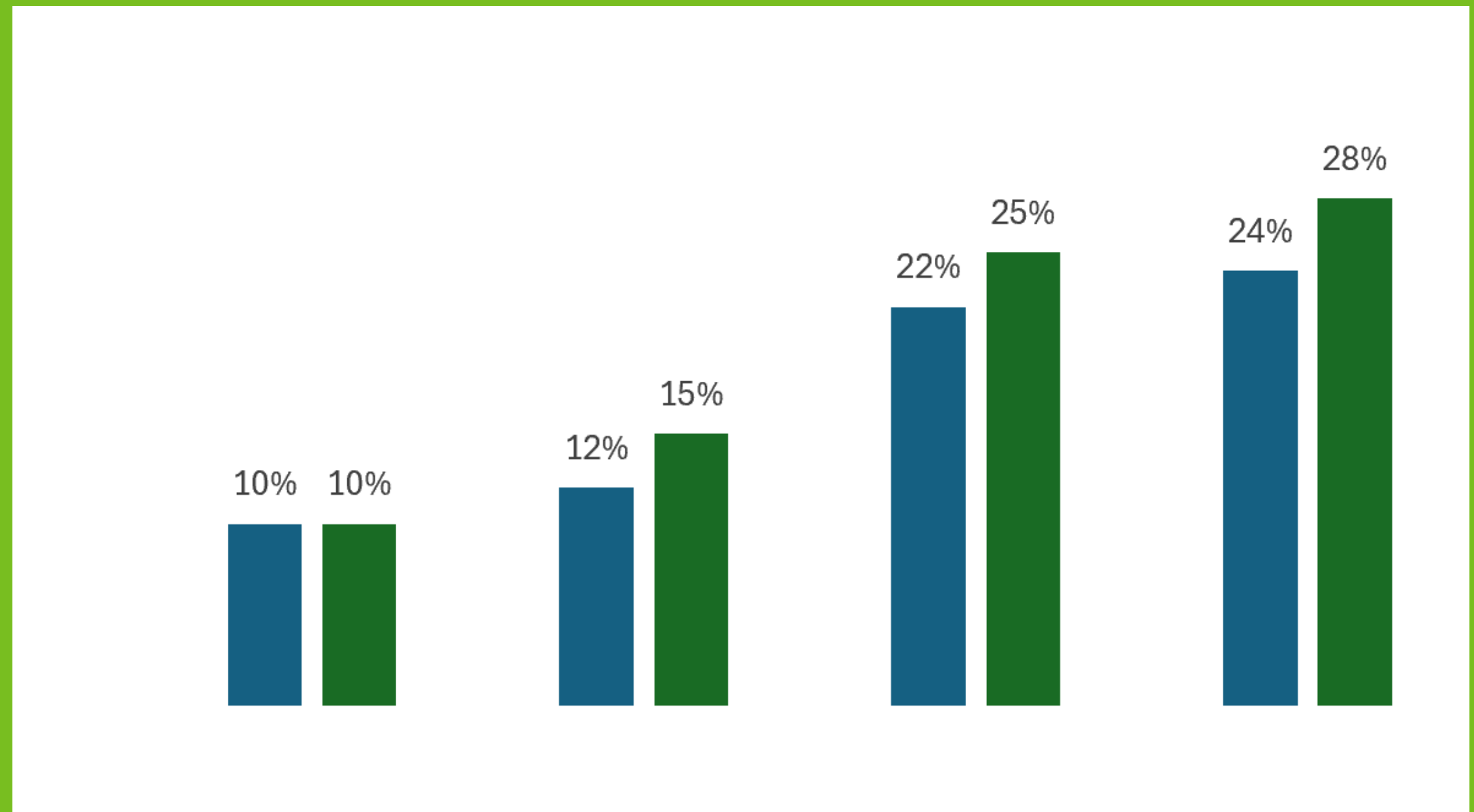
Video Danger Zone



Married Filing
Joint Tax Rates if
the Tax Cuts and
Jobs Act is not
Extended

Road Closed due to Construction

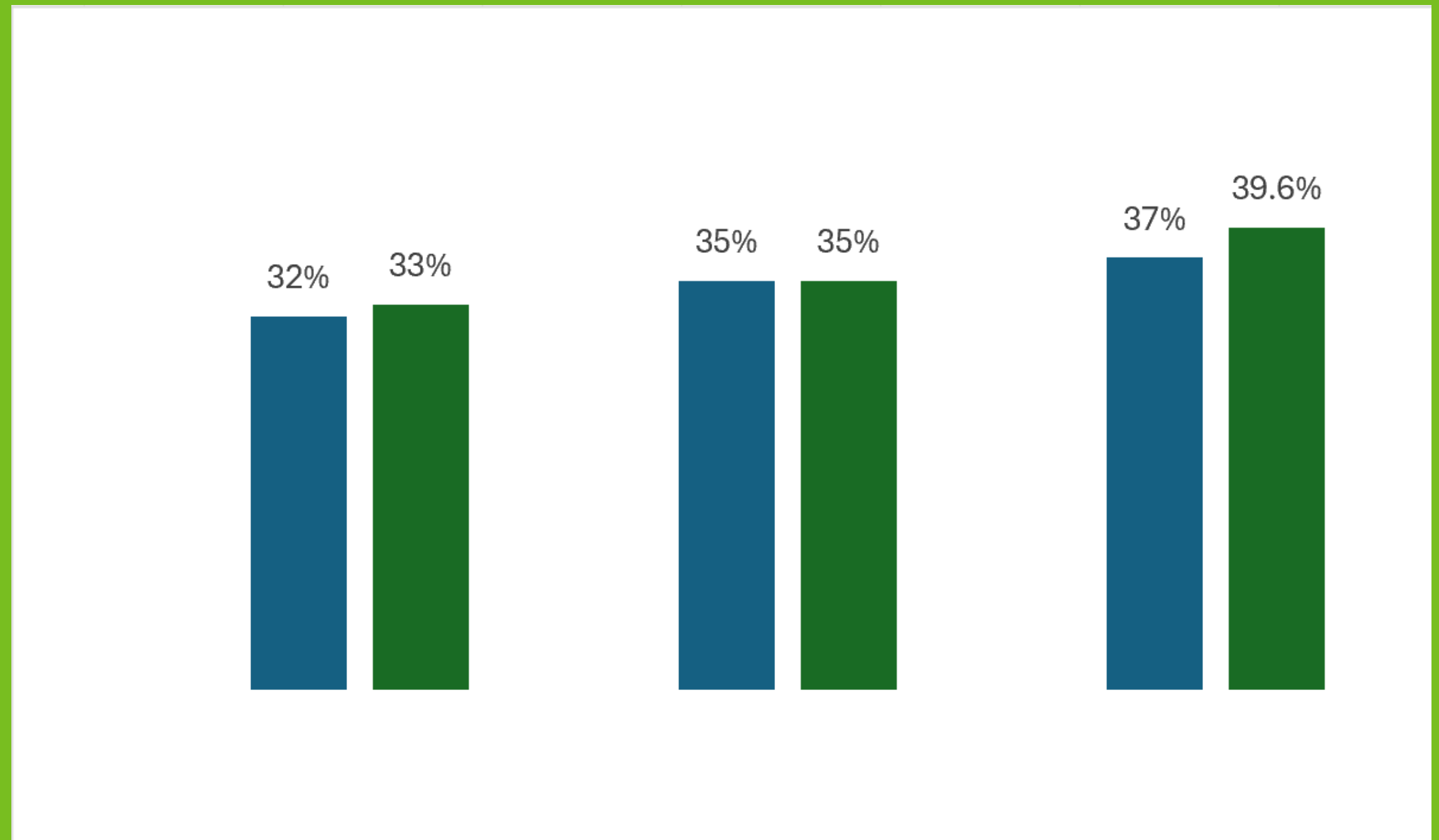
Comparison of Tax Rates for 2025 and 2026



Married Filing
Joint Tax Rates if
the Tax Cuts and
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Road Closed due to Construction

Comparison of Tax Rates for 2025 and 2026



Road Closed due to Construction

The standard deduction will revert back to \$12,700 for married filing joint and \$6,350 for single.

The personal exemptions of \$4,050 per filer or dependent are set to return.

The child tax credit will decrease to \$1,000 per child with stricter income phase outs.

The \$10,000 cap on SALT will be eliminated. Miscellaneous deductions will be allowed.

Estate and Gift

Road Closed due to Construction

The Estate and Gift Tax Exemption will be reduced to approximately \$7 million.

The “anti-clawback” rule ensures previously applied exemptions won’t be taxed retroactively.

The Generation Skipping Tax Exemption will be reduced to approximately \$7 million.

Irrevocable Life Insurance Trusts ..are they making a come back?

**This is for those
needing LIFE CE.**

Road Closed due to Construction

Bonus depreciation will be 20% in 2026 and eliminated thereafter.

Qualified Business Income Deduction Section 199A will be eliminated, no longer allowing the 20% deduction.

Qualified Opportunity Zones, no longer have election for deferral of gain reporting.

Rerouting, new route
calculating...

Proposed changes for
individuals and business



Roadside Guardrails

What is the Budget Process?

The Congressional Budget Resolution is a “map” that guides the fiscal decision-making in Congress.

It defines the goals for federal spending, revenues, deficits and debt, and allocates resources among government functions.

It also can provide a vehicle for making changes to mandatory programs and revenues through the reconciliation process.

Roadside Guardrails

What is the Budget Reconciliation Process?

Legislation passed through budget reconciliation has an easier path to passage.

It is limited to 20 hours of debate and consideration of amendments for both the House and Senate. It requires a simple majority in the Senate to pass.

The Senate must comply with the Byrd rule to use reconciliation. It can deter the House from including provisions that would likely violate the rule.

Roadside Guardrails

Byrd Rule

It must have a budget effect, a change in outlays or revenues.

It has a budgetary effect, but it's not what the budget resolution called for.

It's outside the jurisdiction of the committee recommending it.

It affects the budget but is merely incidental.

It increases the deficit beyond 10 years.

It's about Social Security.

The One Big Beautiful Bill

Tax, Border, Defense, Energy

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO COMMITTEE PRINT**

PROVIDING FOR RECONCILIATION

OFFERED BY MR. SMITH OF MISSOURI

Strike title XI and insert the following:

**1 TITLE XI—COMMITTEE ON WAYS
2 AND MEANS, “THE ONE, BIG,
3 BEAUTIFUL BILL”**

**4 SEC. 110000. REFERENCES TO THE INTERNAL REVENUE
5 CODE OF 1986, ETC.**

The House adopted the Senate’s amended version of the budget resolution, first step to Budget Reconciliation Legislation

The House version would decrease tax revenue by \$4.5 Trillion over 10 years.

The Senate version is a more conservative at \$1.5 Trillion over 10 years.

Congress is planning to pass this legislation by July 4.

Individual Proposed Changes

The current tax rates would become permanent.

The nonpartisan Joint Committee on Taxation estimates the those earning between \$30,000 and \$80,000 would pay around 15% less in taxes and those making over \$1 million would see an 8.6% decline under the House proposed bill.

People earning over \$500,000 would see an aggregate tax cut of about \$170 billion compared to \$59 billion for those earning \$30,000 to \$80,000.

Individual Proposed Changes

If taxable income is:	Then income tax equals:
<i>Single Individuals</i>	
Not over \$12,375	10% of the taxable income
Over \$12,375 but not over \$50,275	\$1,237.50 plus 12% of the excess over \$12,375
Over \$50,275 but not over \$107,200	\$5,785.50 plus 22% of the excess over \$50,275
Over \$107,200 but not over \$204,700	\$18,309 plus 24% of the excess over \$107,200
Over \$204,700 but not over \$259,925	\$41,709 plus 32% of the excess over \$204,700
Over \$259,925 but not over \$639,275	\$59,381 plus 35% of the excess over \$259,925
Over \$639,275	\$192,153.50 plus 37.0% of the excess over \$639,275

If taxable income is:	Then income tax equals:
<i>Married Individuals Filing Joint Returns and Surviving Spouses</i>	
Not over \$24,750	10% of the taxable income
Over \$24,750 but not over \$100,550	\$2,475 plus 12% of the excess over \$24,750
Over \$100,550 but not over \$214,400	\$11,571 plus 22% of the excess over \$100,550
Over \$214,400 but not over \$409,400	\$36,618 plus 24% of the excess over \$214,400
Over \$409,400 but not over \$519,850	\$83,418 plus 32% of the excess over \$409,400
Over \$519,850 but not over \$767,150	\$118,762 plus 35% of the excess over \$519,850
Over \$767,150	\$205,317 plus 37.0% of the excess over \$767,150

Individual Proposed Changes

The increase to the Standard Deduction becomes permanent.

Married Filing Joint standard deduction would be \$32,000, Head of Household \$24,000, and Single \$16,000.

Seniors would get a bonus deduction of \$4,000 but it will phase out for those with adjusted gross income over of \$150,000 married filing joint and \$75,000 for single filers. This will last through 2028.

Individual Proposed Changes

The personal exemption is set at zero permanently.

The Child Tax Credit is permanent and set at \$2,500 through 2028 and then adjusts back to \$2,000 indexed for inflation thereafter.

The Additional Child Tax Credit is permanently set at \$1,400 indexed for inflation. Think of this as the amount that is refundable if the tax liability is \$0.

Individual Proposed Changes

Debt on qualified mortgage interest is permanently set at \$750,000. This means if your average mortgage balance is above this amount, then a portion of the interest is not deductible.

The exclusion of home equity loans as qualified mortgage interest also becomes permanent. If you are not utilizing the HELOC for your home, then it's not deductible.

Interest on the purchase of a car where final assembly is completed in the US, is deductible up to \$10,000 per year - phased out for AGI of \$200,000 married filing joint or \$100,000 single.

Individual Proposed Changes



Great Salt Lake

SALT

State and Local Tax

The limitation of \$10,000 on taxes would be increased to \$30,000 for taxpayers with AGI less than \$400,000 but not reduced below \$10,000.

Pass through entity tax payments would be included in the \$30,000 limit. This would be separately stated.

Expect continued debate in this area.

Individual Proposed Changes

No tax on tips. This would be temporary through 2028, an above the line deduction for those working in traditional tipped industries, employee's earning above \$160,000 excluded.

No tax on overtime. This would be temporary through 2028, an above the line deduction, for overtime pay. Married filing joint would get \$20,000, single \$10,000 with income limits \$100,000 to \$200,000 married filing joint and \$50,000 to \$100,000 for single.

**This is for those
needing LIFE CE.**

Irrevocable life insurance trusts are not as likely to be utilized with the permanent higher estate exemption. Prepare to have policies owned by the insured.

Estate & Gift Tax Proposed Changes

This is permanent.

The basic estate and gift tax and the generation skipping tax exemption would be increased to \$15 million. This would be indexed for inflation.

Those wanting LIFE continuing education..look at the left side of slide.

Business Proposed Changes

Qualified Business Income Deduction Section 199A would become permanent. The amount would increase from 20% to 23%.

Research and Development expenses would be deducted in the year incurred rather than amortized. This will last through 2028.

Qualified Opportunity Zones bill would create a second round of QOZ between 2027 and 2033.

Business Proposed Changes

Bonus depreciation would be extended through 2028. It allows additional first-year (bonus) depreciation of 100% for property acquired and placed in service between January 19, 2025 through 2029.

Section 179 expensing limitation increases to \$2.5 million and phased out at \$4 million.

Health care provisions including a Health Reimbursement Account to cover individually purchased insurance and contributions to Health Savings Accounts for workers on Medicare Part A.

You Have Arrived...

Guiding Your Clients to Chute for Success

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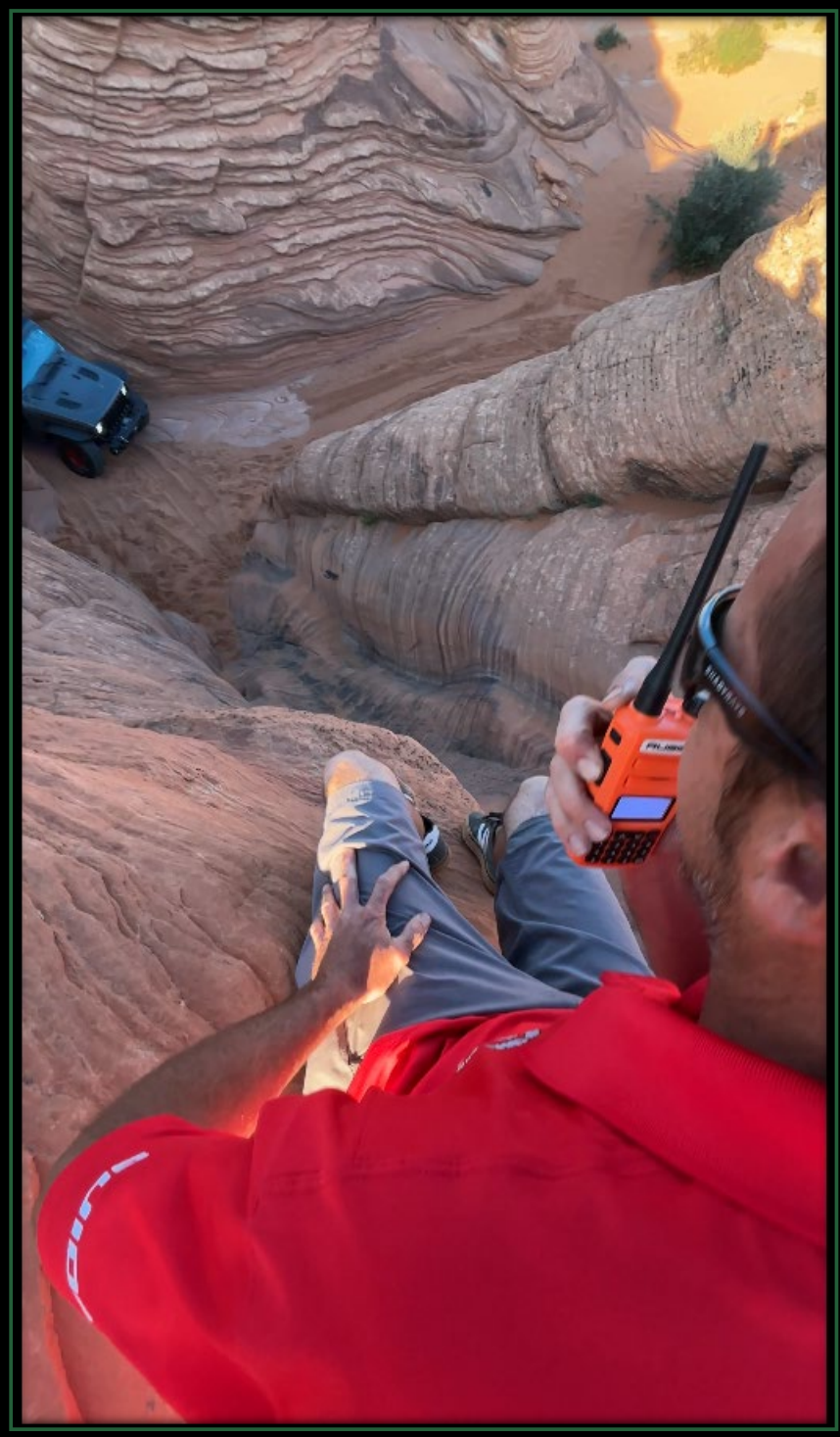
Guiding Your Clients

Steps to help our clients navigate their change in direction and bumps along the way.

Encourage clients to communicate with their trusted guide, you have a broader viewpoint and can help navigate the new obstacles they may encounter.

Be actively involved in guiding your clients.

Video Guided by Sand Hollow 4 x 4



Guiding Your Clients



Continue to learn and understand relevant knowledge. Invest in yourself.

Work with other professionals, in the pit crew, to provide a more comprehensive analysis and help them accomplish their goals.

THANK YOU

Angie Morris

angiem@mycpa.com

