

Navigating Tax Reform

Everything you need to know about the One Big Beautiful Bill

What does tax reform mean for you?

This guide covers the latest tax updates — what's staying, going, and what's new under the new tax bill referred to as the One Big Beautiful Bill.



What's Staying the Same

Key provisions from previous tax legislation were made permanent:



Lower Individual Tax Rates:

Rates set at 10%, 12%, 22%, 24%, 32%, 35%, and 37%.



Mortgage Interest Deduction:

Limited the deduction based on lower mortgage loan amounts.

What's Going Away

Some deductions and credits are being eliminated or capped:

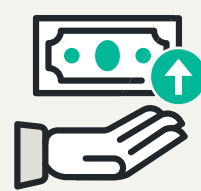


Energy-Efficient Credits:

Home improvements like energy-efficient windows, doors, and solar installations sunset after 2025.
Electric vehicles (up to \$7,500) go away for EVs purchased after September 30, 2025.

What's New

New provisions and enhancements to existing provisions introduce a range of potential benefits:



Increased Standard Deduction:

Set to take effect in tax year 2025 at \$15,750 single, \$23,625 Head of Household, and \$31,500 married filing jointly.



Deduction for Auto Loan Interest:

Deduction for qualifying car loan interest up to \$10,000 for tax years 2025-2028.



Qualified Overtime Pay Deduction:

Deduction for qualified overtime income up to \$12,500 for tax years 2025-2028.



Qualified Tip Income Deduction:

Deduction for qualified tips up to \$25,000 for tax years 2025-2028.



Expanded Child Tax Credit:

Permanently increases the Child Tax Credit* to \$2,200 per child under 17, with annual adjustments for inflation.

**To claim this credit, the taxpayer and children must have a valid Social Security number authorized for work (married filing joint filers, only one spouse must have an SSN).*



Increased SALT Cap:

Increases the cap from \$10,000 to \$40,000, effective for tax year 2025. The cap increases to \$40,400 for 2026 and increases 1% every year after through 2029. Phase out begins at incomes above \$500,000.



Enhanced Deduction for Seniors:

Up to \$6,000 for individuals 65 and over for tax years 2025-2028.



Extended Qualified Business Income Deduction:

Permanently extends the 20% qualified business income deduction for self-employed and small businesses.