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*Tax changes to come???*

Well - Donald Trump is our 45<sup>th</sup> President-Elect, which has been reported as “quite an upset” as so many polls and reports had Hillary Clinton as winner. Without getting into the political arena, it appears that we will be looking not only at significant changes to taxation, but also changes that will impact businesses, individuals and direction of our government.

This is a brief summary of some possible tax changes based on Trumps campaign and the GOP “blueprint” for tax reform:

1. Three individual tax rate brackets of 12% or 15%, 25% and 33%.
2. Do away with “head of household rates.”
3. Capital gains rates pretty much stay the same.
4. Repeal the Alternative Minimum Tax (AMT) for individuals and corporations.
5. Repeal the 3.8% surtax on “investment” income. Not certain about the .9% additional Medicare tax on earnings above the threshold of \$200,000 (\$250,000 joint returns).
6. Increase the standard deduction for singles from \$6,350 to \$15,000 and for married filing a joint return from \$12,700 to \$30,000 (this would probably result in major simplification with probably 90% to 95% of tax returns being filed using the standard deduction).
7. Cap the benefit of itemized deduction at \$100,000 for singles and \$200,000 for joint returns.
8. Enhancing the deduction for child care expenses and the earned income tax credit, but eliminate dependent exemptions.
9. Repeal the Estate and Gift Tax.
10. Repeal and replace the Affordable Care Act (ACA).
11. Reduce the maximum business tax rate to 15% including “pass-through” business income.
12. Provide deductions and credits to spur manufacturing and business in the United States.
13. Repeal and/or revise regulations, which he considers to impede business growth and the economy.

**Think about it...**

“What will really happen.....”

**Disclaimer:** *This e-mail represents a general overview of tax developments and should not be relied upon without an independent, professional analysis of how any of these provisions may apply to a specific situation.*

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