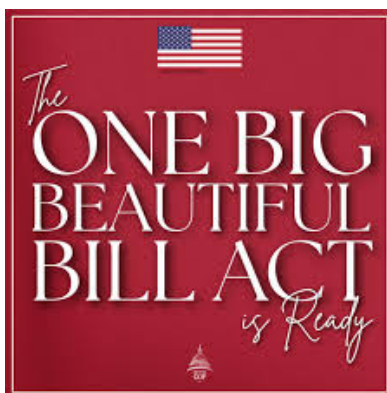




TRAPHAGEN
CPAs & WEALTH ADVISORS



The “One Big Beautiful Bill Act” Passes!

On July 4, 2025, President Donald J. Trump signing into law the “One Big Beautiful Bill Act.” This law contains many new tax provisions which you should be aware of.

Major tax provisions of the “One Big Beautiful Bill Act” include:

Individual Tax Provisions

- The tax rates and brackets at 10%, 12%, 22%, 24%, 32%, 35% and 37% made permanent.
- The standard deduction increase made permanent. Starting in 2025, \$31,500 for joint filers, \$23,625 for head of household, and \$15,750 for all other filers.
- The personal exemption elimination made permanent. Temporarily add a senior deduction of \$6,000 for each qualifying individual.
- The child tax credit made permanent with an increased maximum of \$2,200 in 2026.
- The \$750,000 principal limit for the home mortgage interest deduction made permanent.
- Temporarily increase the cap on the itemized deduction for state and local taxes (SALT) to \$40,000 for 2025.
- Create a 0.5% floor on itemized deductions for charitable contributions.
- Create a permanent \$1,000 above-the-line deduction for charitable contributions (\$2,000 for joint filers).
- Repeal green energy tax credits such as electric vehicle and residential energy efficiency credits.

- Temporarily make up to \$25,000 of tip income deductible for individuals.
- Temporarily make up to \$12,500 (\$25,000 for joint filers) of overtime compensation deductible.
- Temporarily make auto loan interest deductible.

Estate Tax Provisions

- Permanently increase the estate and lifetime gift tax exemption to \$15 million for single filers and \$30 million for joint filers beginning in 2026.

Business Tax Provisions

- Permanently restore immediate expensing for domestic research and development (R&D) expenses.
- Permanently restore 100% bonus depreciation for certain fixed asset additions.
- Make the 20% Section 199A pass-through entity deduction permanent.
- Implement a 1% floor on deduction of charitable contributions made by corporations.
- Expand the Section 179 expensing cap to \$2.5 million with a phaseout of \$4 million.
- Expansion of the Qualified Small Business Stock gain exclusion.

This alert covers only some of the tax provisions contained in the “One Big Beautiful Bill Act” that could potentially benefit you and your family. The tax provisions are particularly detailed and contain specific effective dates, limitations and qualifications not listed here. As such, consultation with us is essential when dealing with a specific tax situation. Please contact us if you have questions, want more information, or would like us to help you with a specific tax situation, so that by working together we can deliver the best tax results for you.

NEW: Our Tax Tips and Tax Newsletters are now available on our website- Click Below for Updates!

[WEEKLY TAX TIPS](#)

[TAX BUSINESS NEWSLETTER](#)

[MONTHLY CLIENT UPDATE](#)

Traphagen CPAs & Wealth Advisors

SUCCESS
VISION | CARE | TRUST

201-262-1040
www.tfgllc.com



Traphagen CPAs & Wealth Advisors | 234 Kinderkamack Road | Oradell, NJ 07649 US

[Unsubscribe](#) | [Update Profile](#) | [Constant Contact Data Notice](#)



Try email marketing for free today!