

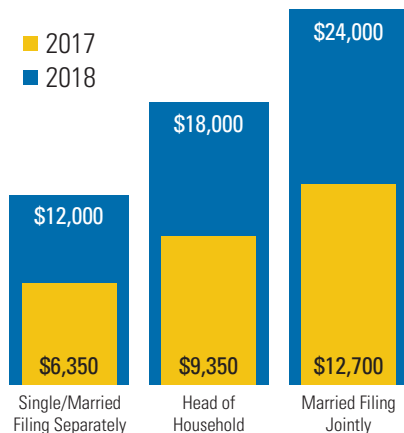
# TAX REFORM

## Key Changes For Individuals

The Tax Cuts and Jobs Act of 2017 (TCJA) is some of the most comprehensive tax legislation introduced in the last 30 years. The TCJA will affect individuals, businesses, tax exempt and government entities. From estimated taxes to withholding, tax reform has a significant effect on your taxes. Here's an overview of some of the major changes.

### 1 Standard Deduction **INCREASED**

The standard deduction has been significantly increased. It's now close to **double the amounts** from the 2017 tax year.



### 2 Personal Exemption **SUSPENDED**

Beginning in 2018 filers can **no longer claim the \$4,050** personal exemptions for themselves or their dependents.

### 3 Child Tax Credit **EXPANDED**

For 2018, the credit **increases to \$2,000** up from \$1,000.

A new \$500 credit for non-child dependents is also available.\*

\*Both credits are subject to income limitations.



### 4 State and Local Taxes **CAPPED**

Taxpayers can **deduct up to \$10,000** in state and local income taxes.

### 5 Mortgage Interest Deduction **DROPPED**



Mortgage interest **up to \$750,000 (previously \$1 million)** can be deducted for loans approved after December 15, 2017. The interest deduction on home equity lines of credit (HELOC) is still available as long as the money is used to buy, build or substantially improve your home.

**6** Tax Brackets

# ADJUSTED

Adjustments to the tax brackets include **lowering a number of the tax rates and slightly widening the income thresholds for 2018.**

TAX RATE	Single Filers	Married Filing Jointly	Married Filing Separately	Head of Household
10%	Up to \$9,525	Up to \$19,050	Up to \$9,525	Up to \$13,600
12%	\$9,526 - \$38,700	\$19,051 - \$77,400	\$9,526 - \$38,700	\$13,601 - \$51,800
22%	\$38,701 - \$82,500	\$77,401 - \$165,000	\$38,701 - \$82,500	\$51,801 - \$82,500
24%	\$82,501 - \$157,500	\$165,001 - \$315,000	\$82,501 - \$157,500	\$82,501 - \$157,500
32%	\$157,501 - \$200,000	\$315,001 - \$400,000	\$157,501 - \$200,000	\$157,501 - \$200,000
35%	\$200,001 - \$500,000	\$400,001 - \$600,000	\$200,001 - \$300,000	\$200,001 - \$500,000
37%	\$500,001 or more	\$600,001 or more	\$300,001 or more	\$500,001 or more

**7** Retirement Fund Contribution Limits

# INCREASED

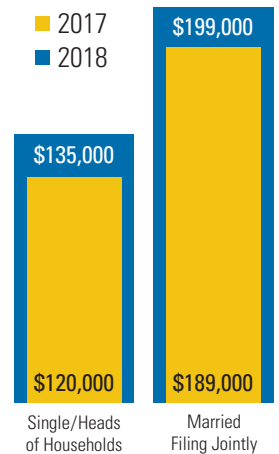
Taxpayers can now **contribute up to \$18,500** to their 401(k), 403(b), most 457 plans and Thrift Savings Plan. That's a \$500 increase from the 2017 limit.



**8** Roth IRA Contribution Income Phaseout Limits

# RAISED

The income phaseout for single individuals and heads of household **raised to \$135,000** from \$120,000. The phaseout for married couples **increased to \$199,000** from \$189,000. No adjustment was made for married individuals who file separate tax returns.



REV 11.18

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