

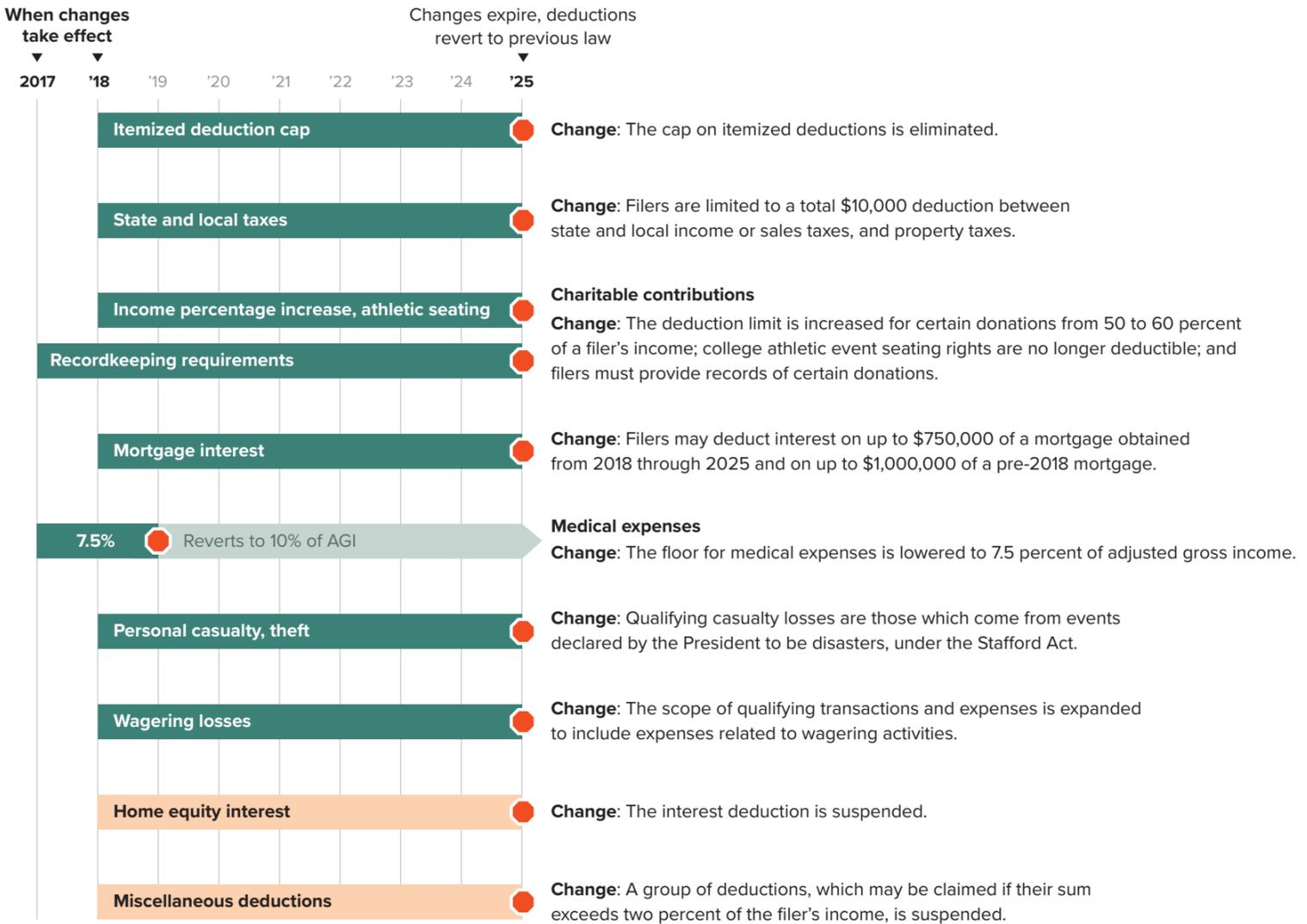
Dec. 21, 2017

New Tax Code Eliminates, Adjusts Individual Deductions

The tax bill passed by Congress on Dec. 20 enacts numerous changes to the corporate and individual tax systems. Most of the changes to individual taxes are set to expire by 2025 to ensure the bill meets reconciliation requirements. Temporary changes to individual taxes include an increase in the standard deduction and repeal of personal exemptions. Major changes to itemized and above-the-line deductions are also enacted by the law.

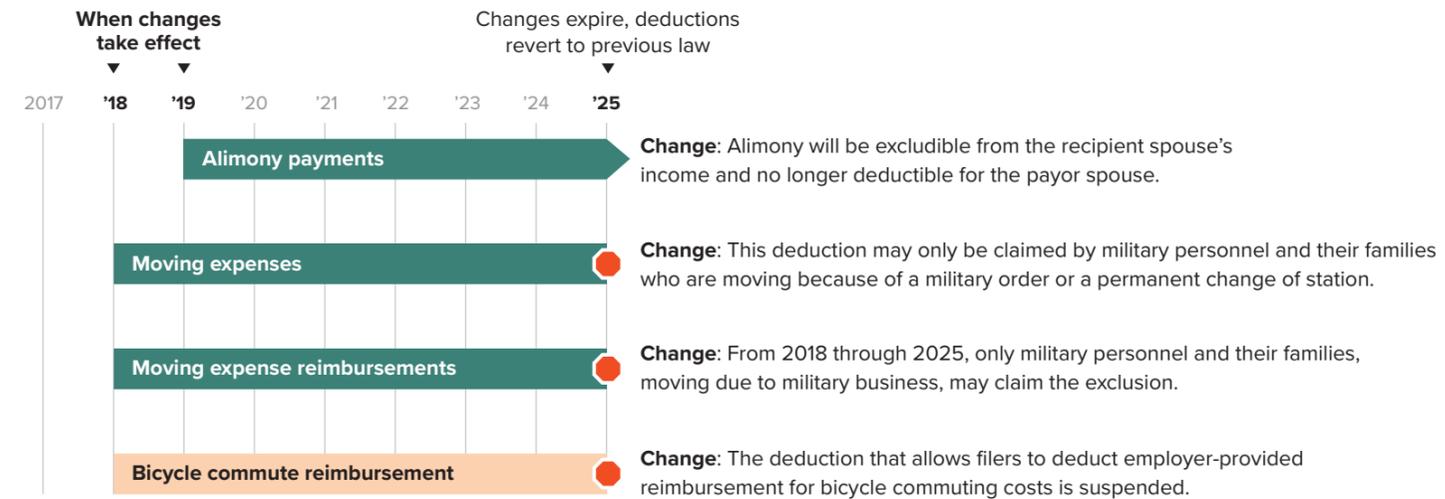
Changes to Itemized Deductions Under the New Tax Code

Individual filers can reduce their taxable income based on specific expenses or activities in lieu of taking the standard deduction.



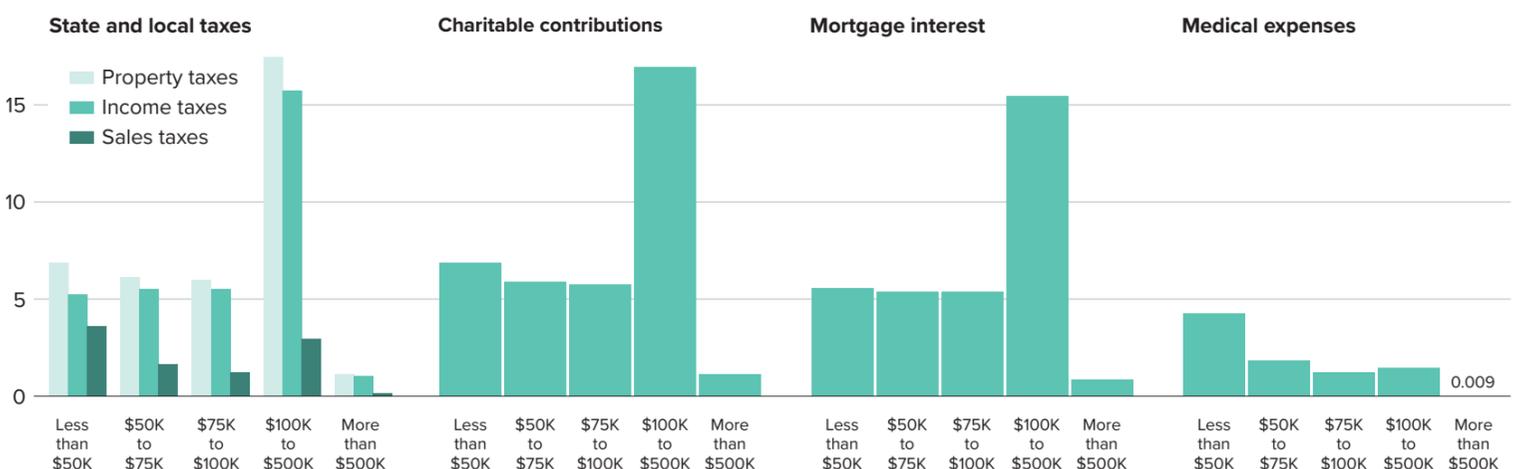
Above the Line Deductions

"Above the line" deductions may be claimed even if filers do not itemize their returns.



Total Number of Tax Returns That Claimed Select Deductions in 2015

MILLIONS OF RETURNS, BY INCOME



Sources: Congress; IRS; Intuit