

TAX REFORM 2.0

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While the IRS and Treasury Department are working to provide guidance for the Tax Cuts and Jobs Act (TCJA) passed late 2017, Congress is considering more tax law changes.

The House Ways and Means Committee Chairman Keven Brady (R-TX) recently released the listening session framework for what is being referred to as Tax Reform 2.0. Some of the highlights for these proposed tax law changes include:

- Making the tax cuts for middle-class families and small businesses permanent tax law changes. Currently, many of these tax cuts passed with TCJA are set to expire at the end of 2025, whereas the corporate tax cuts are generally already considered permanent tax law changes.
- Re-developing and expanding certain savings accounts including:
 - o Changing how retirement savings accounts are offered and structured.
 - o Creating Universal Savings Accounts (“USA”) which may offer tax benefits similar to a Roth IRA.
 - o Allowing for a broader use of IRC §529 plans for education related expenses.
- Various tax incentives to encourage entrepreneurs and startup businesses.

With elections just a few months away, it will be interesting to see if Congress is able to come together on some of these provisions or, more likely, if these will become points of contention between and/or within the parties.



If you have questions about this or any other business or tax issue, please contact your Account Manager or Brian Ostendorf, CPA at (314) 205-2510 or by email at bostendorf@connerash.com.