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Reference Table: Expiring Provisions in the "Tax Cuts and Jobs Act" (TCJA, P.L. 115-97)

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A variety of temporary changes enacted as part of P.L. 115-97, commonly referred to as the Tax Cuts and Jobs Act (TCJA), are scheduled to expire. Many of these provisions affect individuals and families and are scheduled to expire at the end of 2025. Others affecting businesses, including pass-through businesses, are scheduled to expire between 2025 and 2028.

As Congress considers whether and to what extent to extend these temporary TCJA provisions, **Table 1** provides for each provision:

- a brief overview and how it will change upon the scheduled expiration of the TCJA;
- the budgetary score, both at enactment and if extended permanently
  - a **negative number (-)** generally indicates reduced revenues and hence an **increase in the deficit**,
  - a **positive number (+)** generally indicates increased revenues and hence a **reduction in the deficit**;
- the relevant section of the TCJA;
- the amended section of the Internal Revenue Code (IRC); and
- the expiration date.

Budgetary Cost

At the time of the law's passage, the Joint Committee on Taxation (JCT) estimated that the TCJA would cost $1.5 trillion between FY2018 and FY2027.[1] The Congressional Budget Office (CBO) and JCT have estimated that extensions of all provisions that are scheduled to either expire or become less generous would cost $3.5 trillion between FY2023 and FY2033, although most of these effects would begin in FY2026. More detailed estimates of the provisions' budgetary effects can be found in CBO's supplemental data.[2]

Delayed Onset Provisions

In addition to these expiring provisions, several TCJA provisions featured *delayed onsets* that are expected to make certain tax benefits related to business—including those related to the R&D expenditures—less generous and hence raise revenue. Congress may consider modifying those as well. For more information on these provisions, see "Delayed Onset Tax Provisions in the TCJA" on page 16.

Other Resources

For an overview of all the provisions enacted by the TCJA, including permanent provisions which are not included below, see CRS Report R45092, *The 2017 Tax Revision (P.L. 115-97): Comparison to 2017 Tax Law*. Other temporary tax provisions that were not enacted by the TCJA—and which are commonly referred to as "tax extenders"—are also scheduled to expire at the end of 2025. Consequently, their expiration coincides with the expiration of most of the TCJA's changes to individual income tax provisions. More information on those non-TCJA expiring provisions can be found in CRS Report R47252, *Expired and Expiring Temporary Tax*

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[1] Joint Committee on Taxation, *Estimated Budget Effects of The Conference Agreement for H.R.1, The Tax Cuts and Jobs Act*, December 18, 2017, JCX-67-17.

[2] Congressional Budget Office, *Budgetary Outcomes Under Alternative Assumptions About Spending and Revenues*, Supplemental Data, May 2023, https://www.cbo.gov/publication/59154#data.

Provisions (Including "Tax Extenders"). The list of all expiring tax provisions by year can be found in the Joint Committee on Taxation publication JCX-1-23.[3]

Table 1. TCJA Expiring Provisions

Provision	TCJA	Scheduled Expiration of TCJA
Individuals and Families		
Marginal tax rates *JCT budgetary cost estimate of TCJA changes at enactment: -$1.2 trillion (FY2018-FY2027).* *CBO budgetary cost estimate if TCJA changes extended permanently: -$1.8 trillion (FY2024-FY2033).*	Marginal tax rates are applied to a taxpayer's taxable income to calculate their income tax liability before any credits are claimed. The range of income over which a particular rate applies and its associated rate is often called a tax bracket. These income ranges are annually adjusted for inflation. Under the TCJA, marginal rates are 10%, 12%, 22%, 24%, 32%, 35%, and 37%. (Note: Taxes on capital gains and dividends were not changed by the TCJA.) *Section 11001 of P.L. 115-97* *IRC Section 1(j)* Expires 12/31/2025	Marginal rates will revert to their permanent pre-TCJA levels of 10%, 15%, 25%, 28%, 33%, 35%, and 39.6%. Aside from the first two brackets (10% and 15%) these rates apply over different ranges of taxable income than the TCJA rates. These income ranges are annually adjusted for inflation. *IRC Section 1*
Standard deduction *JCT budgetary cost estimate of TCJA changes at enactment: -$0.7 trillion (FY2018-FY2027).* *CBO budgetary cost estimate if TCJA changes extended permanently: -$1.0 trillion (FY2024-FY2033).*	To calculate taxable income, taxpayers subtract the standard deduction from their adjusted gross income (AGI) if the taxpayer does not itemize their deductions. The standard deduction is the sum of the basic standard deduction and, if applicable, the additional standard deduction for the blind or elderly. The basic standard deduction amount varies by the taxpayer's filing status and is adjusted annually for inflation. Under the TCJA, basic standard deduction amounts in 2018 were nearly doubled to $12,000 for single filers, $18,000 for head of household filers, and $24,000 for married joint filers. These amounts were annually adjusted for inflation after 2018. In 2024, these amounts are $14,600, $21,900, and $29,200, respectfully. *Section 11021 of P.L. 115-97* *IRC Section 63(c)(7)* Expires 12/31/2025	The basic standard deduction amounts will revert to their TCJA levels and then be adjusted for inflation. For 2018, prior to the TCJA, the basic standard deduction amounts for 2018 would have been $6,500 for single filers, $9,550 for head of household filers, and $13,000 for married taxpayers filing jointly. *IRC Section 63*

[3] Joint Committee on Taxation, *List Of Expiring Federal Tax Provisions 2022 - 2034*, January 18, 2023, JCX-1-23, https://www.jct.gov/publications/2023/jcx-1-23/.

Provision	TCJA	Scheduled Expiration of TCJA
Personal exemptions *JCT budgetary cost estimate of TCJA changes at enactment: +$1.2 trillion (FY2018-FY2027).* *CBO budgetary cost estimate if TCJA changes extended permanently: +$1.6 trillion (FY2024-FY2033).*	To calculate taxable income, taxpayers subtract the appropriate number of personal exemptions for themselves, their spouse (if married), and their dependents from their adjusted gross income (AGI). Under the TCJA, the personal exemption amount was temporarily reduced to $0, effectively suspending the provision. *Section 11041 of P.L. 115-97* *IRC Section 151(d)(5)* Expires 12/31/2025	Personal exemptions will revert to their pre-TCJA levels and then be adjusted for inflation. For 2018, prior to the TCJA, the personal exemption amount would have been $4,150. *IRC Section 151*
Child tax credit *JCT budgetary cost estimate of TCJA changes at enactment: -$543.6 billion (FY2018-FY2027).* *CBO budgetary cost estimate if TCJA changes extended permanently: -$592.5 billion (FY2024-FY2033).* Both of these estimates include the budgetary impact of the "Credit for other dependents."	The child tax credit allows a taxpayer to reduce their federal income tax liability by up to $2,000 per qualifying child. Lower-income taxpayers with little or no federal income tax liability may be eligible to receive some or all of the credit as the refundable portion of the credit—the additional child tax credit, or ACTC. For higher-income taxpayers, the credit amount phases down if income exceeds the phaseout threshold. **Maximum credit:** $2,000 per child **Maximum ACTC:** $1,400 per child (The ACTC is adjusted for inflation and equals $1,700 in 2024.) **Formula for the ACTC:** 15% of earned income above $2,500, up to the maximum credit **Phaseout threshold:** $200,000 unmarried taxpayers / $400,000 married taxpayers Aside from the max ACTC amount, none of the parameters are adjusted for inflation. Taxpayers claiming the child credit (including the ACTC) must provide the child's Social Security number (SSN). *Section 11022 of P.L. 115-97* *IRC Section 24(h)* Expires 12/31/2025	The child credit will revert to its pre-TCJA structure. **Maximum credit:** $1,000 per child **Maximum ACTC:** $1,000 per child **Formula for the ACTC:** 15% of earned income above $3,000, up to the maximum credit **Phaseout threshold:** $75,000 unmarried taxpayers / $110,000 married taxpayers None of the parameters are adjusted for inflation. Taxpayers claiming the child credit (including the ACTC) will need to provide the child's taxpayer ID number, which includes their Social Security number (SSN) or, if they are not eligible for an SSN, their individual taxpayer identification number (ITIN). *IRC Section 24*

Provision	TCJA	Scheduled Expiration of TCJA
Credit for other dependents *JCT budgetary cost estimate of TCJA changes at enactment: Included in the cost of the child credit changes (above).* *CBO budgetary cost estimate if TCJA changes extended permanently: Included in the cost of the child credit changes (above).*	The "credit for other dependents" or "other dependent credit" (ODC) allows taxpayers to reduce their income tax liability by $500 for each dependent that is ineligible for the child credit. This includes older (nonchild) dependents, children lacking an SSN, and children aged 17 years and older (as the child tax credit only applies to children under age 17). The $500 amount per other dependent is not adjusted for inflation. The ODC is nonrefundable, meaning it cannot exceed income tax liability. The total ODC amount is added to a taxpayer's child tax credit amount (if any), and then subject to the same phaseout as the child credit (i.e., phaseout thresholds of $400,000 married filing jointly, $200,000 other taxpayers, 5% phaseout rate). Taxpayers do not have to provide an SSN for ODC-eligible dependents. *IRC Section 24(h)(4)* *Section 11022 of P.L. 115-97* Expires 12/31/2025	The credit will expire.
Above-the-Line Deductions		
Moving expense deduction *JCT budgetary cost estimate of TCJA changes at enactment: +$7.6 billion (FY2018-FY2027).* *CBO budgetary cost estimate if TCJA changes extended permanently: +$8.8 billion (FY2024-FY2033).*	Only members of the Armed Forces can claim an above-the-line deduction for moving expenses incurred as a result of work at a new location (effectively repealing this deduction for other taxpayers). Other taxpayers are not eligible to claim this deduction. *IRC Section 217(k)* *Section 11049 of P.L. 115-97* Expires 12/31/2025	All eligible taxpayers will be able to claim an above-the-line deduction for moving expenses incurred as a result of work at a new location, subject to certain conditions dealing with the individual's employment status as well as the distance of the move. (These conditions will not apply to members of the Armed Forces.) *IRC Section 217*

Provision	TCJA	Scheduled Expiration of TCJA
Itemized Deductions *JCT budgetary cost estimate of TCJA changes to itemized deductions (e.g., wagering losses) at enactment: +$668 billion (FY2018-FY2027).* *CBO budgetary cost estimate of TCJA changes to itemized deductions (e.g., wagering losses) extended permanently: +$908 billion (FY2024-FY2033).*		
Charitable contributions deduction *JCT budgetary cost estimate of TCJA changes at enactment and CBO budgetary cost estimate if TCJA changes extended permanently: Included in combined cost estimates of all changes to itemized deductions (above).*	Taxpayers who itemize their deductions can deduct charitable donations of cash or property to certain organizations, including public charities; federal, state, local, and Indian governments; private foundations; and other less common types of qualifying organizations. There are limitations on the total dollar amount that can be deducted by a taxpayer in a given tax year. The limitations are defined as a percentage of the taxpayer's adjusted gross income (AGI) and differ based on the form of the donation (cash or property) and the recipient, with recipient limits smaller for private foundations. The TCJA temporarily increased the AGI limit for cash donations made to public charities from 50% to 60%. Other limitations based on the form of the donation and the recipient organization were unchanged by the TCJA. *Section 11023 of P.L. 115-97* *IRC Section 170(b)(1)(G)* Expires 12/31/2025	Cash contributions to public charities will generally be limited to 50% of the taxpayer's AGI. *IRC Section 170*
State and local tax (SALT) deduction *JCT budgetary cost estimate of TCJA changes at enactment and CBO budgetary cost estimate if TCJA changes extended permanently: Included in combined cost estimates of all changes to itemized deductions (above).*	Taxpayers who itemize their deductions can deduct up to $10,000 in state and local income, sales (in lieu of income), and property taxes, as well as foreign income taxes (but not foreign real property taxes). Property taxes associated with carrying on a trade or business are fully deductible (i.e., not subject to a cap). *Section 11042 of P.L. 115-97* *IRC Section 164(b)(6)* Expires 12/31/2025	The $10,000 cap on this deduction will not apply and hence taxpayers will be able to deduct all eligible state and local income, sales (in lieu of income), and property taxes, as well as foreign income taxes. Taxpayers will be also able to deduct foreign real property taxes. *IRC Section 164*

Provision	TCJA	Scheduled Expiration of TCJA
Mortgage interest deduction *JCT budgetary cost estimate of TCJA changes at enactment and CBO budgetary cost estimate if TCJA changes extended permanently: Included in combined cost estimates of all changes to itemized deductions (above).*	Taxpayers who itemize their deductions may deduct interest paid on the first $750,000 ($375,000 for married filing separately) of mortgage debt (combined for first and second homes). The limitation applies to new loans incurred after December 15, 2017. Taxpayers with mortgage debt incurred on or before December 15, 2017, who itemize their deductions may deduct interest on the first $1 million ($500,000 for married filing separately) of combined mortgage debt. No deduction is allowed for interest payments made for new or existing home equity debt if such debt is used for purposes unrelated to the property securing the loan. *Section 11043 of P.L. 115-97* *IRC Section 163(h)(3)(F)* Expires 12/31/2025	The $750,000 limitation will increase to $1 million of combined (first and second home) acquisition debt regardless of when the debt was incurred. The interest on the first $100,000 of home equity debt will also be deductible, regardless of whether or not the taxpayer incurred the debt to finance costs associated with the home. *IRC Section 163(h)*
Personal casualty and theft loss deduction *JCT budgetary cost estimate of TCJA changes at enactment and CBO budgetary cost estimate if TCJA changes extended permanently: Included in combined cost estimates of all changes to itemized deductions (above).*	Taxpayers who itemize their deductions can generally claim a deduction only for noncompensated personal casualty and theft losses associated with a disaster declared by the President under Section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act. Casualty losses are generally deductible if they exceed $100 per casualty, and to the extent aggregate net casualty losses exceed 10% of adjusted gross income (AGI). *Section 11044 of P.L. 115-97* *IRC Section 165(h)(5)* Expires 12/31/2025	Taxpayers will be able to claim an itemized deduction for noncompensated personal casualty and theft losses regardless of whether the losses result from a federally declared disaster. *IRC Section 165(h)*
Wagering losses deduction *JCT budgetary cost estimate of TCJA changes at enactment: +$0.1 billion (FY2018-FY2027*	Taxpayers who itemize their deductions can deduct gambling losses, provided those losses do not exceed gambling winnings included in gross income. Gambling losses include deductible expenses incurred in carrying on the gambling activity, for both recreational and professional gamblers. *Section 11050 of P.L. 115-97* *IRC Section 165(d)* Expires 12/31/2025	Gambling losses will no longer include expenses incurred in carrying on the gambling activity. Professional gamblers will be able to deduct ordinary and necessary nonwagering business expenses. *IRC Section 165(d)*

Provision	TCJA	Scheduled Expiration of TCJA
CBO budgetary cost estimate if TCJA changes extended permanently: +$0.1 billion (FY2024-FY2033).		
Itemized deduction for miscellaneous expenses *JCT budgetary cost estimate of TCJA changes at enactment and CBO budgetary cost estimate if TCJA changes extended permanently: Included in combined cost estimates of all changes to itemized deductions (above).*	There is no itemized deduction for certain miscellaneous expenses such as unreimbursed employee expenses or tax preparation fees. *Section 11045 of P.L. 115-97* *IRC Section 67(g)* Expires 12/31/2025	Individual taxpayers who itemize their deductions will be able to deduct miscellaneous expenses to the extent that such expenses collectively exceed 2% of their AGI. Expenses subject to the 2% floor will include unreimbursed employee expenses, tax preparation fees, and certain other expenses. *IRC Sections 62, 67, and 212*
Overall limitation on itemized deductions *JCT budgetary cost estimate of TCJA changes at enactment and CBO budgetary cost estimate if TCJA changes extended permanently: Included in combined cost estimates of all changes to itemized deductions (above).*	The total amount of itemized deductions that can be claimed by a taxpayer is the sum of all allowable itemized deductions and there is no overall limitation on itemized deductions. *Section 11046 of P.L. 115-97* *IRC Section 68(f)* Expires 12/31/2025	For taxpayers with AGI above certain thresholds, the total amount of itemized deductions will be reduced by 3% of the amount by which their AGI exceeds the threshold. (For 2018, before the TCJA, the thresholds once adjusted for inflation would have been $320,000 for married taxpayers filing jointly and $267,700 for singles.) The total reduction will be capped at 80% of the deductions. Itemized deductions not subject to the limitation include deductions for medical and dental expenses, investment interest, charitable contributions, casualty and theft losses, and wagering losses. *IRC Section 68*

Provision	TCJA	Scheduled Expiration of TCJA
Exclusions[a]		
Bicycle commuter reimbursement *JCT budgetary cost estimate of TCJA changes at enactment: revenue increase of less than $50 million (FY2018-FY2027).* *CBO budgetary cost estimate if TCJA changes extended permanently: +$136 million (FY2024-FY2033).*	Employer reimbursements for bicycle commuting expenses are considered wage income and therefore subject to income and employment (i.e., "payroll") taxes. *Section 11047 of P.L. 115-97* *IRC Section 132(f)* Expires 12/31/2025	Up to $20 per month of qualified employer reimbursements for bicycle commuting expenses will be excludible from wage income, and hence not subject to either income or employment (i.e., "payroll") taxes. *IRC Section 132(f)*
Moving reimbursement exclusion *JCT budgetary cost estimate of TCJA changes at enactment: +$4.8 billion (FY2018-FY2027).* *CBO budgetary cost estimate if TCJA changes extended permanently: +$6.7 billion (FY2024-FY2033).*	Employer reimbursements for moving expenses are only excludible from income and wages for members of the Armed Forces and pursuant to a military order for a permanent change of station. For all other employees, such benefits are considered wage income and hence subject to income and employment (i.e., "payroll") taxes. *Section 11048 of P.L. 115-97* *IRC Section 132(g)(2)* Expires 12/31/2025	Qualified moving expense reimbursements from an employer will be excludible from an employee's wage income, and hence not subject to either income or employment (i.e., "payroll") taxes. *IRC Section 132*
Combat zone tax benefits for members of the Armed Forces in the Sinai Peninsula *JCT budgetary cost estimate of TCJA changes at enactment: revenue loss of less than $50*	Members of the Armed Forces serving in a combat zone (and their families) are entitled to several tax benefits, including: (1) an exemption from income and employment ("payroll") taxes on certain military pay received during any month in which the member served in a combat zone (IRC Sections 112 and 3401(a)(1)); (2) an exemption from income taxes during the year that the member dies and the year prior while serving in a combat zone (IRC Section 692); (3) special estate tax rules where death occurs in a combat zone (IRC Section 2201);	The Sinai Peninsula will not be statutorily presumed to be a combat zone. Unless the Sinai Peninsula is designated as a combat zone under the usual process (IRC Section 112), members of the Armed Forces serving in this area will not be eligible for combat zone tax benefits. *IRC Sections 2, 112, 692, 2201, 3401, 4253, 6013, and 7508*

Provision	TCJA	Scheduled Expiration of TCJA
million (FY2018-FY2027). *CBO budgetary cost estimate if TCJA changes extended permanently: -$7 million (FY2024-FY2033).*	(4) special benefits to surviving spouses (IRC Sections 2(a)(3) and 6013(f)(1)); (5) an extension of tax deadlines, including for filing returns, making payments, claiming credits or refunds, and certain other deadlines (IRC Section 7508); (6) an exclusion of telephone excise taxes (IRC Section 4253(d)). Typically, combat zones are designated by the President in an Executive Order as an area where the Armed Forces are or have engaged in combat. Under the TCJA, the Sinai Peninsula is statutorily presumed to be a combat zone. *Section 11026 of P.L. 115-97* Expires 12/31/2025	
Alternative Minimum Tax		
Alternative minimum tax (AMT) exemption and phaseouts *JCT budgetary cost estimate of TCJA changes: -$637.1 billion (FY2018-FY2027).* *CBO budgetary cost estimate if TCJA changes extended permanently: -$1,088.4 billion (FY2024-FY2033).*	A tax is imposed at 26% on an individual's alternative minimum taxable income, with a higher rate of 28% applied to taxpayers with alternative minimum taxable incomes above $232,600 in 2024. Alternative minimum taxable income (AMTI) starts with taxable income, then *adds back* certain preference items (such as net operating losses, depreciation, and passive losses all calculated under special AMT rules, state and local taxes, miscellaneous business expenses, and personal exemptions), and then subtracts an AMT exemption amount. (Note: Personal exemptions were effectively eliminated under the TCJA. See "Personal exemptions.") For 2024 the AMT exemption amounts are $85,700 for singles/heads of households and $133,300 for married couples. The AMT exemption amount phases down when a taxpayer's income exceeds a phaseout level. These levels are $578,150 for singles/head of households and $1,156,300 for married couples. These amounts are adjusted for inflation. *Section 12003 of P.L. 115-97* *IRC Section 55* Expires 12/31/2025	The AMT exemption and exemption phaseout will revert to pre-TCJA levels and then both will be adjusted for inflation. For 2018, prior to the TCJA, the higher 28% rate applied to incomes above $191,500 for married couples. For 2018, prior to the TCJA, the exemption amounts were $55,400 for singles/heads of households and $86,200 for married couples and the exemption phaseouts were $123,100 for singles/heads of households and $164,100 for married couples in 2018. (Note: Personal exemptions will again be in effect upon the expiration of the TCJA. See "Personal exemptions.") *IRC Section 55*

Provision	TCJA	Scheduled Expiration of TCJA
ABLE Accounts		
Achieving A Better Life Experience (ABLE) account contribution limit *JCT budgetary cost estimate of TCJA changes at enactment: revenue loss of less than $50 million (FY2018-FY2027).* *CBO budgetary cost estimate if TCJA changes extended permanently: -$2 million (FY2024-FY2033).*	ABLE accounts are tax-favored savings accounts intended to encourage qualifying disabled individuals (referred to as "designated beneficiaries") to save money for certain disability-related expenses (in a tax-preferred way) without losing eligibility for certain federal means-tested programs, such as Medicaid. Generally, in a given year an ABLE account cannot receive aggregate contributions in excess of the annual gift tax exemption, which is $18,000 in 2024. Under the TCJA, a designated beneficiary who is employed can contribute an additional amount to their ABLE account (above the annual gift-tax exclusion amount). The additional amount is equal to the lesser of (1) the applicable federal poverty level for a one-person household in the prior year, or (2) the beneficiary's compensation for the year. A beneficiary cannot contribute this additional amount for the year if any contribution is made on their behalf to certain defined contribution plans. *Section 11024(a) of P.L. 115-97* *IRC Section 529A(b)(2)(B)* Expires 12/31/2025	While the gift tax exclusion will still apply, designated beneficiaries will not be able to make the additional contribution of up to the lesser of the federal poverty level for a one-person household or the beneficiary's compensation. *IRC Section 529A*
ABLE accounts and the saver's credit *JCT budgetary cost estimate of TCJA changes at enactment: revenue loss of less than $50 million (FY2018-FY2027).* *CBO budgetary cost estimate if TCJA changes extended permanently: included in the cost of increasing the contribution limit (above)*	Designated beneficiaries who make qualified contributions to their ABLE account can qualify for a nonrefundable saver's credit of up to $1,000. *Section 11024(b) of P.L. 115-97* *IRC Section 25B(d)(1)(D)* Expires 12/31/2025	Designated beneficiaries will not be able to claim the saver's credit for their contributions. Note: the SECURE 2.0 Act of 2022 (Section 103 of P.L. 117-328) included a provision aimed at promoting retirement savings among low-income households that effectively repeals the saver's credit under IRC Section 25B and replaces it with a saver's match under IRC Section 6433, effective 1/1/2027. IRC Section 25B

Provision	TCJA	Scheduled Expiration of TCJA
529 to ABLE account rollover *JCT budgetary cost estimate of TCJA changes at enactment: revenue loss of less than $50 million (FY2018-FY2027).* *CBO budgetary cost estimate if TCJA changes extended permanently: -$3 million (FY2024-FY2033).*	Rollovers from a 529 account to an ABLE account (*plus* any other contributions to the account for the year) that are less than or equal to the annual ABLE contribution limit are not subject to income taxation, provided that the accounts have the same designated beneficiary (or the designated beneficiaries of the two accounts are members of the same family). The portion of the rollover (plus any other contributions to the account) in excess of the annual contribution limit is taxable. *Section 11025 of P.L. 115-97* *IRC Section 529(c)(3)(C)(i)(III)* Expires 12/31/2025	All rollovers from 529 accounts to ABLE accounts will be subject to taxation. *IRC Section 529*
Business Provisions		
Deduction for pass-through business income—"199A Deduction" *JCT budgetary cost estimate of TCJA changes: -$415 billion (FY2018-FY2027).* *CBO budgetary cost estimate if TCJA changes extended permanently: -$548 billion (FY2024-FY2033).*	Pass-through business income is taxed according to ordinary individual income tax rates. The TCJA created a deduction equal to 20% of qualified business income. The deduction is limited to the greater of 50% of W-2 wages, or 25% of W-2 wages plus 2.5% multiplied by depreciable property (equipment and structures). Specified service trade or businesses (SSTBs)[b] generally may not claim the deduction except in specific circumstances. The deduction limitation and SSTB limitation do not apply if taxable income is less than $191,950 (single) or $383,900 (married) in 2024. These limitations are phased in over a $50,000 (single) and $100,000 (married) range, and thus apply fully if a taxpayer's income is at or above $214,950 (single) and $483,900 (married). *Section 11011 of P.L. 115-97* IRC Section 199A Expires 12/31/2025	The 199A deduction will expire. Hence pass-through business income will generally be taxed according to ordinary individual income tax rates without a deduction for qualified business income.
Limitation on losses for noncorporate taxpayers *JCT budgetary cost estimate of TCJA*	For taxpayers other than C corporations, a deduction in the current year for excess business losses is temporarily disallowed, originally through 2026 by the TCJA and subsequently extended to 2028 by the Inflation Reduction Act (P.L. 117-169, IRA). In addition, such losses are treated as a NOL carryover to the following year.	Businesses will generally be permitted to carry over a net operating loss (NOL) to certain past and future years. Under the passive loss rules, individuals and certain other taxpayers will be limited in their ability to claim deductions and credits from passive trade and business activities, although unused deductions and credits can generally be carried forward to the next year. Similarly,

Provision	TCJA	Scheduled Expiration of TCJA
changes: +$150 billion (FY2018-FY2027). *CBO budgetary cost estimate if TCJA changes extended permanently: +$137 billion (FY2024-FY2033).*	An excess business loss is the amount that a taxpayer's aggregate deductions attributable to trades and businesses exceed the sum of (1) aggregate gross income or gain attributable to such activities, and (2) $305,000 ($610,000 if married filing jointly) in 2024. For partnerships and S corporations, this provision is applied at the partner or shareholder level. *Section 11012 of P.L. 115-97* *Section 13903 of P.L. 117-169* *IRC Section 461(l)* Expires 12/31/2028	certain farm losses may not be deducted in the current year, but can be carried forward to the next year. *IRC Section 461(l)*
Expensing *JCT budgetary cost estimate of TCJA changes: -$86 billion (FY2018-FY2027).* *CBO budgetary cost estimate if TCJA changes extended permanently: -$325 billion (FY2024-FY2033).*	A taxpayer generally must capitalize the cost of property used in a trade or business or held for the production of income and recover such cost over time through annual deductions for depreciation or amortization. The TCJA temporarily allowed full expensing (i.e., 100% bonus depreciation) through 2022, before phasing down ratably through the end of 2026. For long-production-period property, the phasedown period begins after 2024. *Section 13201 of P.L. 115-97* *IRC Section 168(k)* Expires 12/31/2026 (Excluding long production property)	Businesses will generally capitalize the cost of property used in a trade or business or held for the production of income and recover such cost over time through annual deductions for depreciation or amortization without the use of bonus depreciation.
Citrus plants lost by casualty *JCT budgetary cost estimate of TCJA changes: revenue loss of less than $50 million (FY2018-FY2027).* *CBO budgetary cost estimate if TCJA changes extended permanently: -$11 million (FY2024-FY2033).*	The uniform capitalization (UNICAP) rules address the method for determining costs that taxpayers are required to capitalize or treat as inventory. They generally apply to property produced in a trade or business or acquired for resale. One exception is for edible citrus plants lost or damaged by reason of a casualty or similar event. The exception may apply to (A) the taxpayer's cost of replanting such citrus plants, and either (B) costs paid or incurred by other persons if the taxpayer has more than a 50% equity interest in the citrus plants at all times during the year and the other person owns any of the remaining interest and materially participates in the planting or similar activities, or (C) temporarily through the TCJA to third parties if (1) the taxpayer has	The exception for third parties (C) would no longer apply. (The other two exceptions—(A) and (B)—would still apply.) *IRC Section 263A*

Provision	TCJA	Scheduled Expiration of TCJA
	an equity interest of at least 50% in the replanted citrus plants at all times during the year and the other person owns any of the remaining interest, or (2) the other person acquired the taxpayer's entire equity interest in the land on which the citrus plants were located and the replanting is on such land. *Section 13207 of P.L. 115-97* *IRC Section 263A(d)(2)(C)(ii)* Expires 12/22/2027	
Other Provisions		
Estate and gift Tax *JCT budgetary cost estimate of TCJA changes: -$83.0 billion (FY2018-FY2027).* *CBO budgetary cost estimate if TCJA changes extended permanently: -$126.5 billion (FY2024-FY2033).*	Estate and gift taxes are levied at a rate of 40% on transfers after excluding a fixed amount from taxation. For decedents who die in 2024, the exclusion amount is $13,610,000 per decedent ($10 million per decedent statutorily adjusted annually for inflation). *Section 11061 of P.L. 115-97* *IRC Section 2010(c)(3)(C)* Expires 12/31/2025	The estate and gift tax exclusion amount will be reduced from $10 million per decadent to $5 million per decedent statutorily and then adjusted annually for inflation. *IRC Sections 2001 and 2010*
Employer credit for paid family and medical leave *JCT budgetary cost estimate of TCJA changes: -$4.3 billion (FY2018-FY2027).* Note that this does not reflect the cost of the subsequent extensions of this provision by P.L. 116-94 and P.L. 116-260. *CBO budgetary cost estimate if TCJA changes extended permanently: -$3.6*	Employers paying wages to employees on family and medical leave may be eligible for a tax credit. The credit amount is calculated as a percentage of wages paid to a qualifying employee while on family and medical leave. If the employers pay 50% of wages normally paid while an employee is on family and medical leave, the credit is 12.5% of wages paid, proportionally increasing to a maximum credit of 25% for paid leave worth 100% of wages normally paid. Employers may claim the credit for up to 12 weeks of paid leave per employee. Leave required by state or local law does not qualify for the credit. Leave provided in excess of legally required minimums may qualify for the credit. For example, if an employer provided a paid family and medical leave benefit with 100% wage replacement, while legally required to provide a 50% wage replacement benefit, the excess 50% may qualify for the credit. However, many state or local laws	No credit will be available for employer-provided paid family and medical leave.

Provision	TCJA	Scheduled Expiration of TCJA
billion (FY2024-FY2033).	regarding paid family or medical leave require a wage replacement rate above 50%, so benefits paid to employees in those jurisdictions are likely not eligible for the credit. As state and local governments continue to adopt paid family and medical leave policies, the pool of employers who are potentially eligible for this credit may be shrinking. Eligible employers are those that allow qualifying full-time employees at least two weeks of paid family and medical leave (with leave time prorated for part-time employees) separate from vacation, personal, or sick leave. A qualifying employee is one who has been employed by the employer for at least one year, and who, during the preceding year, had compensation up to 60% of the compensation threshold for highly compensated employees.[c] *Under TJCA, this credit originally expired on December 31, 2019. The Taxpayer Certainty and Disaster Relief Act of 2019 (Division Q of P.L. 116-94) extended the credit through 2020, while the Taxpayer Certainty and Disaster Tax Relief Act of 2020 (Division EE of P.L. 116-260) extended it through 2025.* *Section 13403 of P.L. 115-97* *Section 142 of Division Q of P.L. 116-94* *Section 119 of Division EE of P.L. 116-260* *IRC Section 45S* Expires 12/31/2025	
Qualified opportunity zones *JCT budgetary cost estimate of TCJA changes: -$1.6 billion (FY2018-FY2027).* *CBO budgetary cost estimate if TCJA changes extended permanently: -$67.3 billion*	Opportunity zones provide several tax benefits to those who invest in these areas, including (1) a temporary deferral of capital gains taxation if gains are reinvested in a qualified opportunity fund; (2) an increase in the investment basis if specific holding periods are met; and (3) a permanent exclusion of the capital gains from income if investments in a qualified opportunity fund are held for at least 10 years (hence, these capital gains are not subject to taxation). No election for deferral of gain is allowed after December 31, 2026. *Section 13823 of P.L. 115-97* *IRC Sections 1400Z-1 and 1400Z-2* Expires 12/31/2026	Investments in opportunity zones will not be eligible for deferral, adjustments to basis, or exclusions on gains.

Sources: CRS analysis of P.L. 115-97 and other laws as noted in the table. IRS Revenue Procedures 17-58 and 23-34.

Notes: This table provides a basic description of the tax provisions in P.L. 115-97. Any deviations from the statutory text are not intended as legal interpretations of such text. The table includes primary citations to the Internal Revenue Code (IRC) for each provision, but other IRC provisions and sources of law may be relevant. Some temporary changes to the TCJA either expired as scheduled before 2025, were repealed, or were made permanent and hence are not included in this table.

a. Forgiven debts are generally considered income and subject to the income tax. Under the TCJA, this provision was modified so student loans discharged due to the death or permanent total disability of the student did not count as gross income through 12/31/2025. Section 9675 of the American Rescue Plan Act (ARPA; P.L. 117-2) modified the TCJA change further so that it applied to virtually any discharged student loan. At the end of 2025, when the ARPA change expires, forgiven student loan debt (including debt forgiven due to death or permanent and total disability) will generally be includible in gross income and hence subject to taxation.

b. An SSTB is a trade or business involving the performance of services in the fields of health, law, accounting, actuarial science, performing arts, consulting, athletics, financial services, investing and investment management, trading or dealing in certain assets, or any trade or business where the principal asset is the reputation or skill of one or more of its employees or owners.

c. For example, according to the most recent information from the IRS, for 2022 the applicable amount of compensation was $135,000. Hence to be a qualifying employee in 2023, the employee could be paid up to $81,000 in 2022.

Delayed Onset Tax Provisions in the TCJA

In addition to the expiring provisions discussed above, the TCJA contained several provisions which have delayed implementation dates. For example, for tax years beginning prior to January 1, 2022, businesses could fully deduct research and experimentation expenses in the year the expenses were incurred. For tax years beginning after December 31, 2021, businesses are required under the TCJA to amortize research and experimentation (R&E) expenses over five years. At the time of consideration, JCT estimated that this provision would generate additional federal revenues of $120 billion (FY2022 through FY2027). Continuing to allow R&E expensing, instead of requiring that such expenditures be amortized, would reduce federal tax revenues by an estimated $153 billion (FY2023-FY2032) according to the Tax Policy Center (TPC).[4]

The TCJA also enacted several business tax provisions—base erosion minimum tax (BEAT), foreign-derived intangible income (FDII), and global intangible low-taxed income (GILTI)—with formulas that will be modified starting in tax years beginning after December 31, 2025, and, for the modified limitation on the deduction for business interest, starting in tax years beginning after December 31, 2021. The effects of these formula changes were not separately estimated at the time of consideration, though all of the modifications would generate additional tax revenue. Delaying the formula changes would reduce federal revenue by $14 billion (FY2024-FY2033) for BEAT and a combined $111 billion (FY2024-FY2033) for FDII and GILTI.[5]

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[4] For more information, see Tax Policy Center, "Model Estimates, T22-0163R - Modify Certain Business Provisions, Make CTC Fully Refundable, and Extend Expansion of EITC for Workers without Qualifying Children, Impact on Tax Revenue, 2023-42 Fiscal Years," https://www.taxpolicycenter.org/model-estimates/modify-business-provisions-and-child-tax-credit-and-earned-income-tax-credit-15.

[5] Congressional Budget Office, *Budgetary Outcomes Under Alternative Assumptions About Spending and Revenues*, Supplemental Data, May 2023, https://www.cbo.gov/publication/59154#data.

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