

2025 · THE ONE BIG BEAUTIFUL BILL ACT COMPARISON GUIDE



PRE-OBBA (TCJA + SUNSET)	
STANDARD DEDUCTION	
Single	\$15,000
MFJ	\$30,000

ITEMIZED DEDUCTIONS (SCHEDULE A)	
State & Local Taxes (SALT)	\$10,000
Mortgage Interest	Up to \$750,000 (home acquisition debt)
Charitable Donations	No AGI Floor
PEASE Limitations	Returning 1/1/2026

NEW BELOW-THE-LINE DEDUCTIONS (NON-ITEMIZED)	
N/A	

CREDITS & EXCLUSIONS FOR CHILDREN	
Child Tax Credit	\$2,000 ³
Child Tax Credit (Refundable Portion)	\$1,700 (\$1,000 starting 2026)
Child & Dependent Care Credit	20–35% of Qualified Expenses ³
Dependent Care FSA Contribution Limit	\$5,000
Adoption Tax Credit	\$17,280 ³

PREMIUM TAX CREDIT ⁴	
MAGI within 100–400% of FPL	Eligible ³
MAGI above 400% of FPL	Eligible above 8.5% of MAGI ³

POST-OBBA (CURRENT LAW) ¹	
STANDARD DEDUCTION	
Single	\$15,750
MFJ	\$31,500

ITEMIZED DEDUCTIONS (SCHEDULE A)	
State & Local Taxes (SALT)	\$40,000 ³
Mortgage Interest	Up to \$750,000 (home acquisition debt) + PMI ^{2,3}
Charitable Donations	Subject to 0.5% AGI Floor ²
Uniform 2% Limitation	Max deduction capped at 35% ²

NEW BELOW-THE-LINE DEDUCTIONS (NON-ITEMIZED)		
	MFJ	SINGLE
Additional Charitable Deduction	\$2,000 ²	\$1,000 ²
Income From Overtime	\$25,000 ³	\$12,500 ³
Income From Tips	\$25,000 ³	
Vehicle Loan Interest	\$10,000 ³	
Senior Deduction (ages 65+)	\$6,000 (per eligible individual) ³	

CREDITS & EXCLUSIONS FOR CHILDREN	
Child Tax Credit	\$2,200 (inflation-adjusted) ³
Child Tax Credit (Refundable Portion)	\$1,700 (permanent)
Child & Dependent Care Credit	20–50% of Qualified Expenses ^{2,3}
Dependent Care FSA Contribution Limit	\$7,500 ²
Adoption Tax Credit	\$17,280 (\$5,000 refundable and inflation-adjusted) ³

PREMIUM TAX CREDIT ⁴	
MAGI within 100–400% of FPL	Eligible ³
MAGI above 400% of FPL	Not Eligible ²

PRE-OB BB (TCJA + SUNSET)	
IDR PLANS FOR FEDERAL STUDENT LOANS	
SAVE/REPAYE	Available
IBR	Available (PFH applies to loan)
PAYE/ICR	Available

ALTERNATIVE MINIMUM TAX (AMT)		
	MFJ	SINGLE
Exemption Amount	\$137,000	\$88,100
28% Tax Rate On Income Over	\$239,100	\$239,100
Exemption Phaseout Threshold	\$1,252,700	\$626,350
Exemption Phaseout Rate	25%	25%
Exemption Elimination	\$1,800,700	\$978,750

SECTION 199A QBI DEDUCTION		
	MFJ	SINGLE
Phaseout Range	\$100,000	\$50,000
Deduction (expiring 12/31/2025)	20% ³	

SECTION 168 BONUS DEPRECIATION (BUSINESS OWNERS)	
Depreciation Amount	40% (purchases in 2025, expiring in 2027)

ESTATE & GIFT TAX LIFETIME EXEMPTION	\$13,990,000 (decreasing on 1/1/2026)
---	---------------------------------------

POST-OB BB (CURRENT LAW) ¹	
IDR PLANS FOR FEDERAL STUDENT LOANS	
SAVE/REPAYE	Eliminated
IBR	Available (no PFH needed)
PAYE/ICR	Available (phased out by 7/1/2028)
RAP	Available (starting 7/1/2026) ²

ALTERNATIVE MINIMUM TAX (AMT)		
	MFJ	SINGLE
Exemption Amount	\$137,000	\$88,100
28% Tax Rate On Income Over	\$239,100	\$239,100
Exemption Phaseout Threshold	\$1,000,000 ²	\$500,000 ²
Exemption Phaseout Rate	50% ²	50% ²
Exemption Elimination	\$1,274,000 ²	\$676,200 ²

SECTION 199A QBI DEDUCTION		
	MFJ	SINGLE
Phaseout Range	\$150,000 ²	\$75,000 ²
Deduction (permanent)	20% ³	
Minimum Deduction Amount	\$400 ^{2,3}	

SECTION 168 BONUS DEPRECIATION (BUSINESS OWNERS)	
Depreciation Amount	100% (purchases after 1/19/2025, permanent)

ESTATE & GIFT TAX LIFETIME EXEMPTION	\$15,000,000 (permanent) ²
---	---------------------------------------

¹ Unless indicated by another footnote, all "Post-OB BB" changes (i.e., the right-hand column) are assumed to be effective in 2025.

² Effective starting in 2026.

³ Subject to phaseout rules and/or other limitations.

⁴ For many states, the MAGI range is 138–400% of the FPL (as opposed to 100–400%).

This is a publication of Ignite Financial LLC. Information presented is believed to be factual and up-to-date, but we do not guarantee its accuracy and it should not be regarded as a complete analysis of the subjects discussed. All expressions of opinion reflect the judgment of the authors as of the date of publication and are subject to change.

Information does not involve the rendering of personalized investment advice, but is limited to the dissemination of general information on products and services. A professional adviser should be consulted before implementing any of the strategies presented. Content should not be construed as an offer to buy or sell, or a solicitation of any offer to buy or sell the securities mentioned herein.

Any hyperlinks are provided as a convenience and we disclaim any responsibility for information, services or products found on websites linked hereto.

Ignite Financial LLC is registered as an investment adviser with the state of Florida. The firm only transacts business in states where it is properly registered, or is excluded or exempted from registration requirements. Registration as an investment adviser does not constitute an endorsement of the firm by securities regulators nor does it indicate that the adviser has attained a particular level of skill or ability.

All investment strategies have the potential for profit or loss. Different types of investments involve varying degrees of risk, and there can be no assurance that any specific investment or strategy will be suitable or profitable for a client's investment portfolio.

The adviser may recommend the purchase of insurance-related products. Julie L. Betoni is a licensed insurance agent with various insurance companies and may receive additional compensation for such transactions.

Julie Betoni, President | Chief Financial Strategist

24428 Harbour View Dr. | Ponte Vedra Beach, FL 32082
julie@ignite-financial.com | 904-395-7424 | ignite-financial.com