

2026 · 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 ¹
Child Tax Credit (Refundable Portion)	\$1,700 (\$1,000 starting 2026)
Child & Dependent Care Credit	20–35% of Qualified Expenses ¹
Dependent Care FSA Contribution Limit	\$5,000
Adoption Tax Credit	\$17,670 ¹

PREMIUM TAX CREDIT ²

MAGI within 100–400% of FPL	Eligible ¹
MAGI above 400% of FPL	Eligible above 8.5% of MAGI ¹

POST-OBBA (CURRENT LAW)

STANDARD DEDUCTION

Single	\$16,100
MFJ	\$32,200

ITEMIZED DEDUCTIONS (SCHEDULE A)

State & Local Taxes (SALT)	\$40,400 ¹
Mortgage Interest	Up to \$750,000 (home acquisition debt) + PMI ¹
Charitable Donations	Subject to 0.5% AGI Floor
Uniform 2% Limitation	Max deduction capped at 35%

NEW BELOW-THE-LINE DEDUCTIONS (NON-ITEMIZED)

	MFJ	SINGLE
Additional Charitable Deduction	\$2,000	\$1,000
Income From Overtime	\$25,000 ¹	\$12,500 ¹
Income From Tips	\$25,000 ¹	
Vehicle Loan Interest	\$10,000 ¹	
Senior Deduction (ages 65+)	\$6,000 (per eligible individual) ¹	

CREDITS & EXCLUSIONS FOR CHILDREN

Child Tax Credit	\$2,200 (inflation-adjusted) ¹
Child Tax Credit (Refundable Portion)	\$1,700 (permanent)
Child & Dependent Care Credit	20–50% of Qualified Expenses ¹
Dependent Care FSA Contribution Limit	\$7,500
Adoption Tax Credit	\$17,670 (\$5,120 refundable and inflation-adjusted) ¹

PREMIUM TAX CREDIT ²

MAGI within 100–400% of FPL	Eligible ¹
MAGI above 400% of FPL	Not Eligible

PRE-OBBA (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% ¹	

SECTION 168 BONUS DEPRECIATION (BUSINESS OWNERS)

Depreciation Amount	40% (purchases in 2025, expiring in 2027)
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ESTATE & GIFT TAX LIFETIME EXEMPTION \$13,990,000 (decreasing on 1/1/2026)

POST-OBBA (CURRENT LAW)

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)

ALTERNATIVE MINIMUM TAX (AMT)

	MFJ	SINGLE
Exemption Amount	\$140,200	\$90,100
28% Tax Rate On Income Over	\$244,500	\$244,500
Exemption Phaseout Threshold	\$1,000,000	\$500,000
Exemption Phaseout Rate	50%	50%
Exemption Elimination	\$1,280,400	\$680,200

SECTION 199A QBI DEDUCTION

	MFJ	SINGLE
Phaseout Range	\$150,000	\$75,000
Deduction (permanent)	20% ¹	
Minimum Deduction Amount	\$400 ¹	

SECTION 168 BONUS DEPRECIATION (BUSINESS OWNERS)

Depreciation Amount	100% (purchases after 1/19/2025, permanent)
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ESTATE & GIFT TAX LIFETIME EXEMPTION \$15,000,000 (permanent)

¹ Subject to phaseout rules and/or other limitations.

² For many states, the MAGI range is 138–400% of the FPL (as opposed to 100–400%).