



DECODING TAX REFORM

Advising the Advisor

Friday, 20 April 2018

Bottom Line, Up Front

The Tax Cuts and Jobs Act (TCJA) is likely to play a big role in the midterm elections, as both parties look to use the tax bill to their advantage in the Fall. Experts and tax professionals continue to analyze the impact and track the implementation of the TCJA.

Tax Cut Effects

Last year's tax cuts have lifted the profits of some corporations. The health industry has seen gains from the TCJA, as all five major U.S. health insurers have announced the tax overhaul will increase their revenue. Bank of America is also experiencing positive returns from the tax cuts in the form of 30% higher first quarter profits. But while the short-term impact has been generally positive, some experts see the tax cuts as ill timed, and have concerns about the long-term impact on the economy.



- [The Health 202: Health industry giants get tax windfall. But it's unclear how it will be used \(Washington Post\)](#)
- [Bank of America's Profits Lifted by Tax Law, Rising Interest Rates \(WSJ\)](#)
- [How the Tax Cut President Trump Loves Will Deepen Trade Deficits He Hates \(WSJ\)](#)
- [The Finance 202: 'Happy hour in America.' Tax cuts could leave economy weaker after short-term boost \(Washington Post\)](#)

Tax Cut Messaging

With midterms coming up this Fall, the TCJA is taking center stage in both Republican and Democrat messaging. This week the Job Creators Network announced its "Tax Cuts Work" tour, highlighting positive effects of the tax cuts across the country. These efforts come as poll results show the tax bills popularity remains underwater.

- [Politicians, groups step up tax law messaging for Tax Day \(The Hill\)](#)
- [Biz group launches bus tour to promote GOP tax law \(The Hill\)](#)

- [House GOP leaders make the midterms all about the tax law - and they have a challenge in selling it before November \(CNBC\)](#)
- [Tax Overhaul Remains Unpopular, Poll Shows \(WSJ\)](#)

Tax Cuts Phase 2



While we do not expect President Trump to sign any more tax laws before the November elections, there is uncertainty about votes on phase two tax cuts, which are centered around making the individual provisions in the TCJA permanent. Speaker Paul Ryan spoke positively this week about the prospects of a House vote. However, there is skepticism from Senate GOP members as to the political implications of holding such a vote. Some strategists fear it would give red-State Democrats an out from defending their 'no' votes on TCJA. While Republicans debate which taxes to cut next, Democrats are planning ways to rollback changes made last year when they regain power.

- [Ryan Promises Vote This Year to Make Individual Tax Cuts Permanent \(Roll Call\)](#)
- [Republicans fear political risk in Senate races as House moves to extend tax cuts \(Washington Post\)](#)

- [Senate GOP wary of new tax cut sequel \(The Hill\)](#)
- [Hoyer: Dems eyeing ways to roll back GOP tax law \(The Hill\)](#)

Decoding Tax Reform Webinar – Tuesday April 24th

Advising the Advisor: Executive Compensation: The Impact of Recent Tax Act Changes

The Tax Cuts and Jobs Act made significant changes under IRS Code 162m including the removal of the performance-based pay exemption to the \$1 million cap compensation limitation. Also a new excise tax was imposed on tax-exempt entities paying compensation in excess of \$1 million dollars as well as on excess severance payments.

What do these changes mean, and what do advisors need to know to assist their clients?

Join us **next Tuesday, April 24 at 11am** as Marla Aspinwall, a Partner at Loeb, Loeb with decades of experience in insurance-funded executive benefits and estate planning, discusses the marketplace implications of the changes on the executive benefits marketplace for both public companies and non-profit entities.

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[Upcoming Events](#)

- **Strategies for Success: Decoding Tax Reform** | Featuring Marla Aspinwall | Tuesday, April 24, 11am Eastern | [Register Here](#)
- **CHC Prep Webinar 1** | Tuesday, Apr 24, 4:00pm Eastern | [Register Here](#)
- **CHC Prep Webinar 2** | Wednesday, Apr 25, 1:00pm Eastern | [Register Here](#)
- **2018 AALU Annual Meeting** | April 29-May 1 | Washington, DC | [Register Here](#)



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