



DECODING TAX REFORM

Advising the Advisor

By Chris Morton, Armstrong Robinson, David Hollingsworth, and Jason Martinez

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Bottom Line, Up Front

This week, House Ways and Means Committee Chairman Kevin Brady outlined the goals of the next set of tax cuts being eyed by top GOP tax writers. Among the priorities are making permanent certain provisions from last year's tax reform bill. On Bloomberg TV, Brady discussed extending the provision in the bill that provided for 100% expensing of

short-term capital investments for five years, calling it “one of the most pro-growth parts of this tax code.” He also touted making the new individual tax rates permanent, saying it would allow taxpayers to save more for retirement. It is worth noting, however, that we have yet to hear Senate enthusiasm to match the message coming from the House and President Trump. Also, the present outlook for the year means any such package would face a sixty-vote threshold in the Senate. The net effect being some show votes, but no rose garden signing ceremony.

Tax News This Week



- [Tax cuts, Round 2: GOP looks to punish Democrats in 2018 \(Politico\)](#)
Following the monumental changes brought by the TCJA last year, Congressional Republicans have recently been calling for another round of tax cuts. The outlook for even more tax changes is not promising, as it requires Democratic support. But, GOP members are looking forward to the upcoming midterm elections, hoping to catch Democrats on the record opposing tax cuts.
- [Shock poll: Majority of Americans don't see Trump tax cuts in paychecks \(Washington Post\)](#)
According to the results of a CNBC poll this week, most Americans are not seeing an increase in their paychecks after the TCJA lowered individual tax rates last year. Over 52% of respondents said they have seen no change at all. Of the 32% who are seeing an increase, only 38% say the increase helps them a “great deal” or

“fair amount.”

- [Mulvaney nears victory in struggle with Mnuchin on tax rules \(Politico\)](#)

In a battle for influence over IRS regulations, Office of Management and Budget (OMB) Director Mick Mulvaney appears to be coming out on top of Treasury Secretary Steve Mnuchin. Historically, the Treasury Department has enjoyed full autonomy in issuing tax rules. Under the Trump administration, however, OMB wants an expanded role in key regulations.

- [8 essential tax return nuggets for financial advisers \(Investment News\)](#)

2017's TCJA made many changes to the tax code, and some are more relevant to financial advisers than others. This week, Investment News highlighted some of the more prominent changes that could affect your business.

- [Treasury allows Illinois residents to deduct prepaid property taxes \(The Hill\)](#)

After the TCJA limited State and local tax deductions to a total of \$10,000, taxpayers who had prepaid their property taxes for 2018 were left wondering how those payments would be treated in the wake of the new provision. This week, the Treasury issued guidance for Illinois residents who rushed to take advantage of the previous provision allowing full deduction.

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In efforts to make CHC better than ever, we are asking you to register *before* arriving at the Annual Meeting in April. With advance notice, we can schedule you **more meetings**, have **smaller meeting group sizes**, and provide you in advance with **tools and tips** for meeting with Congressional staff. We will be hosting a series of webinars in April to prepare you and make sure you're ready to share your story with Capitol Hill!

[REGISTER TODAY!](#)

Questions?

Call Elizabeth DeMeyere at 202.742.4644

Upcoming Events

Strategies for Success: Decoding Tax Reform | Tuesday, April 24 | 11am Eastern |
Partner, Loeb & Loeb | [Register Here](#)

2018 AALU Annual Meeting | April 29-May 1 | Washington, DC | [Learn More](#)



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AALU Member

Our mailing address is:

AALU

11921 Freedom Drive

Suite 1100

Reston, VA 20190