

Side by Side Comparison of House and Senate Tax Legislation

	House Bill	Senate Bill
Mortgage Interest Deduction	Capped at \$500,000	Retains current cap of \$1,000,000
State and Local Tax Deduction	Repeals deduction for income or sales taxes. Retains deduction for real property taxes, but limited to \$10,000 (not indexed)	Repeals all state and local tax deductions
Capital Gains Exemption on Sale of Primary Residence	Must own and use residence for at least 5 of the 8 years prior to sale. Income limits apply	Must own and use residence for at least 5 of the 8 years prior to sale. No income limits apply
1031 Like-Kind Exchanges	Limited to real property assets	Limited to real property assets
Personal and Dependency Exemptions	Eliminated	Eliminated
Standard Deuction	Increased to \$12,000 Single, \$18,000 Head of Household, \$24,000 for Joint Filers	Increased to \$12,000 Single, \$18,000 Head of Household, \$24,000 for Joint Filers
MID for Second Homes	Eliminated	Retained
Home Equity Loan Deduction	Eliminated for new loans	Eliminated for new and current loans
Moving Expense Exclusion and Deduction	Eliminated	Retained only for active military homeowners
Student Loan Interest Deduction	Eliminated	Retained
Child Tax Credit	Increased from \$1,000 to \$1,600	Increased from \$1,000 to \$1,650 and raise maximum age from 16 to 17
Casualty and Theft Loss Deduction	Eliminated	Eliminated except for personal casualty loss incurred in a Presidentially-declared disaster

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Depreciation Recovery Period for Real Property (Residential Rental)		Reduced to 25 years from 27.5 years
Depreciation Recovery Period for Real Property (Nonresidential)		Reduced to 25 years from 39 years
Depreciation Recovery Period for Real Property (Leasehold Improvements)		Reduced to 10 years from 15 years
Rehabilitation Tax Credit (Non-Certified Historic Structures pre-1936)		Repealed
Rehabilitation Tax Credit (Certified Historic Structures)		Credit reduced from 20% to 10%