



Deciding days for tax reform in the United States

On Thursday November 16, 2017 House of Representatives passed a monumental bill (the “Bill”) to cut taxes on businesses and individuals. The tax reform plan passed with 227 votes in favor and 205 against.

Senate Republicans hope to carry the Bill through the Senate the week after Thanksgiving, transforming into reality what is predicted to be the major tax reform since Ronald Reagan’s era.

The most significant changes include:

A permanent cut to the corporate tax rate from 35% to 20%;

Only three tax rates for individuals (instead of the existing seven), 12% for incomes between \$ 24,000 – \$ 90,000, 25% for income up to \$ 250,000 and 35 % for income up to one million for married couples (and half a million for individuals). The existing maximum rate of 39.6% will be maintained for incomes above these thresholds;

The foregoing will also apply to Limited Liability Companies and Partnerships (pass-through entities) for the purpose of taxation to individual members;

An increase in the size of the child tax credit and, to avoid raising taxes on those currently in the 10% tax bracket, an increase in the standard deduction for all taxes to \$12,000 for individuals (up from \$6,350) and \$24,000 for married couples (up from \$12,700);

The estate tax will only apply to estates exceeding 11 million, and will be definitively abolished in 2024.

It is now up to the Senate to work on the clenches for final approval; which approval will only require a simple majority. In other words, if the Republican front will stay compact for the Bill, we will soon have a new Internal Revenue Code.

Article edited by Cav. Piero Salussolia, Esq. and Federica Magni.

This article contains general information and does not in any way replace the assistance of a lawyer. We suggest that you contact a professional for further information and assistance. Taking a lawyer is an important decision that should not be based solely on advertising information. Before deciding, please ask us for free written information about our qualifications and experience. The Piero Salussolia PA company, founded in 1994 by Piero Salussolia, provides specialized and customized assistance to international clients in International and National Tax Law and Financial Planning, Corporate Law and Real Estate, Intellectual Property, Commercial and Contract Law, Maritime Law and Immigration Law. Born in Alice Castello, Italy, Piero Salussolia has been a forensic profession in the United States and has been a member of the Florida Bar Association since 1985 and California since 1984. Piero Salussolia has been a member of the section of International Law and the Taxation Section of Florida (where he served as Vice President of the Foreign Fiscal Committee from 1989 to 1992). Piero Salussolia was founding member of the South East Chapter of the South American Chamber of Commerce, where he served as Executive Vice President. Piero Salussolia holds a bachelor's degree in Political Science at the University of Torino, a Political Science Master at the San Francisco State University, a law degree at the University of San Francisco, and a Master of Tax Law at New York University. Salussolia Lawyer has started his career at a prestigious Miami law firm; He then joined the local headquarters of an internationally renowned international law firm, which became an international partner focusing on International Tax Law. For services rendered to the Italian community, he was awarded the honor of the Knight of the Republic. Piero Salussolia currently speaks Italian, Spanish, French and English