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House GOP releases tax package for lame-duck session

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The House Ways and Means Committee released a tax and oversight package for the lame duck session on November 26. The package includes technical corrections to the Tax Cuts and Jobs Act (TCJA), certain tax extenders, retirement and other savings enhancements and changes to the operations of the Internal Revenue Service (IRS). The following are highlights of the package:

- A technical correction would make qualified improvement property eligible for bonus depreciation and depreciable over a 15-year period.
- A technical correction addresses the effective date for new limitations made to deductions for business net operating losses (NOLs), clarifying the treatment of NOLs and the timing of NOL deductions.
- A technical correction would provide a refund of overpayments of deemed repatriation tax.
- A technical correction would permit sexual harassment victims to deduct legal fees.
- Tax extenders through the remainder of 2018 include a variety of tax credits, deductions and beneficial tax provisions.
- Retirement, Savings, and Other Tax Relief Act of 2018 provisions, as well as the Taxpayer First Act of 2018, and other temporary tax relief would be offered for victims of hurricanes Florence and Michael, storms and volcanoes in the Pacific and wildfires in California.
- Startup businesses would be allowed to deduct as much as \$20,000 in startup expenses.
- The maximum retirement age for traditional IRA contributions would be repealed.
- The IRS would be subject to the following changes for improvement of operations:
 - » The IRS would be required to establish an independent appeals office, codify the IRS Free File program and require a comprehensive customer service strategy.
 - » The IRS would be required to submit a plan for its total overhaul by September 2020.
 - » Changes would be made to the structure of the IRS and its National Taxpayer Advocate office.

Republicans were expected to put the package to a vote in the House during the lame duck session scheduled to last until mid-December. However, former President George H.W. Bush's death has delayed congressional activity; therefore, the passing of this bill before the end of 2018 is uncertain.

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