



Investment Solutions, Inc.

The Long Run Newsletter

Volume 18 Issue 10 | October 2025

In This Issue:

The One Big Beautiful Bill and You
For Your Information



www.long-cpa.com

405-776-0600

Hydro, Oklahoma 7304

107 East Main Street

Benefit Resource Group, Inc.

Long & Associates, P.C.

Investment Solutions, Inc.

Investment Solutions, Inc.





The One Big Beautiful Bill and You

On July 4, the One Big Beautiful Bill was signed into law at a White House ceremony. This domestic policy bill extends the 2017 tax cuts set to expire this year, making some of those rules permanent. The bill also creates several new tax laws for individuals, while addressing other tax issues for businesses.^{1,2}

It might be a good time to check with your tax, legal, or accounting professional about the changes in the law. Some will start this year, while other changes will kick in in 2026. Like previous tax laws, some new rules are scheduled to expire, while others are permanent. Here's a look at changes expected to impact most tax filers shortly.

Taxes

One key feature of the One Big Beautiful Bill Act is the extension and revision of some of the tax laws that were part of the 2017 Tax Cuts and Jobs Act (TCJA). Here's a quick summary of the three changes we found the most interesting:

Extension of Tax Rates

The bill extends the current tax rates of the 12 percent, 22 percent, 24 percent, 32 percent, and 37 percent brackets, respectively. Had the TCJA expired, the rates would have reverted to 15, 25, 28, 33, and 39.6 percent. The sixth tax bracket stayed the same at a 35 percent tax rate.^{1,2}

Standard Deduction

It also increased the standard deduction to \$15,750 for single filers and \$31,500 for those filing jointly for 2025. Both are slightly rising from the current rate. Note: The standard deduction will adjust for inflation starting next year.^{1,2}

State and Local Tax Deduction (SALT)

The SALT will increase to \$40,000 in 2025 and will increase 1 percent annually until 2030.

However, in 2030, it will revert to \$10,000. Note: SALT has a \$500,000 threshold for single and married filers.^{1,2}

The “Bonus” Deduction

The new “bonus” deduction for older Americans has received much attention since the One Big Beautiful Bill Act became law on July 4. Here’s what’s changing for seniors with the new bill.

Starting in 2025, the bill provides a \$6,000 bonus deduction for filers 65 and up in addition to the standard deduction available to all taxpayers. The new rule will also affect unmarried/non-surviving spouses. The deduction begins to phase out for individuals with incomes starting at \$75,000, or joint filers with an income of \$150,000. It phases out completely for individuals earning more than \$175,000 and couples earning \$250,000. Note: The bonus deduction ends in 2028.^{1,2}

Child Tax Credit

Starting in 2025, the child tax credit of \$2,000 will increase to \$2,200. The credit also has a COLA (cost-of-living adjustment) attached.^{1,2}

Dependent Care

The bill, which will take effect in 2026, increases the dependent care flexible spending account limit from \$5,000 to \$7,500. It also raises the maximum percentage of qualified expenses for dependent care from 35 percent to 50 percent.^{1,2}

American Family Account

The government will make a one-time \$1,000 payment into an account for babies born between 2025 and 2028. Note: Parents can add up to \$5,000/year. No withdrawals are allowed before age 18.^{1,2}

529 Expansion

The bill extends the 529 umbrella to cover non-tuition expenses related to elementary or secondary school attendance. In addition, starting in 2026, the cap for tuition-related expenses increases from \$10,000 to \$20,000.^{1,2}

New Car Loans

Between 2025 and 2028, a \$10,000 deduction on new car loan interest will be available, but some limitations will apply (such as the car needing to be brand-new). First, the deduction will be reduced if your gross income exceeds \$100,000, or \$200,000 if you are married. The car’s final assembly must occur in the U.S. to qualify for the deduction.^{1,2}

Electric Vehicle (EV) Subsidies

Some home improvements (such as windows) and residential energy credits (adding solar) end after December 31, 2025. EV credits for new and used cars end after September 30, 2025.^{1,2}

100 Percent Expensing of Capital and Factory Investments

The bill restores the provision that allows businesses to expense 100 percent of capital investments made on or after January 19, 2025. However, some limitations may apply.^{1,2}

1099-K

The new law sets the reporting limits at \$20,000 and 200 transactions for transactions on cash apps. Note: The rule starts in 2025. It rolls back the \$600 threshold set in previous legislation.^{1,2}

No Tax on Tips

A new \$25,000 deduction for tips starting in 2025 and ending in 2028 is part of the new law. The deduction is reduced if your gross income exceeds \$150,000, or \$300,000 if you are married and filing jointly. Note: The tax on tips provision is allowed, even if you take the standard deduction.^{1,2}

No Tax on Overtime

New overtime deductions were created, starting in 2025 and ending in 2028. These comprise a \$12,500 deduction (single filers) and a \$25,000 deduction (married filing jointly). Note: Like no tax on tips, the deduction reduces if your gross income exceeds \$150,000, or \$300,000 if married filing jointly.^{1,2}

Charitable Contribution Recordkeeping

Charitable contributions of \$1,000 for individual filers and \$2,000 for married couples filing jointly are now deductible, even if you don't itemize your deductions.^{1,2}

Estate and Gift Tax Exemption

The bill increases the estate and gift tax exemption starting in 2026. This year, it is capped at \$13.99 million for single filers and \$27.98 million for married filing jointly. In 2026, it will increase to \$15 million for single filers and \$30 million for married filing jointly. Note: The exemption will increase with inflation.^{1,2}

A Note on Estate Management

Ever since the Tax Cuts and Jobs Act of 2017, there has been an ongoing concern that the estate and gift tax exemption would revert to the 2017 level in 2025. Although the new bill extends the rule, it may change again sometime in the future. Often, the best approach to estate management is proactive.^{1,2}

The new bill has added complexity to the tax code, so I anticipate the IRS will issue guidelines for interpreting the updated rules later this year. Please reach out if you have any questions, and I'll pass along any information I might have. I would also encourage you to speak with your tax, legal, or accounting professional before making any adjustments based on tax updates in the One Big Beautiful Bill.

Citations

1. CNBC.com, July 3, 2025.
2. Congress.gov. August 21, 2025.

For Your Information

- We are open from 9:00 a.m. – 5:00 p.m. Monday through Thursday, and 9:00 a.m. – noon on Fridays.
- We are open during the lunch hour.
- We have a mail drop on the far north door of the building. If you have any information you would like to deliver after normal business hours please drop it off there.
- We are in the process of upgrading our phone system in January. When the upgrade is completed you will be notified of the following new numbers when you call our office:

Calling Long & Associates, P. C. 405-663-2918 will be upgraded to 405-776-0600

Calling Investment Solutions, Inc. 405-663-2916 will be upgraded to 405-776-0900

Fax Number 405-663-2126 will be upgraded to 405-776-0700

October is a symphony of permanence and change.

**“Life starts all over again when it gets crisp in the fall”
— F. Scott Fitzgerald.**



Happy Halloween

Long & Associates, P.C.

Assisting you with accounting, tax preparation, and tax planning

Investment Solutions, Inc.

Advising you and creating strategies for investment and retirement planning

Benefit Resource Group, Inc.

Handling employee benefits and other business services

Whether you need one of these services, or all three, you'll work with the same professional, knowledgeable staff with our Comprehensive Solutions Program

This material was prepared by MarketingPro, Inc., and does not necessarily represent the views of the presenting party, nor their affiliates. This information has been derived from sources believed to be accurate. Please note – investing involves risk, and past performance is no guarantee of future results. The publisher is not engaged in rendering legal, accounting, or other professional services. If assistance is needed, the reader is advised to engage the services of a competent professional. This information should not be construed as investment, tax, or legal advice and may not be relied on for the purpose of avoiding any federal tax penalty. This is neither a solicitation nor a recommendation to purchase or sell any investment or insurance product or services, and should not be relied on as such. All indices are unmanaged and are not illustrative of any particular investment.

Securities offered through Registered Representatives of Cambridge Investment Research, Inc., a Broker/Dealer, Member FINRA/SIPC. Advisory services through Cambridge Investment Research Advisors, Inc., a Registered Investment Advisor. Cambridge is not affiliated with Investment Solutions, Inc., Long & Associates, P.C., or Benefit Resource Group, Inc. V.CSM0092925