Key Provisions of the Protecting Americans from Tax Hikes Act

ARTICLE 12.21.15   DEAN DORTON

Congress finally passed an extenders package that includes some key tax provisions that go beyond 2015. While there are numerous provisions, the ones we are frequently asked about include:

- Section 179 deduction for up to $500,000 of qualifying business property is made permanent and the amount will be indexed for inflation in future years.
- Bonus depreciation is extended through 2019 – 50% for 2015, 2016 and 2017, 40% for 2018, and 30% for 2019. And, starting in 2016, improvements to an interior portion of a nonresidential building made after the building was placed in service will also qualify.
- For S corporations, the period for avoiding the built-in gains tax is “permanently” made 5 years.

What will we do for drama between Thanksgiving and New Year’s next year?

Below are some articles with more information on the Act’s provisions:

- Section-by-Section Summary of the Proposed “Protecting Americans from Tax Hikes Act of 2015”
- Technical Explanation prepared by the Staff of the Joint Committee on Taxation
- The Twelve Most Important Provisions in the Latest Tax Bill