# Understanding "The One, Big, Beautiful Bill": A Must-Know for Taxpayers and Real Estate Investors

On May 13, 2025, the United States House Committee on Ways & Means, led by Chairman Jason Smith, introduced "The One, Big, Beautiful Bill," a comprehensive tax reform proposal that echoes the principles of the Trump-era Tax Cuts and Jobs Act (TCJA). This bill brings significant changes to federal tax policy, offering opportunities for taxpayers, business owners, and real estate investors to optimize their financial strategies. With provisions affecting personal finances, business deductions, and real estate depreciation, it's a critical document for anyone looking to navigate the evolving tax landscape. Here's why you should pay attention to this bill, along with answers to common questions you might search for on Google.

**Why Taxpayers Should Pay Attention**

For individual taxpayers, "The One, Big, Beautiful Bill" delivers immediate financial relief through several key provisions. The bill makes the TCJA's lower federal income tax rates permanent (Sec. 110001), ranging from 10% to 37%, ensuring long-term predictability in tax planning. It also solidifies the nearly doubled standard deduction (Sec. 110002), projected to reach $16,300 for single filers and $32,600 for married couples filing jointly in 2026, according to the Joint Committee of Taxation. While personal exemptions are permanently repealed (Sec. 110003), families benefit from an enhanced child tax credit, increased to $2,500 per child for 2025–2028 (Sec. 110004). Additionally, new above-the-line deductions for tips, overtime pay, and up to $10,000 in car loan interest (Sec. 110101–110104) provide targeted relief for workers and consumers. These changes can significantly reduce taxable income, making it essential for individuals to understand how they can maximize these benefits.

Business owners stand to gain from the bill's focus on economic growth and tax incentives. One of the standout provisions is the reinstatement of 100% bonus depreciation for qualified property placed in service after January 20, 2025 (Sec. 111001). This allows businesses to immediately expense the full cost of equipment, machinery, and certain improvements, accelerating tax savings and improving cash flow. The bill also enhances the Low-Income Housing Tax Credit (LIHTC) program (Sec. 111109), increasing allocations for 2026–2029, lowering bond-financing thresholds, and designating rural and Indian areas as Difficult Development Areas (DDAs). This supports affordable housing projects, benefiting developers and communities alike. For manufacturing businesses, Sec. 111101 offers 100% expensing for qualified production property, such as new factories, placed in service between 2025 and 2034, further incentivizing investment in domestic production.

**Real Estate Implications: Opportunities Through Cost Segregation**

Real estate investors and property owners should take particular note of the bill's implications for depreciation strategies. While commercial properties (39-year recovery period) and residential rental properties (27.5-year recovery period) do not qualify for 100% bonus depreciation as a whole, the bill offers significant opportunities through cost segregation. Under Sec. 111001, components of a property reclassified as 5-, 7-, or 15-year property—such as lighting, HVAC systems, or landscaping—become eligible for 100% bonus depreciation. This allows investors to immediately expense a substantial portion of their property's cost, boosting tax savings. For example, a $1 million commercial building might have 20% ($200,000) reclassified as shorter-lived assets, fully deductible in the year placed in service.

The bill also supports real estate tied to specific industries. Sec. 111101 allows 100% expensing for new or improved factories and structures used in manufacturing, production, or refining, provided construction begins between 2025 and 2030 and the property is placed in service by 2034. This provision benefits real estate investors in the manufacturing sector, particularly those rehabilitating factories unused between 2021 and 2025. Additionally, the LIHTC enhancements (Sec. 111109) improve cash flow for affordable housing projects, making cost segregation a complementary strategy to accelerate depreciation on nonresidential components like common area fixtures.

**Addressing Common Google Searches**

**Where is the New Trump Tax Bill?**

"The One, Big, Beautiful Bill" is a legislative proposal from the United States House Committee on Ways & Means, introduced on May 13, 2025. While often referred to as the "new Trump Tax Bill" due to its alignment with TCJA policies, it is officially a product of the Committee. You can likely find the full document on the Committee's official website (waysandmeans.house.gov) or through government legislative repositories like Congress.gov, where bills are typically published for public access.

**What is Included in the New Tax Bill?**

The bill encompasses a wide range of tax reforms aimed at individuals, businesses, and specific industries. Key provisions include permanent lower income tax rates (10%–37%), an increased standard deduction, and an enhanced child tax credit of $2,500 per child through 2028. It introduces deductions for tips, overtime, and car loan interest, while eliminating personal exemptions and increasing estate tax exemptions to $15 million (Sec. 110006). Businesses benefit from 100% bonus depreciation (Sec. 111001), expanded LIHTC benefits (Sec. 111109), and special depreciation for production property (Sec. 111101). The bill also terminates several clean energy credits (Sec. 112001–112015) and restricts tax benefits for undocumented immigrants (Sec. 112101–112106), reflecting a focus on domestic economic priorities.

**What Does the New Trump Tax Bill Say About Real Estate?**

For real estate, the bill offers significant opportunities through depreciation incentives. While 39-year commercial and 27.5-year residential rental properties are not directly eligible for 100% bonus depreciation, cost segregation allows investors to reclassify components into shorter-lived categories (5, 7, or 15 years) that qualify under Sec. 111001, enabling immediate expensing. Sec. 111101 supports real estate in manufacturing by allowing 100% expensing for new factories, benefiting industrial property investors. Additionally, the LIHTC enhancements in Sec. 111109 increase credits and ease financing for affordable housing projects, making the bill a valuable resource for real estate investors looking to optimize tax strategies.

**Conclusion**

"The One, Big, Beautiful Bill" is a game-changer for taxpayers, offering relief through deductions, credits, and depreciation incentives. For real estate investors, the bill's provisions on bonus depreciation and LIHTC enhancements present opportunities to maximize tax savings through strategic planning, particularly via cost segregation. By understanding and applying these provisions, individuals and businesses can significantly improve their financial outcomes in 2025 and beyond. Be sure to consult a tax professional to fully leverage the benefits of this transformative legislation.

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