

The background of the entire slide is a close-up photograph of a hand holding a black pen, poised to sign a document. The document is partially covered by a semi-transparent American flag, showing the stars and stripes. In the top left corner, there is a teal banner containing the LSL logo, which consists of the letters 'LSL' followed by a grid of dots.

LSL

WEBINAR

Year-End Tax Planning with OBBBA: What Business Owners & HNW Families Need to Know Before 2026

Thur, Oct 30
10:00AM PST

Your Presenters



Cheryl Orcutt, CPA
Partner
Tax & Advisory



Scott Roundtree, CPA
Senior Manager
Tax & Advisory

Disclaimer

LSL,LLP is providing this material for information purposes only. The content within the presentation was developed based on information available as of October 30, 2025. The material provided is general and is not intended to be complete accounting, tax or business advice. Nothing herein should be relied upon or used without consulting accounting, tax or business advisor to consider your specific circumstances, possible changes to applicable laws, rules and regulations, and other tax or operational issues. Receipt of this material does not establish a client relationship.

Copyright 2025 LSL, LLP

Capital Expenditures & Depreciation

- How to leverage 100% bonus depreciation, Section 179 expensing, and a year-end asset placement.
 - **100% Bonus Depreciation**
 - Permanent
 - Binding Contract must be executed after January 20, 2025
 - **179 expense limits** increase to \$2.5 million

SALT Deduction Implications for Pass-Through Owners

- How the expanded \$40k SALT cap and PTE tax elections can help reduce federal taxable income through 2029.
 - **State and Local Income Tax Deduction** raised to \$40,000 from \$10,000.
 - **Pass-through Entity Tax** does not change.

R&D Treatment

- The new rules allow immediate expensing or amortization of domestic R&D costs to improve cash flow and support innovation.
 - **Deduction in year incurred** – starting in 2025, R&D expenses are fully deductible in year incurred.
 - **Prior year costs** – unamortized costs for 2022-2024 can be addressed on the 2025 return or spread over two years.
 - **Small businesses** (under \$31 million average gross receipts) can apply the rules retroactively, election due on July 6, 2026.
 - **Foreign R&D** – Still needs to be amortized over 15 years.

High-Net-Worth Moves

- Estate/gift exemption planning at \$15M/\$30M and charitable giving alignment.
 - **Gift/Estate tax exemption** – Permanent increase to \$15 million starting January 1, 2026.
 - **2025 Annual Gift Exclusion** increased to \$19,000.
 - **Charitable Giving limits** – charitable deductions will be limited starting January 1, 2026.
 - **Qualified Charitable Distributions** from IRA's is one way to avoid limits after 2025.
 - **Overall itemized deductions limitation** effectively limits the benefit for top bracket taxpayers to 35% instead of 37%.

Energy Credit Rollbacks

- Why clean-energy projects need a fresh ROI review.
 - **Expiring Energy Credits** – Expiring for property not placed in service by December 31, 2025.
 - Solar Panels, battery storage, other (30% credit).
 - Energy efficient upgrades (individual limits per category).
 - Not subject to income limits.
 - **Electric Vehicle Credit** – expired September 30, 2025.

Additional Changes to Note

- **Increased 1099-Misc threshold** from \$600 to \$2,000 starting in 2026.
- **Meals & Entertainment expense** will no longer be deductible (previously limited to 50%) starting in 2026.
- **80% NOL Limitation** is permanent.
- **199A (20% Qualified Businesses Income Deduction)** is now permanent.
- **Qualified Business Stock (QSBS)** qualified for a 50% exclusion if sold after 3 years, 75% exclusion if sold after 4 years, and full exclusion after 5 years.
- **Itemized deduction changes** made permanent (\$750k mortgage interest limitation, personal casualty losses, 2% miscellaneous disallowance).

Next Steps

1. Schedule a year-end tax planning session with your LSL Advisor
2. Build your 2025–2027 tax roadmaps
3. Act before December 31 to maximize OBBBA benefits

Questions?



LSL

WEBINAR

**Riding the Next Wave: M&A Outlook for
Business Owners & Sellers in 2026**

**Thur, Dec 11
10:00AM PST**

Contact Us



www.lslcpas.com



contact.us@lslcpas.com



(949) 829-8299