

**Estimated General Fund Impact of Conforming to the Internal Revenue Code after Amended by
the Tax Cuts and Jobs Act (TCJA)**

Federal Tax Provision	State Impact After Adjustments (\$ in millions)		
	FY 2018	FY 2019	FY 2020
Disallow active passthrough losses in excess of \$500,000 for joint filers, \$250,000 for all others (sunset 12/31/25)	\$20.75	\$42.29	\$49.35
Repeal the deduction/exclusion for moving expenses (other than members of the Armed Forces) (sunset 12/31/25)	\$2.18	\$3.79	\$4.29
Increase section 179 expensing to \$1 million with a phaseout range beginning at \$2.5 million and expand definition of qualified property (<i>Indiana has an adjustment for this provision, but it will have a partial impact.</i>)	(\$2.50)	(\$4.64)	(\$3.31)
Simplified accounting for small business	(\$16.18)	(\$20.84)	(\$11.71)
Extension, expansion, and phase down of bonus depreciation (<i>Indiana has an adjustment for this provision.</i>) (sunset 12/31/26)	\$0.00	\$0.00	\$0.00
Limit net interest deductions to 30 percent of adjusted taxable income, carryforward of denied deduction	\$17.89	\$42.41	\$51.33
Modification of net operating loss deduction (<i>Indiana has a distinct net operating loss calculation.</i>)	\$0.00	\$0.00	\$0.00
Repeal like-kind exchanges except for real property	\$1.06	\$2.21	\$3.20
Repeal of deduction for income attributable to domestic production activities (<i>Indiana has an adjustment for this provision.</i>)	\$0.00	\$0.00	\$0.00
Limitation on deduction by employers of meals and entertainment expenses, including meals for the convenience of the employer	\$3.41	\$5.67	\$5.89
Repeal deduction for qualified transportation fringes, including commuting except as necessary for employee's safety	\$2.56	\$4.15	\$4.48
Certain special rules for taxable year of inclusion (in general)	\$2.56	\$4.35	\$4.55
Limitation on deduction for FDIC premiums	\$1.06	\$3.39	\$3.92
Repeal of advance refunding bonds	\$0.85	\$2.55	\$3.54
Current year inclusion of global intangible low-taxed income with deductions, by U.S. shareholders	\$16.29	\$30.77	\$27.06
Deduction for foreign-derived intangible income derived from trade or business within the United States	(\$0.42)	\$9.59	\$16.62
All other 30 federal tax provisions that affect Indiana tax revenue	\$0.74	\$5.31	\$7.72
Total	\$50.23	\$130.99	\$166.95

**Estimated General Fund Impact of Conforming to the Internal Revenue Code after Amended by
the Bipartisan Budget Act of 2018**

Federal Tax Provision	State Impact After Adjustments (\$ in millions)		
	FY 2018	FY 2019	FY 2020
Extension of exclusion from gross income of discharge of indebtedness on qualified principal residence indebtedness (sunset 12/31/17)	(\$0.84)	(\$0.28)	\$0.00
Extension of above the line deduction for qualified tuition and related expenses (sunset 12/31/17)	(\$0.78)	(\$0.26)	\$0.00
Extension of special expensing rules for certain film and television productions (sunset 12/31/17)	(\$2.85)	(\$0.37)	\$0.82
Treatment of citizens or residents of the United States living aboard in support of Armed Forces in combat zone	(\$0.20)	(\$0.27)	(\$0.27)
All other six tax extension provisions	(\$0.63)	(\$0.19)	\$0.06
Total	(\$5.30)	(\$1.37)	\$0.61

Combined Estimated General Fund Impact of Conforming to the Internal Revenue Code

Grand Total	\$44.93	\$129.62	\$167.56
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