

# 2020 Tax Extenders Other Provisions

## **OTHER PROVISIONS**

### **12-20-19 Extender Provisions**

Below is a summary of significant other tax extender provisions included in the Consolidated Appropriations Act:

### **INCREASE IN UNRELATED BUSINESS TAXABLE INCOME FOR CERTAIN FRINGE BENEFIT EXPENSES PAID BY EXEMPT ORGANIZATION RETROACTIVELY REPEALED**

Unrelated business taxable income (UBIT) of an organization does not include any amount for any qualified transportation fringe, any parking facility used in connection with qualified parking, or any on-premises athletic facility. This is a retroactive change. A 2018 amended return may be required for the nonprofit organization.

### **AFFORDABLE CARE ACT**

The Appropriations Act repealed the medical device tax, the high cost (Cadillac) employer-sponsored health insurance excise tax, and the annual fee on health insurance providers.

### **MISSING EXTENDER**

The mistake in The Tax Cuts and Jobs Act relating to the recovery period of leasehold, retail and restaurant improvements was not corrected. Thus, this category of "qualified improvement property" has a 39-year recovery period (instead of 15-year) and thus does not qualify for bonus depreciation.

## **CONTACT US**

Many events can affect your tax situation. With proper planning you can avoid negative tax effects. Please contact us in advance if you experience the following:

- Pension or IRA distributions.
- Sale or purchase of a residence or other real estate.
- Significant change in income or deductions.
- Retirement.
- Job change.
- Notice from IRS or other revenue department.
- Marriage.
- Divorce or separation.
- Attainment of age 59 ½ or 70 ½.
- Self-employment.
- Sale or purchase of a business.
- Charitable contributions of property in excess of \$5,000