Congress passes tax reform, mixed blessing for real estate

Republicans have something extra to celebrate this holiday season: both houses of Congress successfully passed the GOP-led tax reform package today, the largest set of changes to the tax code in a generation, changes that stand to have huge impacts on the real estate industry and all of American life. The “Tax Cuts and Jobs Act” passed largely along party lines in the House (again) on Wednesday, 224-to-201, following a voting error on Tuesday, and in the Senate 51-48, bringing to a close a two-month debate between Republicans and Democrats in which longtime incentives to homeownership were in the crosshairs and the real estate industry boldly answered a call to arms. The reform package caps mortgage interest deductions for primary and secondary residences at $750,000 (down from $1 million today), while capping state and local tax deductions (SALT) at $10,000 (there's no cap at present), according to language in the new law. The provisions mark hard-fought compromises from ea...

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