

# For Trump Tax Cuts, Pay Legal and Other Bills In 2016



If President Elect Trump follows through on his promise of big tax cuts, it would be a good idea to defer income into next year if you can, advises **Robert W. Wood** in an **article for *Forbes***.

“Conversely, Trump’s plans make paying expenses in 2016 especially attractive if you can deduct them. The deductions may be worth a lot less in 2017. One good example is legal fees. No one likes paying legal fees, but tax deductions can make them a lot less painful. If you pay a 40% tax rate, \$10,000 in deductible legal fees costs you only \$6,000. But not every legal bill is tax deductible,” Wood writes.

He warns that personal legal fees, such as for a divorce, can’t be deducted. But the best kind of legal fees are business expenses. Wood also discusses how to handle income from litigation, deductions, and what to expect for future income tax brackets.

**Read the *Forbes* article.**

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