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.

Join Our LinkedIn Group