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lame-duck Congress. These tax law provisions, which are generally favorable to taxpayers, technically expired after 2013, but may be revived retroactive to …

Ken Berry • Nov. 20, 2014

There's been much ado about the 55 tax extenders currently being debated by a lame-duck Congress. These tax law provisions, which are generally favorable to taxpayers, technically expired after 2013, but may be revived retroactive to January 1, 2014 if our nation's lawmakers ever get their act together. Of course, certain provisions could be skipped over, scaled back or improved. Or the entire matter might be delayed until 2015 when a new Congress convenes.

What are the tax extenders on the agenda? Although some are related to big business or specific industries – such as special tax breaks for NASCAR tracks and horse racing

– others are targeted to individuals and small business owners. Here are ten

million.

3. **Bonus depreciation:** A separate provision allowed a business to claim 50% "bonus depreciation" for qualified property placed in service prior to 2014. Note that bonus depreciation could be combined with the Section 179 deduction in some cases.
4. **Charitable IRA rollover:** Previously, a taxpayer over age 70 ½ was able to roll over up to $100,000 of IRA proceeds to a charity without paying any tax on the distribution. This technique was often used to satisfy the rules for required minimum distributions (RMDs).
5. **Research credits:** This popular tax credit, which has been extended numerous times, provided a tax credit equal to 20% of qualified expenses exceeding a base amount. Alternatively, a business could elect a simplified 14% credit.
6. **Tuition deduction**: Although taxpayers can still claim a credit for qualified higher education expenses, before 2014 they had the option of deducting the post-secondary school tuition they paid, up to a certain limit. The tuition deduction was phased out based on the taxpayer's modified adjusted gross income (MAGI).
7. **Hiring credits**: The Work Opportunity Tax Credit (WOTC) was available to certain business hiring workers from one of several disadvantaged groups. Along with the credit for hiring veterans, this temporary tax break is now on hiatus again.
8. **Mortgage loan forgiveness**: Prior law authorized a tax exclusion for mortgage loan forgiveness on debts up to $2 million. The exclusion was available only on debt forgiveness for a principal residence.
9. **Home energy credits**: The residential energy credit has existed in various forms for years. Prior to 2014, a maximum $500 credit could be claimed for 10% of qualified energy-saving expenditures like new heating and air conditioning systems.

0. **Educator expenses:** It was relatively small change from a tax perspective, but educators were previously allowed to deduct up to $250 of out-of-pocket classroom expenses. This deduction was claimed above-the-line.

At this point, the ultimate fate of these tax extenders is anyone's guess., making it

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