

Deduction Category	Current Law	OBBBA Changes	Effective Date
Home Mortgage Interest	Interest deductible on up to \$750,000 of qualified home indebtedness (temporary limit under prior law).	Permanently limits deduction to interest on the first \$750,000 of indebtedness.	Applies beginning with 2025 tax year.
Home Equity / HELOC Interest	Deductible only if funds used to buy, build, or substantially improve the home securing the loan.	Permanently excludes all home equity and HELOC interest from deduction eligibility.	Applies beginning with 2025 tax year.
State and Local Taxes (SALT)	Deduction limited to \$10,000.	Increases limit to \$40,000 for AGI under \$500,000; phases down to \$10,000 when AGI exceeds \$600,000.	Applies beginning with 2025 tax year.
Charitable Contributions (Itemized)	Deductible within existing AGI limits for qualifying donations.	No changes for itemizers.	N/A
Vehicle Loan Interest	Not deductible for personal vehicles.	Allows deduction of up to \$10,000/year for interest on qualifying new vehicles assembled in the U.S.; applies for four years.	Applies for 2025–2028 tax years.
Senior Deduction	No additional deduction specific to age.	Adds \$6,000 to standard or itemized deduction for each taxpayer age 65+ with income below \$75,000 (single) or \$150,000 (MFJ); phases out above these limits; applies for four years.	Applies for 2025–2028 tax years.
Charitable Contributions (Standard Deduction)	No above-the-line charitable deduction after 2021.	Allows up to \$1,000 (single) or \$2,000 (MFJ) in charitable cash without itemizing; requires documentation.	Applies beginning with 2025 tax year.
Gambling Losses	Deductible up to the amount of gambling winnings (100%).	Deductible up to 90% of gambling winnings.	Applies beginning January 1, 2026.
Personal Casualty Losses	Deductible only for federally declared disasters (post-2017 law).	No change in qualifying event; remains limited to federally declared disasters.	N/A