*Presentation:*
An Advisor’s Guide to the 20% Pass-Through Deduction

*Presenter:*
*Jeffrey Levine, CPA/PFS, CFP*®, CWS®, BFA®, MSA is the Lead Financial Planning Nerd for [Kitces.com](https://www.kitces.com/) and the Chief Planning Officer atFocus Partners Wealth. In 2020, Mr. Levine was named by Investment Advisor Magazine as one of the top 25 voices to turn to during uncertain times, and was named to the IA25 again in 2021. Jeff is a past recipient of the [Standing Ovation award](https://www.aicpa.org/press/pressreleases/2017/aicpa-announces-standing-ovation-honors-in-personal-financial-planning.html), presented by the AICPA Financial Planning Division, was named to the [2017 class of 40 Under 40](http://www.investmentnews.com/section/40-under-40/2017/profile/24/Jeffrey-Levine) by InvestmentNews, and as a Young Advisor to Watch by Financial Advisor Magazine in 2020. Previously, Jeffrey served as Ed Slott and Company’s Chief Retirement Strategist, where his ability to simplify the complex laws that govern individual retirement accounts, combined with his unique blend of humor and tax planning, was first recognized. You can follow Jeff on Twitter [@CPAPlanner](https://twitter.com/CPAPlanner), where he is known to break down the latest tax updates in GIF-filled tweets storms, and via his personal website, www.FullyVestedAdvice.com.

*Session Description*

For many business-owner clients, one of the most significant changes made by the Tax Cuts and Jobs Act (TCJA) was the creation of the new 199A deduction. This deduction, better known as the 20% pass-through deduction, has the potential to be one of the biggest tax-savers for certain clients, but it’s also undoubtedly one of the most complicated provisions in the entire TCJA. The good news is that since the enactment of the TCJA, the IRS has issued a substantial amount of guidance intended to clarify varying aspects of the new provision. The bad news is that much of that guidance is counter-intuitive to what one might expect by simply reading the plan language of the statute. Advisors who can quickly and thoroughly learn the intricate ins and outs of the 199A deduction will easily stand out from the competition.

*Learning Objectives:*

* Explore the “basics” of the 199A deduction.
* Understand how the deduction applies to “low-income” clients.
* Learn how the deduction applies to high-income clients.
* Develop strategies to help clients maximize the deduction.

*Level of Complexity:*

- < Beginner / Intermediate / Advanced>

*Topic Area(s):*

- < General Principles of Financial Planning / Insurance Planning / Investment Planning / Income Tax Planning / Retirement Planning / Estate Planning / Client Trust & Communication >

*Hour(s) of CE:*

- 1 CE

*Outline:*

* Determining what income is eligible for the QBI deduction: 5 minutes
* Calculating the QBI Deduction: 15 Minutes
* Overview of Specified Service Trade or Business (SSTB): 10 minutes
* Planning Strategies to Maximize the QBI Deduction: 30 minutes
	+ Income Reduction Strategies: 15 minutes
	+ Business Strategies: 10 minutes
	+ Miscellaneous Strategies: 5 minutes

Total: 60 minutes

Q&A: 15 minutes