

Spring Cleaning and Planning President Trump's First 100 Days in Office

President Trump entered office having won the electoral college and with relatively strong approval ratings. On his first day in office, he issued over 25 executive orders, and in his first 30 days, he issued more than 70,¹ seeking to make good on his promises to transform the federal government, ignite an economic boom, and revive the American Dream.²

The Trump administration has been unable to produce much in the way of legislation, however; the president has run into political and economic realities that have slowed his momentum and made it harder to deliver on his promises, some of which could impact your estate planning and financial decisions.

Estate, Tax, and Wealth Planning Implications of Trump's Actions

Despite the many uncertainties facing Trump's agenda, his administration has strongly signaled that tax-related measures are a top priority.

Trump and Republicans want to extend many provisions from the expiring Tax Cuts and Jobs Act (TCJA) that the president signed into law in his first term.³ There could also be new tax cuts, such as Trump's proposal to eliminate taxes on tips, overtime pay, and Social Security benefits.⁴

Here are some of Trump's and the GOP's reported tax priorities for their economic package:

- **Estate and gift tax.** The TCJA doubled the estate and gift tax exemption to historically high levels that are set to expire in 2026. Senate majority leader John Thune introduced a bill in February to repeal the estate tax, sometimes referred to as the death tax.⁵ Further, a full repeal of the estate tax is reportedly part of the tax bill negotiations.⁶ Another option on the table is to extend the current exemption rather than repealing it outright.
- **Individual and business tax cuts.** The TCJA also included several provisions that benefit businesses and individual taxpayers, including pass-through income deduction, business expense deductions, changes to income tax brackets, mortgage interest and charitable donation deductions, an increased standard deduction, and additional tax relief via the Child Tax Credit. Extending the TCJA would likely keep these tax benefits in place.

¹ 2025 Donald J. Trump Executive Orders, Fed. Reg.: Executive Orders, <https://www.federalregister.gov/presidential-documents/executive-orders/donald-trump/2025> (last visited Apr. 21, 2025).

² Natalie Sherman, *Has Trump Promised Too Much on US Economy?* BBC (Jan. 17, 2025), <https://www.bbc.com/news/articles/c17d41y70deo>.

³ Preparing for the Expiration of the TCJA in 2025, Bloomberg Tax (Mar. 28, 2025), <https://pro.bloombergtax.com/insights/federal-tax/what-is-the-future-of-the-tcja/#will-the-tcja-be-extended>.

⁴ Alex Isenstadt, Scoop: Trump Lays Out Tax Priorities to House GOP, Axios (Feb. 6, 2025), <https://www.axios.com/2025/02/06/trump-no-tax-on-tips-social-security-overtime>.

⁵ Press Release, John Thune, Thune Leads Effort to Permanently Repeal the Death Tax (Feb. 13, 2025), <https://www.thune.senate.gov/public/index.cfm/2025/2/thune-leads-effort-to-permanently-repeal-the-death-tax>.

⁶ Kevin Frekin et al., Senate GOP Approves Framework for Trump's Tax Breaks and Spending Cuts After Late-Night Session, AP (Apr. 5, 2025), <https://apnews.com/article/senate-budget-tax-cuts-trump-485845a9c0b7dfc5d2194d4c1e4723ae>.

- **State and local tax (SALT) deductions.** The administration is considering removing or increasing the current \$10,000 cap on SALT deductions imposed by the TCJA.⁷ This change would benefit taxpayers in states with high property and income taxes, allowing greater federal tax deductions.
- **Closing the carried interest loophole.** Trump has stated his intention to close the carried interest loophole that allows investment managers of private equity and hedge funds to benefit from reduced capital gains tax rates on carried interest, provided a three-year holding period is met.⁸
- **Capital gains taxes.** The TCJA separated tax-rate income brackets for capital gains and dividend income from the tax brackets for ordinary income. If the TCJA expires and this provision is not addressed legislatively, some taxpayers could face higher capital gains taxes in 2026.⁹

If you are currently affected by any of these TCJA tax laws, or if you are not sure whether they affect you, contact us so we can discuss ways to help you prepare for them ending in 2026 or being extended this year.

For example, depending on your risk appetite and estate size, you may want to use gifting and trust-based strategies to lock in currently high exemption levels or sell some of your highly appreciated securities now to avoid potentially higher capital gains in 2026.

Control What You Can Control

While we hope to get more legislative clarity in the next 100 days of the Trump presidency, you should focus on controlling what you can through your estate plan and aim to maintain flexibility. This includes doing things such as updating your will or trust, creating an incapacity plan, updating beneficiary designations on financial accounts and insurance policies, and talking to your attorney about ways to hedge against potential outcomes in your plan. That way, if any major policy changes that affect your finances and family do come to pass, you will be ready to make targeted adjustments.

Maintaining flexibility and focusing on fundamentals are key during transition periods like the one we are experiencing now. For a steady and experienced hand to guide you through the transformations of Trump 2.0, reach out to our office and set up an appointment.

⁷ *Trump Tax Priorities Total \$5 to \$11 Trillion*, Comm. for a Responsible Fed. Budget (Feb. 6, 2025), <https://www.crfb.org/blogs/trump-tax-priorities-total-5-11-trillion>.

⁸ Aimee Picchi, *Trump Wants to Close the Carried Interest Tax Loophole, a Longtime Target of Democrats*, CBS News (Feb. 7, 2025), <https://www.cbsnews.com/news/trump-tax-taxes-carried-interest-loophole-hedge-funds>.

⁹ *How Did the Tax Cuts and Jobs Act Change Personal Taxes?*, Tax Pol'y Ctr. (Jan. 2024), <https://taxpolicycenter.org/briefing-book/how-did-tax-cuts-and-jobs-act-change-personal-taxes>.