

## VIDEO TRANSCRIPT: Top 5 Tax Changes in 2025

**Video Title: Top 5 Tax Changes in 2025**

**Speaker: Sean Tesoro**

**Channel: [YouTube](#)**

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**[00:00] [Opening Music – upbeat instrumental background]**

**[Visual: Large 5 in white and gold background. Tax Takeaways for 2025 and Beyond. Salem Five Wealth Management & Trust appear on blue screen. The screen transitions to Sean Tesoro, facing the camera and standing in front of Wall TVs with Salem Five Wealth Management & Trust logo displaying.]**

**[Visual: Sean Tesoro if standing, speaking directly to camera. Blue banner slides on screen with text “Sean Tesoro, President, Salem Five Wealth Management & Trust”.]**

**[00:07 to 03:34]** Hi, I'm Sean Tesoro, the President of Salem Five Wealth Management and Trust. I'm here to provide an overview of the top 5 changes in the new legislation signed by President Trump on July 4th 2025. The One Big Beautiful Bill act is 870 pages long, and as with any new law, there are both pros and cons for various taxpayers, depending on your individual situation. Here are some of the highlights that will have an impact on the financial plans for individuals and families.

Number 1 - the law extends and makes permanent most of the tax cuts that were enacted in 2017 under the Tax Cut and Jobs Act. That includes not only the current brackets and marginal rates, but also the Estate tax exemption. It also makes permanent the increased standard deduction and annually adjusts it for inflation. Starting in tax year 2025, the standard deduction is increased to \$15,750 for individuals and \$31,500 for joint filers.

Number 2 The cap on the State and Local Tax deduction, known as SALT, will temporarily increase from \$10,000 to \$40,000 for tax years 2025-2029, with a 1% annual increase over the five-year period and a phase-out for higher incomes. This will be especially helpful for clients in high-tax states, but the deduction will revert back to \$10,000 in 2030 without further action from Congress.

Number 3 is the creation of a permanent charitable deduction for non-itemizers. Since 2017, only those people who itemized their taxes were able to deduct charitable donations. Starting next year, anyone using the standard deduction will be able to claim a deduction for charitable contributions of up to \$1,000 for single filers, and \$2,000 for joint filers.

Number 4 For any filer 65 or older, there will be a deduction of \$6,000 for individuals and \$12,000 for those filing jointly. This new senior deduction is only for tax years 2025-2028, and the deduction begins to phase out at adjusted gross incomes of \$75,000 individual, and \$150,000 joint.

Number 5 For families with children, the bill creates a new savings account for children, designed to be a starter IRA. The accounts can be funded with up to \$5,000 a year, and are treated similar to non-deductible contributions to a traditional IRA. Contributions can be made by parents, relatives, or any other taxable entity until age 18, at which point the account would effectively convert to a traditional IRA.

One important note, parents of newborns born between January 1st 2025 and December 31st 2028 would also qualify for \$1,000 in federal seed money to start the account. These are just a handful of the pending changes, but maybe the biggest takeaway from the new law is certainty. Knowing that these are the rules for the foreseeable future allows you to confidently make decisions that might benefit your plan, like Roth Conversions, tax-loss harvesting, or charitable giving.

As always, if you have questions about how the new law might impact your financial plan, reach out to an advisor to discuss your options.

**[03:35] [Visual: Transition from Sean Tesoro to blue screen with Salem Five Wealth Management & Trust logo reappears with 2025 Economic Outlook text.]**

**[Visual: Salem Five Wealth Management & Trust logo reappears with disclosures: Not Insured by FDIC or Any Other Government Agency, Not Bank Guaranteed, Not Bank Deposits or Obligations, May Lose Value.]**