THE LEGACY PLANNERS P.C.
PERSONAL FAMILY LAWYER®
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The One Big Beautiful Bill: What It Means for Your Family's Financial Future

The massive tax legislation known as the "One Big Beautiful Bill" ("OBBB") became law on July 4, 2025, brings sweeping changes that will affect nearly every American family. While much of the media attention has focused on the political drama surrounding its passage, what really matters is how these changes impact your family's financial security and estate planning needs.

With nearly 900 pages of complex provisions, the new law extends many tax cuts, creates new deductions, and makes significant changes to healthcare and benefit programs. Understanding these changes isn't just about saving money on your taxes—it's about ensuring your loved ones' long-term security and making sure your estate plan works when your loved ones need it most.

The Big Changes That Affect Your Daily Life

The new law brings several immediate changes that could impact your family's finances. Many of these provisions are temporary, which creates both opportunities and planning challenges that require careful attention.

The new law creates several categories of benefits that could significantly impact your family's tax burden:

Family Benefits:

- Child tax credit increases to $2,200 per child starting in 2026
- New "Trump Accounts" for children born 2025-2028 with $1,000 government contribution and up to $5,000 annual family contributions for future education or home purchases
- Parent Plus student loan limits now capped at $65,000 per student, potentially affecting college funding strategies

Worker Categories with Special Treatment:

- Tip earners can deduct up to $25,000 of tip income from federal taxes through 2028
- Overtime workers get deductions up to $12,500 for individuals or $25,000 for married couples through 2028
- Both benefits phase out at higher income levels and expire after 2028

Temporary Expense Relief:

- Car loan interest becomes deductible up to $10,000 annually for U.S.-made vehicles (2025-2028)
- State and local tax deduction increases from $10,000 to $40,000, though this benefit phases out for higher earners and expires after five years
- Seniors receive a new $6,000 deduction if they're 65 or older and meet income requirements, but this benefit only lasts through 2028. These temporary provisions create a complex web of expiring benefits that families must navigate carefully.

Healthcare and Benefits: What's Changing

Beyond tax changes, the new law significantly alters healthcare coverage and benefit programs in ways that could affect millions of families. These changes particularly impact older Americans and those who rely on government assistance programs.

Several major program changes will affect how families access healthcare and benefits:

Medicaid Changes (Starting Late 2026):

- Recipients ages 19-64 must work, volunteer, or attend school for 80+ hours monthly to maintain coverage
- Exceptions exist for caregivers of children under 14, but new administrative requirements could cause eligible people to lose coverage due to paperwork complications
- States may face budget pressures that could lead to further restrictions

Food Assistance Program Changes:

- SNAP work requirements now apply to people up to age 64 (previously age 55)
- States must contribute 5-15% of SNAP benefit costs starting October 2027, potentially leading some states to restrict eligibility or withdraw from programs entirely

Health Insurance Marketplace Changes:

- Enhanced tax credits for ACA coverage will expire, potentially increasing premium costs by an average of 75%
- New documentation requirements could make it harder for people to maintain coverage

- These changes create new vulnerabilities for families who might face unexpected job loss, health issues, or caregiving responsibilities. Your estate plan should account for these potential gaps in coverage and ensure your family has resources available during difficult transitions.

Estate Planning in the New Reality

The most significant estate planning change in the new law is the permanent increase of the federal estate tax exemption to $15 million per person, or $30 million for married couples. This means only about 350,000 American families—roughly one in every 400 households—will face federal estate taxes.

However, this change doesn't make estate planning less important. In fact, the complexity and temporary nature of many provisions in the new law make comprehensive Life & Legacy Planning more crucial than ever.

The law's many temporary provisions create planning challenges that traditional estate planning simply can't address. When tax benefits expire in 2028, families may face sudden changes in their financial situations. Without proper planning, these transitions could create unnecessary stress and financial hardship for your loved ones.

Moreover, the law's focus on specific categories of workers and temporary benefits creates artificial incentives that may not reflect your family's long-term needs. A comprehensive Life & Legacy Plan helps you navigate these complexities while ensuring your fundamental goals—protecting your family and preserving your legacy—remain the priority.

The new law also demonstrates how quickly and dramatically tax and benefit policies can change. What seems permanent today may be modified or eliminated tomorrow based on political and economic pressures. This reality makes it essential to have a plan that can adapt to changing circumstances while maintaining core protections for your family.

Building Security in an Uncertain Environment

Real protection for your family goes far beyond having a set of documents in place. Your loved ones need a comprehensive plan that considers both the legal aspects of transferring assets and the practical realities of daily life after you're gone. The complexity introduced by the new law makes this even more important.

As a Personal Family Lawyer, I don’t create a traditional estate plan because I’ve seen how traditional, documents-focused planning fails families time and time again. Instead, I have a process called Life & Legacy Planning. Life & Legacy Planning is so much more than creating documents. It's estate planning done the right way so that it will work for the people you love most when they need it to. Once you create a Life & Legacy Plan with me, your loved ones will know where to find important documents, how to access accounts, and what steps to take first. They will have clear instructions about everything from paying bills to handling your business interests.

Your Life & Legacy Plan addresses critical areas that traditional estate planning often overlooks:

Immediate Access and Instructions:

- Clear guidance on where to find important documents and how to access accounts
- Instructions for loved ones about what to do if you become incapacitated and when you die
- I will be there for your loved ones to provide ongoing support, and if I can't, I have systems in place to ensure another Personal Family Lawyer can step in and help

Financial Reality Planning:

- Strategies for managing increased healthcare costs, if it becomes necessary
- Contingency plans for when temporary tax benefits expire while family members are still financially dependent
- Methods to maintain your family's lifestyle while building long-term financial security

Ongoing Adaptability:

- Regular plan reviews to address changing laws and life circumstances, so your plan works over time
- Systems to update your asset inventory and beneficiary designations as your situation evolves
- Ongoing relationship with me, who understands both your family dynamics and the legal landscape

Your Next Steps

The One Big Beautiful Bill creates both opportunities and challenges for American families. While some provisions offer immediate tax savings, the temporary nature of many benefits and the broader changes to healthcare and benefit programs require careful planning to protect your loved ones' long-term security.

As a Personal Family Lawyer® Firm, I help you create a Life & Legacy Plan that works regardless of changing political winds or economic conditions. My process starts with a Life & Legacy Planning™ Session, where we'll discuss how these new laws affect your specific situation and what steps you can take to protect your family's future.

Don't let the complexity of the new law overwhelm you or prevent you from taking action. The families who thrive through periods of change are those who plan ahead and work with a trusted advisor who understands both the opportunities and the risks, and is there to provide personal guidance and support for you and your loved ones.

Click here to schedule a complimentary 15-minute discovery call to learn more and get started:

www.calendly.com/lauren-tlppc

This article is a service of The Legacy Planners P.C., a Personal Family Lawyer Firm. We don't just draft documents; we ensure you make informed and empowered decisions about life and death, for yourself and the people you love. That's why we offer a Life & Legacy Planning Session, during which you will get more financially organized than you've ever been before and make all the best choices for the people you love. You can begin by calling our office today to schedule a Life & Legacy Planning Session.