

Introduction to June 2026 Edition

Tax Planning for Real Estate Transactions is a guide to creating effective tax packages for client real estate transactions. Its General Principles section includes review of basis and adjusted basis, the holding period, and the classification of real estate holdings.

The publication also examines planning for residences, condominiums, and cooperatives. Its discussion of investment property covers choice of entity, partnerships, S corporations, C corporations, Real Estate Investment Trusts (REITS), and tax accounting issues.

This publication's Special Issues section explores mortgagor/mortgagee relationships, and developers and subdividers.

What's New in the June 2026 Edition:

- Significant Updates throughout regarding the impact of The One Big Beautiful Bill Act of 2025 (OBBBA), P.L. 119-21 including:
- Making lower individual income tax rates permanent for taxable years beginning after December 31, 2025;
- Deduction of interest paid on home mortgages, including a \$750,000 limitation on acquisition indebtedness for tax years after 2025;
- Establishing a permanent 100% bonus depreciation under IRC § 168(k) on qualified property for the depreciation recapture for real estate;
- Establishing a permanent excess business loss limitation under IRC § 461(l) and clarifying the ordering of the loss limitation provisions.