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Can Taxes Impact Social Behaviors? Will More Than a Company's Bottom Line Change in 2018?

H.R.1 also known as the Tax Cut and Jobs Act of 2017 changed many well-known tax deductions. Specifically, a deduction for home equity loans, some mortgage interest, moving expenses, and job expenses were eliminated. Tax preparation fees and many other miscellaneous deductions will all be gone in 2018, including investment fees and expenses. One of the biggest changes to the current tax code eliminates all personal exemptions and nearly doubles the current standard deduction for taxpayers. With the decrease in allowable deductions and the marked increase in the standard deduction, more taxpayers will use the standard deduction because it will be higher and more beneficial than any itemized deductions. With more taxpayers using the standard deduction, and not keeping track of their itemized deductions, will charitable donations still be made if they are not necessary to reduce a taxpayer's tax burden? Will people continue to purchase houses or tax home equity loans for purchases if not all of the interest is deductible? Will this tax bill affect more than a company's bottom line? This paper will explore possible intended and perhaps unintended consequences of some of these changes.