

# Exhibit 89

the taxable year begins, determined by substituting ‘2017’ for ‘2016’ in subparagraph (A)(ii) thereof.

If any increase determined under the preceding sentence is not a multiple of \$100, such increase shall be rounded to the next lowest multiple of \$100.

“(D) VERIFIED STATEMENT.—Unless the taxpayer submits to the Secretary a written and properly verified statement specifying the facts necessary to determine the proper amount under subparagraph (A), subparagraph (A) shall be applied as if the taxpayer were a married individual filing a separate return with no dependents.”

(e) PERSONS REQUIRED TO MAKE RETURNS OF INCOME.—Section 6012 is amended by adding at the end the following new subsection:

26 USC 6012.

“(f) SPECIAL RULE FOR TAXABLE YEARS 2018 THROUGH 2025.—In the case of a taxable year beginning after December 31, 2017, and before January 1, 2026, subsection (a)(1) shall not apply, and every individual who has gross income for the taxable year shall be required to make returns with respect to income taxes under subtitle A, except that a return shall not be required of—

“(1) an individual who is not married (determined by applying section 7703) and who has gross income for the taxable year which does not exceed the standard deduction applicable to such individual for such taxable year under section 63, or

“(2) an individual entitled to make a joint return if—

“(A) the gross income of such individual, when combined with the gross income of such individual’s spouse, for the taxable year does not exceed the standard deduction which would be applicable to the taxpayer for such taxable year under section 63 if such individual and such individual’s spouse made a joint return,

“(B) such individual and such individual’s spouse have the same household as their home at the close of the taxable year,

“(C) such individual’s spouse does not make a separate return, and

“(D) neither such individual nor such individual’s spouse is an individual described in section 63(c)(5) who has income (other than earned income) in excess of the amount in effect under section 63(c)(5)(A).”

(f) EFFECTIVE DATE.—

26 USC 151 note.

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 2017.

(2) WAGE WITHHOLDING.—The Secretary of the Treasury may administer section 3402 for taxable years beginning before January 1, 2019, without regard to the amendments made by subsections (a) and (c).

**SEC. 11042. LIMITATION ON DEDUCTION FOR STATE AND LOCAL, ETC. TAXES.**

(a) IN GENERAL.—Subsection (b) of section 164 is amended by adding at the end the following new paragraph:

“(6) LIMITATION ON INDIVIDUAL DEDUCTIONS FOR TAXABLE YEARS 2018 THROUGH 2025.—In the case of an individual and a taxable year beginning after December 31, 2017, and before January 1, 2026—

“(A) foreign real property taxes shall not be taken into account under subsection (a)(1), and

“(B) the aggregate amount of taxes taken into account under paragraphs (1), (2), and (3) of subsection (a) and paragraph (5) of this subsection for any taxable year shall not exceed \$10,000 (\$5,000 in the case of a married individual filing a separate return).

The preceding sentence shall not apply to any foreign taxes described in subsection (a)(3) or to any taxes described in paragraph (1) and (2) of subsection (a) which are paid or accrued in carrying on a trade or business or an activity described in section 212. For purposes of subparagraph (B), an amount paid in a taxable year beginning before January 1, 2018, with respect to a State or local income tax imposed for a taxable year beginning after December 31, 2017, shall be treated as paid on the last day of the taxable year for which such tax is so imposed.”.

26 USC 164 note.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to taxable years beginning after December 31, 2016.

**SEC. 11043. LIMITATION ON DEDUCTION FOR QUALIFIED RESIDENCE INTEREST.**

26 USC 163.

(a) **IN GENERAL.**—Section 163(h)(3) is amended by adding at the end the following new subparagraph:

“(F) **SPECIAL RULES FOR TAXABLE YEARS 2018 THROUGH 2025.**—

“(i) **IN GENERAL.**—In the case of taxable years beginning after December 31, 2017, and before January 1, 2026—

“(I) **DISALLOWANCE OF HOME EQUITY INDEBTEDNESS INTEREST.**—Subparagraph (A)(ii) shall not apply.

“(II) **LIMITATION ON ACQUISITION INDEBTEDNESS.**—Subparagraph (B)(ii) shall be applied by substituting ‘\$750,000 (\$375,000’ for ‘\$1,000,000 (\$500,000’.

“(III) **TREATMENT OF INDEBTEDNESS INCURRED ON OR BEFORE DECEMBER 15, 2017.**—Subclause (II) shall not apply to any indebtedness incurred on or before December 15, 2017, and, in applying such subclause to any indebtedness incurred after such date, the limitation under such subclause shall be reduced (but not below zero) by the amount of any indebtedness incurred on or before December 15, 2017, which is treated as acquisition indebtedness for purposes of this subsection for the taxable year.

“(IV) **BINDING CONTRACT EXCEPTION.**—In the case of a taxpayer who enters into a written binding contract before December 15, 2017, to close on the purchase of a principal residence before January 1, 2018, and who purchases such residence before April 1, 2018, subclause (III) shall be applied by substituting ‘April 1, 2018’ for ‘December 15, 2017’.

“(ii) **TREATMENT OF LIMITATION IN TAXABLE YEARS AFTER DECEMBER 31, 2025.**—In the case of taxable years