

# **TIMELINE**

H.R.1, The One Big Beautiful Bill Act



Use this timeline of dates from H.R.1, the One Big Beautiful Bill Act (the Act), to inform your compliance planning. Strong preparation can help you avoid surprises and meet your compliance obligations as you monitor the Act's impact.

This timeline is not an exhaustive list of dates and changes but a curation of key dates to reference as you activate your response plan. The Department of the Treasury and the IRS are expected to issue guidance to clarify how certain provisions will be implemented. ADP will closely monitor developments and provide updates as more details emerge.

### Key dates to reference as you activate your response plan

January 1, 2025<sup>2</sup>

Immediate deduction for domestic R&D3 expense reinstated

January 1, 2025



Federal deduction for state and local taxes (SALT<sup>6</sup> cap) temporarily raised

January 1, 20269



**Employer-Provided** Childcare Credit permanently enhanced

January 1, 202611



CARES<sup>12</sup> Act tax-free student loan repayment assistance permanently extended

January 1, 2026



Trump accounts, tax-free savings vehicles for minors, can be opened15

January 1, 2026



**HSA** eligibility expanded for DPC<sup>17</sup> arrangements

January 1, 2025<sup>1</sup>



Qualified overtime and qualified tips now deductible from federal income tax

January 1, 20254



HSA<sup>5</sup> safe harbor for telehealth services made permanent

July 4, 20257



TCJA8 changes to tax rates made permanent

January 1, 2026<sup>10</sup>



**Employer Credit for Paid** Family and Medical Leave permanently extended

January 1, 2026



DCAP<sup>13</sup> limits raised to \$7,500<sup>14</sup>

January 1, 2026



Individual bronze or catastrophic exchange plans treated as a qualified HDHP16

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- 1. Retroactive to tax year 2025 and effective through tax year 2028 2. The Act allows taxpayers to immediately deduct domestic R&D expenditures after Dec. 31, 2024. R&D conducted outside the U.S.
- must continue to be capitalized and amortized over 15 years. Small business taxpayers with average annual gross receipts of \$31 million or less will generally be permitted to apply the immediate expensing retroactively to tax years beginning after Dec. 31, 2021. Taxpayers that made domestic R&D expenditures after Dec. 31, 2021, and before Jan. 1, 2025, can accelerate the remaining deductions for those expenditures over a one-year or two-year period
- 3. Research and development (R&D)
- 4. Retroactive for plan years beginning on or after Jan. 1, 2025 5. Health savings account (HSA)
- 6. State and local tax (SALT)
- 7. The One Big Beautiful Bill Act was signed into law July 4, 2025 8. Tax Cuts and Jobs Act (TCJA)

9. Effective for expenses paid or incurred after Dec. 31, 2025

- 10. The Act permanently extends the federal paid family and medical leave employer tax credit that was created by TCJA and set to expire at the end of 2025. The scope of the credit was also expanded 11. The Act makes this exclusion from taxes for employer-provided
- student loan payments permanent. For taxable years beginning after 2026, the \$5,250 per-employee, per-year limit will be indexed for inflation 12. Coronavirus Aid, Relief, and Economic Security (CARES)
- 13. Dependent Care Assistance Program (DCAP)
- 14. DCAP limits increase to \$7,500 for plan years beginning after Jan. 1, 2026
- 15. Trump accounts can be opened Jan. 1, 2026. Trump account contributions can begin July 4, 2026
- 16. High-deductible health plan (HDHP)
- 17. Direct primary care (DPC)



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