

Table of Contents

Qualified Business Income Deduction (QBID) Overview	1
Taxable income limitation.....	1
W-2 wage and capital limit	2
Qualified business income (QBI).....	2
Puerto Rico	5
Income exclusions	6
Specified service trade or business (SSTB).....	7
SSTB summary	14
Partnerships and S corporations	15
Calculating QBI	20
Combined qualified business income amount.....	81
Qualified business loss	95
Penalty	104
Other noteworthy items of QBI	104
QBI Update	113
Tax form	113
Form 8995.....	114
Form 8995-A.....	115
Trade or business.....	120
Disregarded entities	120
Taxpayer consistency	121
Multiple trades or businesses within an entity	121
Business aggregation	122
Aggregation criteria.....	123

Rentals	138
Rental real estate enterprise	138
The safe harbor test	139
Safe harbor statement	140
Rental services	140
Ineligible property	141
Self-rentals	141
Reporting	173
Case study	175
Case study – Schedule C	176
Case study – Partnership	189
Case study – S corporation	213
Chart of Entity Comparison	232
Changing Entities	237
Form 8832	238
Form 2553	242
Eligibility for an S corporation	242
Revocation	250
Index	257