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Tax Changes Taking Effect January 1, 2019.

Champagne will flow, *Auld Lang Syne* will be sung, resolutions will be made (and soon forgot, and never brought to mind), and, in a handful of states, taxes will change.

There is less January 1st activity than we usually see, but this does not mean 2018 was a quiet year. Rather, state consideration of tax conformity after the enactment of the Tax Cuts and Jobs Act (TCJA) of 2017 moved many changes forward, with rate reductions and other adjustments adopted midyear made retroactive to the start of the year. For instance, Idaho, Utah, and Vermont all trimmed income tax rates this year—but made them effective January 1 of 2018, not 2019.[1]

This was also a significant year for ballot measures, but some of the changes approved by the voters will take time to go into effect. Voters approved the legalization and taxation of marijuana in both Michigan and Missouri, but marijuana won't go on sale in these states on January 1st.[2] Lawmakers and regulators still have work ahead of them before the new regimes go into effect.

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