

Trump's Sweeping Tax Bill Has 'Many Wins and a Few Losses' for the AEC Sector, Commentators Say

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Excerpted from the article published by [Archinect](#):

“The new tax bill contains many wins and a few losses with regard to the architecture, engineering, and construction industries,” [Frederick Ackerman](#) told Archinect. Ackerman is a Partner and Co-Leader at the A&E and Construction sector of New York City accounting, tax, and advisory firm Anchin, whose colleague Philip Ross [previously offered reflections to Archinect](#) on how architects can address tariffs on current and future construction contracts.



“The biggest positive impact will be the long-awaited return of same-year expensing of qualified domestic research expenditures. Firms can now go back to focusing on innovation without fear of being penalized on their tax returns,” Ackerman added. “Construction contractors that work on residential contracts may now have even better tax methods available to them for eligible contracts. The current tax rates and QBI, which were set to expire, have been made permanent. In addition, increased bonus depreciation, section 179 expensing, and the addition of 100% bonus depreciation of qualified production real property may lead to increased investment.”

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While highlighting the potential financial benefits for construction companies in the bill, Ackerman also told Archinect that challenges remain in the industry, which could hamper increased construction activity spurred by the bill.

“In the loss column, it is the end of the line for the 179D deduction and many other energy credits,” Ackerman noted. “The industry continues to have an adequate backlog and remains cautiously optimistic. However, delayed projects, the fallout from tariffs, continuing high interest rates, and potential changes in local administrations are all concerns for the AEC industries in New York.”

Ackerman’s warnings align with those expressed by the AIA last month, which warned of an “emerging economic slowdown” in the U.S. derived from tariffs, labor market implications of federal immigration policy, federal job losses, and high long-term interest rates.