A AND B'S OTHER INCOME ELIGIBLE FOR QBI DEDUCTION - IRC § 199A

C corp. scenario

QBI from other businesses	$300,000
Minus QBI deduction @ 20%	$60,000
Difference	$240,000
Tax @ 37%	*$88,800*

Pass-through scenario

QBI from other businesses	$300,000
Minus NOL from this business	$100,000
Difference	$200,000
Minus QBI deduction @ 20%	$40,000
Difference	$160,000
Tax @ 37%	*$59,200*

Difference in tax in 2 scenarios ***$29,600***

A AND B'S OTHER INCOME NOT ELIGIBLE FOR QBI DEDUCTION - IRC § 199A

C corp. scenario

Non-QBI income	$300,000
Tax @ 37%	*$111,000*

Pass-through scenario

Non-QBI income	$300,000
NOL from this business	$100,000
Difference	$200,000
Tax @ 37%	*$74,000*

Difference in tax in 2 scenarios ***$37,000***