



IRS Issues 2019 Depreciation Deduction Limits for Passenger Automobiles

May 21, 2019

Kristine A. Tidgren

On May 21, 2019, IRS issued [Rev. Proc. 2019-26](#), which updated depreciation deduction limits for **passenger automobiles purchased after September 27, 2017, and placed into service during 2019**.

No Bonus Depreciation

The revenue procedure specifies that the amount of the depreciation and expensing deduction for a passenger car or light duty truck or van where bonus depreciation **is not taken** shall not exceed—

- \$10,100 for the 1st taxable year in the recovery period,
- \$16,100 for the 2nd taxable year in the recovery period,
- \$9,700 for the 3rd taxable year in the recovery period, and
- \$5,760 for each succeeding taxable year in the recovery period.

Bonus Depreciation Taken

Rev. Proc. 2019-26 also specifies that the amount of the depreciation and expensing deduction for a passenger car or light duty truck or van where bonus depreciation **is taken** shall not exceed—

- \$18,100 for the 1st taxable year in the recovery period,
- \$16,100 for the 2nd taxable year in the recovery period,
- \$9,700 for the 3rd taxable year in the recovery period, and
- \$5,760 for each succeeding taxable year in the recovery period.



Acquired before September 28, 2017, and Placed in Service in 2019

If a taxpayer acquired a passenger vehicle before September 28, 2017, but did not place it into service until 2019, the numbers are different where bonus depreciation is taken:

- \$14,900 for the 1st taxable year in the recovery period,
- \$16,100 for the 2nd taxable year in the recovery period,
- \$9,700 for the 3rd taxable year in the recovery period, and
- \$5,760 for each succeeding taxable year in the recovery period.

CALT does not provide legal advice. Any information provided on this website is not intended to be a substitute for legal services from a competent professional. CALT's work is supported by fee-based seminars and generous private gifts. Any opinions, findings, conclusions or recommendations expressed in the material contained on this website do not necessarily reflect the views of Iowa State University.