

108 words, including title

Changes to depreciation limits on luxury automobiles

The [Tax Cuts and Jobs Act](#) changed depreciation limits for passenger vehicles placed in service after Dec. 31, 2017.

If the taxpayer doesn't claim bonus depreciation, the greatest allowable depreciation deduction is:

- \$10,000 for the first year
- \$16,000 for the second year
- \$9,600 for the third year
- \$5,760 for each later taxable year in the recovery period

If a taxpayer claims 100 percent bonus depreciation, the greatest allowable depreciation deduction limit is:

- \$18,000 for the first year
- \$16,000 for the second year
- \$9,600 for the third year
- \$5,760 for each later taxable year in the recovery period