

IRS Publishes Business Vehicle Deduction Limits for 2014

The IRS has published depreciation limits for business vehicles first placed in service this year.

50% bonus depreciation is no longer allowed for business equipment purchases, including vehicles. Here's a quick review of the adjustments for 2014.

For business cars first placed in service this year, the first-year depreciation limit is \$3,160. After year one, the limits are \$5,100 in year two, \$3,050 in year three, and \$1,875 in all following years.

The 2014 first-year depreciation limit for light trucks and vans is \$3,460. Limits for year two are \$5,500, in year three \$3,350, and in each succeeding year \$1,975.

For details relating to your 2014 business vehicle purchases, contact our office.