

100% Bonus Depreciation Deduction expires December 31, 2022

The end of tax year 2022 is near

It is time to consider the changes that the end of the year will bring. The tax benefit of 100% bonus depreciation expires, reducing bonus depreciation to 80% in 2023.

The 2017 Tax Cuts and Jobs Act (TCJA) had extended and allowed for 100% bonus depreciation on "Qualified Property" which encompassed a great deal of capital assets.

This benefit, which was limited to 50% of an asset's cost prior to TCJA, was first set to expire in 2019. With the passage of TCJA, it was doubled and the time extended to include assets placed into service by December 31, 2022.

Placing an asset in service before December 31, 2022 results in 20% more immediate depreciation when compared to placing it in service after January 1, 2023.

Eligible bonus depreciation will reduce by 20% annually until reaching 0% in 2027.

If you have any questions, please call the partner or staff servicing your account

This information has been provided by Gold Gerstein Group, LLC.

Moorestown Office: (856) 727-0100



GOLD GERSTEIN GROUP LLC

Certified Public Accountants and Consultants