

## Special Depreciation Provision Changes Under The Tax Cuts And Jobs Act (TCJA)

	PRIOR TO 9/27/2017	9/27/2017 TO 12/31/2017	AFTER 12/31/2017															
BONUS DEPRECIATION RATE	50%	100%	Varies	<table border="1"> <tr><td>PRIOR TO 9/27/2017</td><td>50%</td></tr> <tr><td>9/27/2017 - 12/31/2022</td><td>100%</td></tr> <tr><td>1/01/2023 - 12/31/2023</td><td>80%</td></tr> <tr><td>1/01/2024 - 12/31/2024</td><td>60%</td></tr> <tr><td>1/01/2025 - 12/31/2025</td><td>40%</td></tr> <tr><td>1/01/2026 - 12/31/2026</td><td>20%</td></tr> <tr><td>AFTER 12/31/2026</td><td>0%</td></tr> </table>	PRIOR TO 9/27/2017	50%	9/27/2017 - 12/31/2022	100%	1/01/2023 - 12/31/2023	80%	1/01/2024 - 12/31/2024	60%	1/01/2025 - 12/31/2025	40%	1/01/2026 - 12/31/2026	20%	AFTER 12/31/2026	0%
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NEW ASSETS QUALIFIED FOR BONUS DEPRECIATION	Yes	Yes	Yes															
USED ASSETS QUALIFIED FOR BONUS DEPRECIATION	No	Yes	Yes															
QUALIFIED LEASEHOLD IMPROVEMENT TREATMENT AVAILABLE, SUBJECT TO BONUS DEPRECIATION	Yes	Yes	No	Some assets that previously qualified for bonus depreciation under a “special asset classification” may still qualify as “Qualified Improvement Property” under the TCJA														
QUALIFIED RETAIL IMPROVEMENT TREATMENT AVAILABLE, SUBJECT TO BONUS DEPRECIATION	Yes	Yes	No															
QUALIFIED RESTAURANT PROPERTY TREATMENT AVAILABLE	Yes	Yes	No	See commentary related to difference between legislative intention vs. legislative result in our blog – technical correction necessary to qualify for bonus depreciation														
QUALIFIED IMPROVEMENT PROPERTY TREATMENT AVAILABLE, SUBJECT TO BONUS DEPRECIATION	Yes	Yes	Yes															
SECTION 179 EXPENSE LIMITATION	\$510,000	\$510,000	\$1,000,000	New amounts are permanent and will be indexed for inflation on an annual basis														
SECTION 179 ACQUISITION LIMITATION	\$2,030,000	\$2,030,000	\$2,500,000															
EXPANDED DEFINITION OF ASSETS ELIGIBLE FOR SECTION 179 EXPENSING	No	No	Yes	Includes specific improvements to nonresidential real property including: Qualified Improvement Property, HVAC, fire suppression and alarms, and security systems														

ADS DEPRECIATION LIVES		
PROPERTY TYPE	MACRS Life	ADS Life
Nonresidential Real Property	39 Years	40 Years
Residential Real Property	27.5 Years	30 Years
Qualified Improvement Property	15 Years	20 Years

Learn more about these changes in our blog post: “Guide to Interpreting New Depreciation Rules Under the TCJA” at [www.cohencpa.com/insights](http://www.cohencpa.com/insights)