KPMG

TaxNewsFlash

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Rev. Proc. 2025-16: Automobile depreciation deduction limits for 2025

The IRS today released Rev. Proc. 2025-16 which provides the annual depreciation deduction limitations under section 280F for passenger automobiles (including trucks and vans) placed in service in 2025. The section 280F limitations are required to be adjusted for inflation for automobiles placed in service after 2018.

Rev. Proc. 2025-16 also provides the dollar amounts that must be used to determine income inclusions by lessees of passenger automobiles first leased in 2025.

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