PRIME

BONUS DEPRECIATION



The bonus depreciation deduction is a tax incentive that allows businesses to accelerate the depreciation of certain qualified assets. This can significantly reduce taxable income in the year the asset is purchased, providing immediate tax relief. Depending on the percentage of bonus depreciation available, any remaining asset basis may continue to be depreciated under normal depreciation rules.

QUALIFICATIONS

The rules that dictate which assets do and do not qualify for the bonus depreciation deduction are a bit nuanced but, as a rule of thumb, the asset must:

- Be acquired and placed in service by your business during the tax year
- Be used primarily for business purposes
- Have a recovery period of 20 years or less
- Be eligible property under IRS depreciation rules

IMPLEMENTATION

For a detailed implementation checklist and other helpful resources, scan the QR code below or click **here**.

GOT QUESTIONS?

Email **decoder@primecorporateservices.com**
or contact **(855) 577-4639** for more information.

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