

CORPORATE VEHICLES TAX DEDUCTIONS

***INTERNAL REVENUE SERVICE
DEPARTMENT OF THE TREASURY***

INTERNAL REVENUE SERVICE

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SECTION 179 AND HOW IT WORKS

A great way for businesses to grow their fleet and work capacity - and save on the tax burden for 2024 - is through Section 179 and the accompanying Bonus Depreciation.

HOW DOES SECTION 179 WORK*?

- Businesses can buy, finance, or lease **new or used** equipment and **write off 60% of the full price**.
- The deduction limit for 2024 has been raised to a maximum of **\$1,220,000** (on qualifying assets).
- The deduction is available for up to **\$3.05 million** in purchases.
- Once the limit is reached, the deduction decreases dollar for dollar and up to **\$4.27 million** in equipment purchases.
- Units must be put into service by the **December 31, 2024**.
- The total cost you can deduct each year, after you apply the dollar limit, is **limited to your business' taxable income**.

WHAT IS BONUS DEPRECIATION?

Bonus Depreciation allows a business to **deduct 60% of the adjusted cost** of new or used equipment in the first year of service and is generally taken after the Section 179 Spending Cap is reached.



** This is not tax guidance. Please consult your tax professional for the specifics surrounding your business tax implications.*

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SECTION 179 TAX DEDUCTIONS

Section 179 of the IRC allows business to take an immediate deduction for business expenses related to depreciable assets such as equipment, vehicles and software.

This allow businesses to lower their current-year tax liability rather than capitalizing an assets and depreciating it over time in future tax years

WHAT VEHICLES ARE COVERED BY SECTION 179?

PICKUPS AND VANS: *That are used for business more than 50% of the time and exceed 6,000 poundsd gross vehicle weight. These vehicles may quality for at least a partial Section-179 deduction, plus bonud depreciation*

VEHICLES USED FOR WORK AND CANNOT DOUBLE AS PERSONAL VEHICLES: *Such as Forklifts or trailers, or those that seat more than 9-Passengers behind the drivers' seat such as hotel or airport shuttle vans*

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SPECIALITY WORK VEHICLES: *Such as hearses or ambulances.*

WHAT SMALL BUSINESS OWNERS SHOULD KNOW ABOUT THE DEPRECIATION OF PROPERTY DEDUCTION?

Small business can depreciate property when they place it in service for use in their trade or business or to produce to produce income. The business stops depreciating

property when they have fully recovered their cost or other basis or when they retire it from service, whichever happens first.

WHAT PROPERTY IS DEPRECIABLE?

Small businesses can depreciate machinery, equipment, buildings, vehicles, and furniture. They can not claim depreciation on personal property.

If a business uses an asset, such as a car, for business or investment and personal purposes. The business owner can depreciate only the business or investment use portion.

Land is never depreciable, although buildings and certain land improvements may be

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BUSINESSES MAY DEPRECIATE PROPERTY THAT MEETS ALL THESE REQUIREMENTS. THE BUSINESS MUST:

OWN THE PROPERTY: *The business is considered to own property even if it is subject to a debt.*

USE THE PROPERTY IN A BUSINESS OR INCOME PRODUCING ACTIVITY: *If the property is used to produce income, the income must be taxable.*

BE ABLE TO ASSIGN A DETERMINABLE USEFUL LIFE TO THE PROPERTY. *This means that it must be something that wears out, decay, gets used up, becomes obsolete or loses its value from natural causes.*

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SECTION 179 DEDUCTIONS VEHICLE LIST FOR 2025
SECTION 179 TAX DEDUCTION (White, Grey or Black Vehicles / Vehicles Quantity)

CORPORATE EMPLOYEES:

1. LOGISTIC

- a. **DEPARTMENT:** Brokering
- b. **TYPE OF UNION:** Office and Professional Employees International Union - Local 334 (Henrico, VA)
- c. **UNION EMPLOYEES WITH VEHICLES:** Shop Steward + Brokering Agent
- d. **DEPARTMENT CORPORATE VEHICLE:** 2026 Jeep Grand Cherokee L Summit Reserve - \$78,125.00
- e. **DEPARTMENT BUSINESS VEHICLES:** (2) 2026 Dodge Durango SXT AWD - \$41,000.00 each (\$82,000.00)
- f. **DEPARTMENT CHAUFFEUR VEHICLE:** 2026 Ram Promaster Conversion Van - \$90,000.00
- g. **TAX DEDUCTION (Section-179) AMOUNT -** \$285,714.29
- h. **TOTAL VEHICLES EXPENSES:** \$250,125.00
- i. **BUSINESS STANDARD MILEAGE RATE:** \$0.65 per mile
- j. **NORTH CAROLINA MOTOR FUELS TAX RATES:** \$0.40 Per Gallon
- k. **NORTH CAROLINA PREMIUM GAS RATES (as of 1/19/2023 @ 10:09am):** \$3.98 per Gallon
 - Sunday August 17, 2025 @ 4:13pm Price of \$3.735 per gallon
- l. **NORTH CAROLINA DIESEL FUEL RATES (as of 1/19/2023 @ 10:09am):** \$4.54 per gallon
 - Sunday August 17, 2025 @ 4:11am Price of \$3.499 per gallon
- m. **ALL BUSINESS VEHICLES ARE ALLOWED A MAX MILEAGE PER QUARTER:** 13,650 -Miles (150-Miles per day)
- n. **# OF GALLONS PURCHASE PER QUARTER:** 2,323.4 Gallons
- o. **TOTAL GASOLINE EXPENSES PER QUARTER:** \$9,247.15
- p. **TOTAL DIESEL EXPENSES PER QUARTER:** \$0.00
- q. **TOTAL GASOLINE / DIESEL TAXES DEDUCTION REBATE QUARTERLY:** \$929.36

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SECTION 179 DEDUCTIONS VEHICLE LIST FOR 2025
SECTION 179 TAX DEDUCTION (White, Grey or Black Vehicles / Vehicles Quantity)

CORPORATE EMPLOYEES:

2. LOGISTICS

- a. **DEPARTMENT:** Forwarding
- b. **TYPE OF UNION:** Teamster Freight Division
- c. **UNION EMPLOYEES WITH VEHICLES:** Shop Steward + Atlas Van Lines & United Van Lines Sales Manager
- d. **DEPARTMENT CORPORATE VEHICLE:** 2026 Lincoln Navigator Standard - \$82,265.00
- e. **DEPARTMENT BUSINESS VEHICLES:** (2) 2026 Lincoln Nautilus Standard - \$49,365.00 each (\$98,730.00)
- f. **DEPARTMENT CHAUFFEUR VEHICLE:** 2026 Ford Transit AWD 5-Passenger Conversion Van - \$83,000.00
- g. **TAX DEDUCTION (Section-179) AMOUNT -** \$285,714.29
- h. **TOTAL VEHICLES EXPENSES:** \$263,995.00
- i. **BUSINESS STANDARD MILEAGE RATE:** \$0.65 per mile
- j. **NORTH CAROLINA MOTOR FUELS TAX RATES:** \$0.40 Per Gallon
- k. **NORTH CAROLINA PREMIUM GAS RATES (as of 1/19/2023 @ 10:09am):** \$3.98 per Gallon
- l. **NORTH CAROLINA DIESEL FUEL RATES (as of 1/19/2023 @ 10:09am):** \$4.54 per gallon
- m. **ALL BUSINESS VEHICLES ARE ALLOWED A MAX MILEAGE PER QUARTER:** 13,650 -Miles (150-Miles per day)
- n. **# OF GALLONS PURCHASE PER QUARTER:** 2,730 Gallons
- o. **TOTAL GASOLINE EXPENSES PER QUARTER:** \$10,865.40
- p. **TOTAL DIESEL EXPENSES PER QUARTER:** \$0.00
- q. **TOTAL GASOLINE / DIESEL TAXES DEDUCTION REBATE QUARTERLY:** \$1,092.00

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SECTION 179 TAX DEDUCTION (White, Grey or Black Vehicles / Vehicles Quantity)

CORPORATE EMPLOYEES:

3. REAL ESTATE

- a. **DEPARTMENT:** Travel Center / Restaurant
- b. **TYPE OF UNION:** Teamsters Food Processing Division
- c. **UNION EMPLOYEES WITH VEHICLES:** Shop Steward + Sales Agent
- d. **DEPARTMENT CORPORATE VEHICLE:** 2026 Toyota Sequoia Capstone - \$79,000.00
- e. **DEPARTMENT BUSINESS VEHICLES:** (2) 2026 Toyota Highliander - \$41,000.00 each (\$82,000.00)
- f. **DEPARTMENT CHAUFFEUR VEHICLE:** 2026 Toyota Sienna Platinum AWD 7-Passenger Van - \$55,605.00
- g. **TAX DEDUCTION (Section-179) AMOUNT** - \$285,714.29
- h. **TOTAL VEHICLES EXPENSES:** \$216,605.00
- i. **BUSINESS STANDARD MILEAGE RATE:** \$0.65 per mile
- j. **NORTH CAROLINA MOTOR FUELS TAX RATES:** \$0.40 Per Gallon
- k. **NORTH CAROLINA PREMIUM GAS RATES (as of 1/19/2023 @ 10:09am):** \$3.98 per Gallon
- l. **NORTH CAROLINA DIESEL FUEL RATES (as of 1/19/2023 @ 10:09am):** \$4.54 per gallon
- m. **ALL BUSINESS VEHICLES ARE ALLOWED A MAX MILEAGE PER QUARTER:** 13,650 -Miles (150-Miles per day)
- n. **# OF GALLONS PURCHASE PER QUARTER:** 3,640 Gallons
- o. **TOTAL GASOLINE EXPENSES PER QUARTER:** \$14,487.20
- p. **TOTAL DIESEL EXPENSES PER QUARTER:** \$0.00
- q. **TOTAL GASOLINE / DIESEL TAXES DEDUCTION REBATE QUARTERLY:** \$1,456.00

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SECTION 179 TAX DEDUCTION (White, Grey or Black Vehicles / Vehicles Quantity)

CORPORATE EMPLOYEES:

4. CONSTRUCTION

- a. **DEPARTMENT:** Estimation
- b. **TYPE OF UNION:** Operating Engineers - Local 926 (Atlanta, GA)
- c. **UNION EMPLOYEES WITH VEHICLES:** Lead Engineer + Estimator, Surveyor, Foremen, Superintendent
- d. **DEPARTMENT CORPORATE VEHICLE:** 2026 Nissan Armada SV 4WD - \$59,645.00
- e. **DEPARTMENT BUSINESS VEHICLES:** (5) 2026 Nissan Murano Platinum AWD - \$49,135.00 each (\$245,675.00)
- f. **DEPARTMENT CHAUFFEUR VEHICLE:** See Chartered Department
- g. **TAX DEDUCTION (Section-179) AMOUNT -** \$325,000.00
- h. **TOTAL VEHICLES EXPENSES:** \$305,320.00
- i. **BUSINESS STANDARD MILEAGE RATE:** \$0.65 per mile
- j. **NORTH CAROLINA MOTOR FUELS TAX RATES:** \$0.40 Per Gallon
- k. **NORTH CAROLINA PREMIUM GAS RATES** \$3.98 per Gallon
- l. **NORTH CAROLINA DIESEL FUEL RATES** \$4.54 per gallon
- m. **ALL BUSINESS VEHICLES ARE ALLOWED A MAX MILEAGE PER QUARTER:** 13,650 -Miles (150-Miles per day)
- n. **# OF GALLONS PURCHASE PER QUARTER:** 4,963.6 Gallons
- o. **TOTAL GASOLINE EXPENSES PER QUARTER:** \$19,755.27
- p. **TOTAL DIESEL EXPENSES PER QUARTER:** \$0.00
- q. **TOTAL GASOLINE / DIESEL TAXES DEDUCTION REBATE QUARTERLY:** \$1,985.44

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SECTION 179 TAX DEDUCTION SECTION 179 TAX DEDUCTION (White, Grey or Black Vehicles / Vehicles Quantity)

CORPORATE EMPLOYEES:

5. CHARTERED

- a. **DEPARTMENT:** Flight Crew
- b. **TYPE OF UNION:** Teamster (Passenger Transportation)
- c. **UNION EMPLOYEES WITH VEHICLES:** Shop Steward + CSR-Rep + Dispatcher
- d. **DEPARTMENT CORPORATE VEHICLE:** 2025 Acura MDX Advance - \$64,000.00
- e. **DEPARTMENT BUSINESS VEHICLES:** (3) 2025 Honda Pilot Elite - \$50,205.00 each (\$150,615.00)
- f. **DEPARTMENT CHAUFFEUR VEHICLE:** 2025 Honda Odyssey Elite Van - \$50,129.00
- g. **TAX DEDUCTION (Section-179) AMOUNT** - \$285,714.29
- h. **TOTAL VEHICLES EXPENSES:** \$264,744.00
- i. **BUSINESS STANDARD MILEAGE RATE:** \$0.65 per mile
- j. **NORTH CAROLINA MOTOR FUELS TAX RATES:** \$0.40 Per Gallon
- k. **NORTH CAROLINA PREMIUM GAS RATES** \$3.98 per Gallon
- l. **NORTH CAROLINA DIESEL FUEL RATES** \$4.54 per gallon
- m. **ALL BUSINESS VEHICLES ARE ALLOWED A MAX MILEAGE PER QUARTER:** 13,650 -Miles (150-Miles per day)
- n. **# OF GALLONS PURCHASE PER QUARTER:** 3,033.3 Gallons
- o. **TOTAL GASOLINE EXPENSES PER QUARTER:** \$12,072.67
- p. **TOTAL DIESEL EXPENSES PER QUARTER:** \$0.00
- q. **TOTAL GASOLINE / DIESEL TAXES DEDUCTION REBATE QUARTERLY:** \$1,213.32

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CORPORATE EMPLOYEES:

6. LOGISTICS

- a. **DEPARTMENT:** Warehousing (3pl + Cross Dock + Moving & Storage)
- b. **TYPE OF UNION:** Teamsters (Warehousing Division)
- c. **UNION EMPLOYEES WITH VEHICLES:** Shop Steward + Sales Agent + Warehouse Manager + Operations Manager
- d. **DEPARTMENT CORPORATE VEHICLE:** 2026 Chevy Tahoe High Country Duramax Diesel - \$80,000.00
- e. **DEPARTMENT BUSINESS VEHICLES:** (4) 2026 Chevy Colorado Crew Cab Short Box Trail Boss 4WD - \$42,000.00 each (\$168,000.00)
- f. **DEPARTMENT CHAUFFEUR VEHICLE:** See Chartered Division
- g. **TAX DEDUCTION (Section-179) AMOUNT -** \$285,714.29
- h. **TOTAL VEHICLES EXPENSES:** \$248,000.00
- i. **BUSINESS STANDARD MILEAGE RATE:** \$0.65 per mile
- j. **NORTH CAROLINA MOTOR FUELS TAX RATES:** \$0.40 Per Gallon
- k. **NORTH CAROLINA PREMIUM GAS RATES** \$3.98 per Gallon
- l. **NORTH CAROLINA DIESEL FUEL RATES** \$4.54 per gallon
- m. **ALL BUSINESS VEHICLES ARE ALLOWED A MAX MILEAGE PER QUARTER:** 13,650 -Miles (150-Miles per day)
- n. **# OF GALLONS PURCHASE PER QUARTER:** 3,088.4 Gallons
- o. **TOTAL GASOLINE EXPENSES PER QUARTER:** \$9,877.56
- p. **TOTAL DIESEL EXPENSES PER QUARTER:** \$2,753.96
- q. **TOTAL GASOLINE / DIESEL TAXES DEDUCTION REBATE QUARTERLY:** \$1,235.36

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CORPORATE EMPLOYEES:

7. TRADE SHOWS EXHIBITS TRANSPORT w/SET UP & CHARITIES

- a. **DEPARTMENT:** Ship Crew & High Ranks Employees
- b. **TYPE OF UNION:** Teamsters (Convention, Trade Show and Casino Division)
- c. **UNION EMPLOYEES WITH VEHICLES:** Shop Steward + Board Operator, Ship Captain, Music Board Operator, Street Team Manager
- d. **DEPARTMENT CORPORATE VEHICLE:** 2026 BMW X7 xDrive 40i - \$80,000.00
- e. **DEPARTMENT BUSINESS VEHICLES:** (5) 2026 BMW X3 xDrive 30i - \$47,000.00 each (\$235,000.00)
- f. **MOBILE RECORDING STUDIO:** 1996 Cruise Ship, 2,400-Passenger Ship with Full Recording Studio and VIP Helipad for Artist and Crew - \$100,000,000.00 + \$5,000,000.00 Upgrades for Helicopter and Recording Studio
- g. **ARTIST SALARY:** \$250,000.00 Per Day
- h. **SHIP CREW MEMBERS:** 30 Members
- i. **SHIP'S CREW SALARY:** \$35,000.00 Per Day
- j. **SHIP'S OPERATING COST:** \$41,095.89 Per Day
- k. **FANS TICKET PER DAY:** \$145.00 Per 1-Day Cruise
- l. **RECORD LABELS STUDIO CHARGE:** \$350.00 Per Hour
- m. **BUSINESS STANDARD MILEAGE RATE:** \$0.65 per mile
- n. **NORTH CAROLINA MOTOR FUELS TAX RATES:** \$0.40 Per Gallon
- o. **NORTH CAROLINA PREMIUM GAS RATES** \$3.98 per Gallon
- p. **NORTH CAROLINA DIESEL FUEL RATES** \$4.54 per gallon
- q. **ALL BUSINESS VEHICLES ARE ALLOWED A MAX MILEAGE PER QUARTER:** 13,650 -Miles (150-Miles per day)
- r. **# OF GALLONS PURCHASE PER QUARTER:** 3,416,400 Gallons
- s. **TOTAL GASOLINE EXPENSES PER QUARTER:** \$15,522.00
- t. **TOTAL DIESEL EXPENSES PER QUARTER:** \$15,492,750.00
- u. **TOTAL GAOLINE / DIESEL TAXES DEDUCTION REBATE QUARTERLY:** \$1,366,560.00
- v. **RECORDING STUDIO CRUISE SHIP DEDUCTIONS PER DAY (Food & Alcohol):** \$120,000.00 Daily

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CORPORATE EMPLOYEES:

8. DOT & OPERATING AUTHORITY CONTRACTOR

- a. **DEPARTMENT:** Trucking & Towing
- b. **TYPE OF UNION:** Teamsters (Commercial Division) + Laborers
- c. **UNION EMPLOYEES WITH VEHICLES:** Shop Steward Teamsters + Shop Steward Laborers
- d. **DEPARTMENT CORPORATE VEHICLE:** 2026 GMC Hummer SUV - \$159,000.00
- e. **DEPARTMENT BUSINESS VEHICLES:** 2026 GMC Sierra 3500 HD AT4 Ultimate 4wd Crew Cab w/Any Height Lift .
Durmax Turbo Diesel - \$170,000.00
- f. **DEPARTMENT CHAUFFEUR VEHICLE:** See Chartered Division
- g. **TAX DEDUCTION (Section-179) AMOUNT -** \$329,000.00
- h. **TOTAL VEHICLES EXPENSES:** \$250,125.00
- i. **BUSINESS STANDARD MILEAGE RATE:** \$0.65 per mile
- j. **NORTH CAROLINA MOTOR FUELS TAX RATES:** \$0.40 Per Gallon
- k. **NORTH CAROLINA PREMIUM GAS RATES** \$3.98 per Gallon
- l. **NORTH CAROLINA DIESEL FUEL RATES** \$4.54 per gallon
- m. **ALL BUSINESS VEHICLES ARE ALLOWED A MAX MILEAGE PER QUARTER:** 13,650 -Miles (150-Miles per
day)
- n. **# OF GALLONS PURCHASE PER QUARTER:** 2,730 Gallons
- o. **TOTAL GASOLINE EXPENSES PER QUARTER:** \$4,131.40
- p. **TOTAL DIESEL EXPENSES PER QUARTER:** \$7,243.60
- q. **TOTAL GASOLINE / DIESEL TAXES DEDUCTION REBATE QUARTERLY:** \$1,092.00

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CORPORATE EMPLOYEES:

9. BROKERING AGENTS (Khia and Tajallah)

- a. **DEPARTMENT:** Family Division (Khia and Tajallah)
- b. **DEPARTMENT CORPORATE VEHICLE:** (2) 2026 Range Rover Sport Dynamic SE - \$100,000.00
- c. **TAX DEDUCTION (Section-179) AMOUNT -** \$285,714.29
- d. **TOTAL VEHICLES EXPENSES:** \$250,125.00
- e. **BUSINESS STANDARD MILEAGE RATE:** \$0.65 per mile
- f. **NORTH CAROLINA MOTOR FUELS TAX RATES:** \$0.40 Per Gallon
- g. **NORTH CAROLINA PREMIUM GAS RATES** \$3.98 per Gallon
- h. **NORTH CAROLINA DIESEL FUEL RATES** \$4.54 per gallon
- i. **ALL BUSINESS VEHICLES ARE ALLOWED A MAX MILEAGE PER QUARTER:** 13,650 -Miles (150-Miles per day)
- j. **# OF GALLONS PURCHASE PER QUARTER:** 1,365 Gallons
- k. **TOTAL GASOLINE EXPENSES PER QUARTER:** \$5,432.70
- l. **TOTAL DIESEL EXPENSES PER QUARTER:** \$0.00
- m. **TOTAL GASOLINE / DIESEL TAXES DEDUCTION REBATE QUARTERLY:** \$546.00