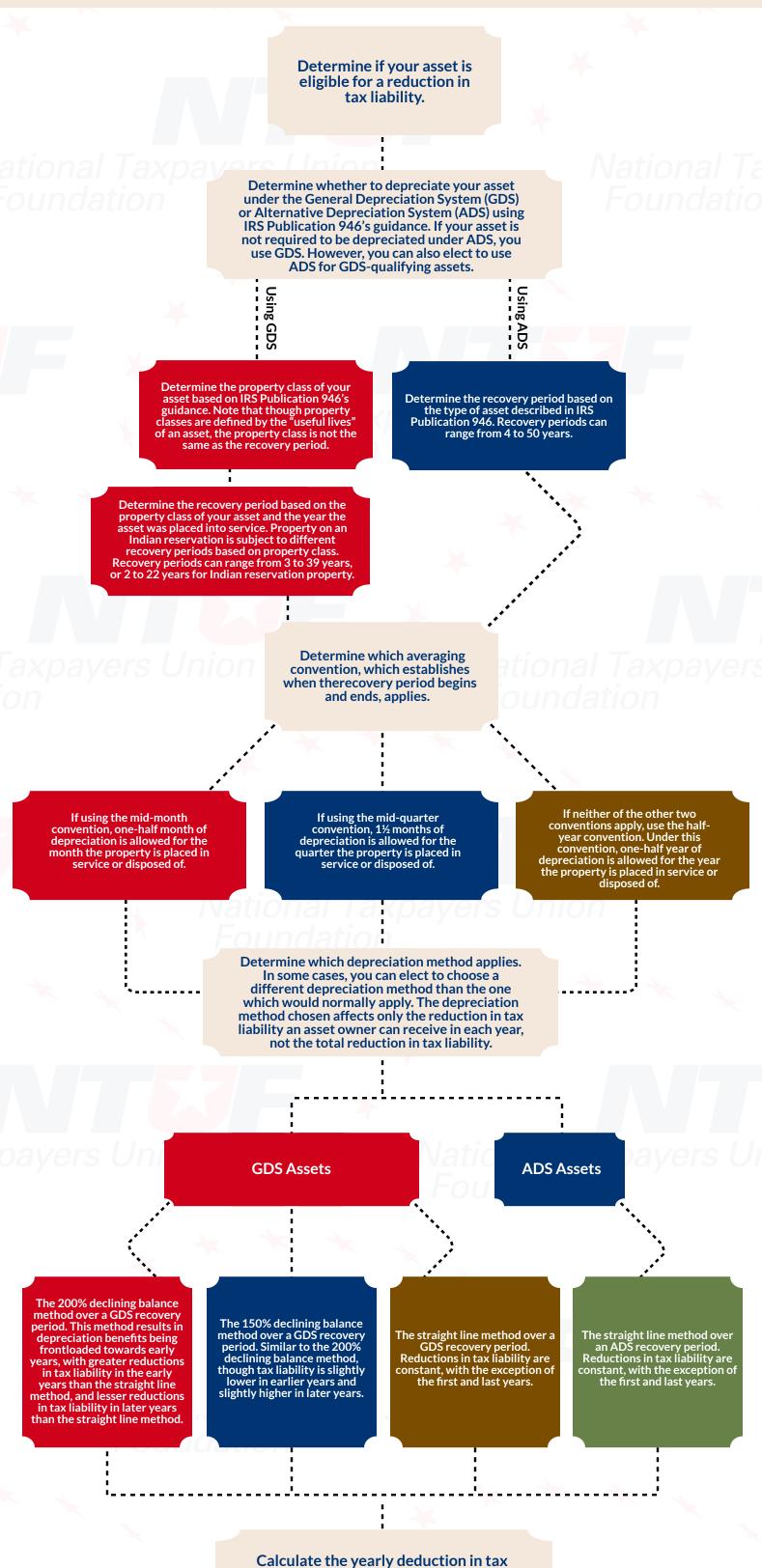
## Whats The Deal With Full Expensing?

NTUF Issue Brief #170 - Visual Aid



Below is a general explanation of how to depreciate property under the Modified Accelerated Cost Recovery System (MACRS). Note that asset depreciation can be considerably more complicated for property acquired in a nontaxable transfer, depreciation in a short tax year, for general asset accounts, et cetera. Additionally, rules can be different for assets placed in service less recently.



liability over the course of your asset's recovery period, then deduct that amount each year from tax liability.

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Below is a general explanation of how deducting asset value from tax liability would work under full expensing.

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Determine if your asset is eligible for a reduction in tax liability.



Calculate the yearly deduction in tax liability over the course of your asset's recovery period, then deduct that amount each year from tax liability.