

***The Tax Review* Basics of Depreciation**

Learning Objectives / Table of Contents

Chapter

1 Overview of Depreciation

- 1-A** Identify the requirements to depreciate tangible property.
- 1-B** Identify the requirements to amortize intangible property.
- 1-C** Compute the basis of depreciable property.
- 1-D** Differentiate whether an expense is a deductible repair or a depreciable improvement.
- 1-E** Recognize safe harbor elections under the repair regulations.

2 Section 179 and Special Depreciation

- 2-A** Recognize what is considered qualified property for claiming the Section 179 deduction.
- 2-B** Recognize what is considered qualified property for claiming the special depreciation deduction.
- 2-C** Identify the Section 179 and special depreciation deduction limitations.
- 2-D** Select the proper procedures to claim a Section 179 or special depreciation deduction.
- 2-E** Apply the correct ordering rules for depreciation deductions.

3 Computing Depreciation

- 3-A** Select the applicable recovery period for asset types.
- 3-B** Choose the applicable convention for property types.
- 3-C** Apply the applicable depreciation method for property classes.
- 3-D** Compute the depreciation deduction.
- 3-E** Identify when depreciation recapture is necessary.

4 Listed Property

- 4-A** Identify property that is considered listed property.
- 4-B** Recognize the business-use requirement as it relates to listed property.
- 4-C** Calculate the annual depreciation deduction when passenger automobile limits apply using prior law.
- 4-D** Calculate the annual depreciation deduction when passenger automobile limits apply using the TCJA.
- 4-E** Calculate the inclusion amount for leased automobiles.