

2020 Lease Inclusion Indexing

Internal Revenue Code (IRC) Section 280F(c) imposes inclusion amounts as determined by the Secretary in Federal Regulation Section 26 CFR 1.280F-7. For passenger automobiles placed in service after 1988, IRC Section 280F(d)(7) requires the amounts allowable as a depreciation deduction to be indexed by a price inflation adjustment amount. The Tax Cuts and Jobs Act signed into law on December 22, 2017, changed the dollar limitation amounts.

California's general specified date of conformity is January 1, 2015; therefore, California does not conform to the new limitations.

In applying these procedures, lessees of passenger automobiles other than trucks and vans should use Table 1 of this memo, while lessees of trucks and vans should use Table 2 of this memo.

For taxable year 2020, the inclusion amounts are the following:

Table 1: Dollar Amounts For Passenger Automobiles (That Are Not Trucks Or Vans) With A Lease Term Beginning In Calendar Year 2020

Fair Market Value of Passenger Automobile		Tax Year During Lease				
Over	Not Over	1st	2nd	3rd	4th	5th & Later
\$ 19,000	\$ 19,500	\$ 6	\$ 14	\$ 20	\$ 23	\$ 27
19,500	20,000	7	16	23	27	31
20,000	20,500	8	18	26	30	35
20,500	21,000	9	20	28	35	39
21,000	21,500	10	21	32	38	44
21,500	22,000	11	23	35	42	47
22,000	23,000	12	27	39	47	53
23,000	24,000	14	31	45	54	62
24,000	25,000	16	34	52	61	69
25,000	26,000	18	38	58	67	77
26,000	27,000	19	43	63	74	86
27,000	28,000	21	47	68	81	94
28,000	29,000	23	51	74	88	102
29,000	30,000	25	55	79	96	111
30,000	31,000	27	58	86	103	119
31,000	32,000	29	62	92	110	127
32,000	33,000	30	67	98	117	135
33,000	34,000	32	70	103	125	143
34,000	35,000	34	74	109	132	151
35,000	36,000	36	78	115	139	159
36,000	37,000	38	81	122	146	168
37,000	38,000	40	85	128	153	176
38,000	39,000	41	90	133	160	185
39,000	40,000	43	94	139	167	193
40,000	41,000	45	98	145	174	201
41,000	42,000	47	102	151	181	208
42,000	43,000	49	105	158	188	216
43,000	44,000	50	110	163	196	224
44,000	45,000	52	114	169	202	232
45,000	46,000	54	118	175	209	241
46,000	47,000	56	122	181	216	249
47,000	48,000	58	126	186	223	258
48,000	49,000	60	129	193	230	266
49,000	50,000	61	134	199	237	274
50,000	51,000	63	138	204	244	282
51,000	52,000	65	142	209	252	290
52,000	53,000	67	146	215	259	299
53,000	54,000	68	150	221	266	307
54,000	55,000	69	154	227	273	316
55,000	56,000	71	158	233	280	324
56,000	57,000	73	162	239	287	332
57,000	58,000	75	166	245	294	339
58,000	59,000	77	170	251	301	347
59,000	60,000	79	173	258	308	356
60,000	62,000	81	180	266	319	368
62,000	64,000	85	188	278	333	384
64,000	66,000	89	196	290	346	401
66,000	68,000	92	203	302	361	417
68,000	70,000	96	211	313	376	433
70,000	72,000	100	219	325	390	450
72,000	74,000	103	227	336	404	467
74,000	76,000	107	235	348	418	482
76,000	78,000	110	243	360	433	498
78,000	80,000	114	251	372	447	514
80,000	85,000	121	265	393	470	544

Continued on next page

2020 Lease Inclusion Indexing – Table 1 Continued

Table 1: Dollar Amounts For Passenger Automobiles (That Are Not Trucks Or Vans) With A Lease Term Beginning In Calendar Year 2020

Fair Market Value of Passenger Automobile		Tax Year During Lease				
Over	Not Over	1st	2nd	3rd	4th	5th & Later
\$ 85,000	\$ 90,000	\$ 130	\$ 285	\$ 422	\$ 507	\$ 584
90,000	95,000	139	305	452	542	625
95,000	100,000	148	325	481	577	666
100,000	110,000	161	354	526	630	728
110,000	120,000	180	394	585	701	809
120,000	130,000	198	434	644	771	891
130,000	140,000	215	473	703	843	973
140,000	150,000	233	513	762	913	1,054
150,000	160,000	252	553	821	984	1,136
160,000	170,000	270	593	880	1,054	1,218
170,000	180,000	288	632	939	1,126	1,299
180,000	190,000	306	672	999	1,196	1,381
190,000	200,000	324	713	1,056	1,268	1,462
200,000	210,000	342	751	1,116	1,338	1,544
210,000	220,000	360	791	1,175	1,408	1,626
220,000	230,000	378	831	1,235	1,479	1,708
230,000	240,000	396	871	1,292	1,550	1,790
240,000	and over	415	910	1,352	1,621	1,871

Continued on next page

2020 Lease Inclusion Indexing – Table 2

Table 2: Dollar Amounts For Trucks and Vans With A Lease Term Beginning In Calendar Year 2020

Fair Market Value of Truck or Van		Tax Year During Lease				
Over	Not Over	1st	2nd	3rd	4th	5th & Later
\$ 19,500	\$ 20,000	\$ 4	\$ 8	\$ 11	\$ 13	\$ 16
20,000	20,500	4	10	14	17	20
20,500	21,000	5	12	17	21	23
21,000	21,500	6	14	20	24	28
21,500	22,000	7	16	23	28	32
22,000	23,000	9	19	27	33	38
23,000	24,000	10	23	34	40	46
24,000	25,000	12	27	39	48	54
25,000	26,000	14	31	45	55	62
26,000	27,000	16	35	51	62	70
27,000	28,000	18	39	57	68	78
28,000	29,000	19	43	63	75	87
29,000	30,000	21	47	68	82	95
30,000	31,000	23	51	74	89	103
31,000	32,000	25	55	80	96	111
32,000	33,000	27	59	86	103	119
33,000	34,000	29	63	92	110	128
34,000	35,000	30	66	98	118	135
35,000	36,000	32	70	104	125	144
36,000	37,000	34	74	110	132	152
37,000	38,000	36	78	116	139	160
38,000	39,000	38	82	121	147	168
39,000	40,000	40	86	127	154	176
40,000	41,000	41	90	134	160	185
41,000	42,000	43	94	140	167	193
42,000	43,000	45	98	145	175	201
43,000	44,000	47	102	151	182	209
44,000	45,000	49	106	157	189	217
45,000	46,000	50	110	164	194	226
46,000	47,000	52	114	169	202	234
47,000	48,000	54	118	175	209	242
48,000	49,000	56	122	181	216	250
49,000	50,000	58	126	187	223	259
50,000	51,000	60	130	193	230	267
51,000	52,000	61	134	198	238	275
52,000	53,000	63	138	204	245	283
53,000	54,000	65	142	210	252	291
54,000	55,000	66	146	216	259	299
55,000	56,000	68	150	222	266	307
56,000	57,000	69	154	228	273	316
57,000	58,000	71	158	234	280	323
58,000	59,000	73	162	240	287	332
59,000	60,000	75	166	246	294	340
60,000	62,000	78	172	254	306	352
62,000	64,000	81	180	267	319	369
64,000	66,000	85	188	278	333	385
66,000	68,000	89	195	290	347	401
68,000	70,000	92	203	302	362	417
70,000	72,000	96	211	314	376	434
72,000	74,000	100	219	325	390	450
74,000	76,000	103	227	337	404	466
76,000	78,000	107	235	349	418	483
78,000	80,000	110	243	361	433	499
80,000	85,000	117	257	381	457	528
85,000	90,000	126	277	411	493	569
90,000	95,000	135	297	441	528	609
95,000	100,000	144	317	470	563	651
100,000	110,000	158	346	514	616	711
110,000	120,000	176	386	574	687	794
120,000	130,000	194	426	632	758	875
130,000	140,000	211	466	691	829	957
140,000	150,000	230	505	750	899	1,039
150,000	160,000	248	545	810	969	1,120
160,000	170,000	266	584	868	1,041	1,202
170,000	180,000	284	625	927	1,111	1,283
180,000	190,000	303	664	986	1,182	1,365
190,000	200,000	321	704	1,046	1,252	1,447
200,000	210,000	338	744	1,103	1,324	1,528

Continued on next page

2020 Lease Inclusion Indexing – Table 2 Continued

Table 2: Dollar Amounts For Trucks and Vans With A Lease Term Beginning In Calendar Year 2020

Fair Market Value of Truck or Van		Tax Year During Lease				
Over	Not Over	1st	2nd	3rd	4th	5th & Later
\$ 210,000	\$ 220,000	\$ 356	\$ 784	\$ 1,163	\$ 1,394	\$ 1,611
220,000	230,000	374	824	1,222	1,466	1,692
230,000	240,000	393	863	1,280	1,536	1,773
240,000	and over	411	903	1,340	1,607	1,856