

2023 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 2023, 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 2023

Fair Market Value of Passenger Automobile		Tax Year During Lease				
Over	Not Over	1st	2nd	3rd	4th	5th & Later
\$ 19,000	\$ 19,500	\$ 7	\$ 17	\$ 24	\$ 28	\$ 33
19,500	20,000	8	19	28	33	37
20,000	20,500	10	22	31	36	42
20,500	21,000	11	24	34	42	47
21,000	21,500	12	25	39	46	53
21,500	22,000	13	28	42	51	57
22,000	23,000	14	33	47	57	64
23,000	24,000	17	37	54	65	75
24,000	25,000	19	41	63	74	84
25,000	26,000	22	46	70	82	94
26,000	27,000	23	52	76	91	105
27,000	28,000	25	57	83	99	115
28,000	29,000	28	62	91	107	124
29,000	30,000	30	66	97	117	135
30,000	31,000	33	70	105	126	145
31,000	32,000	35	75	112	134	155
32,000	33,000	36	81	119	142	164
33,000	34,000	39	86	126	152	174
34,000	35,000	41	91	133	161	183
35,000	36,000	43	95	140	169	193
36,000	37,000	46	99	148	177	204
37,000	38,000	48	104	156	186	214
38,000	39,000	49	110	162	194	225
39,000	40,000	52	115	169	203	234
40,000	41,000	54	119	176	211	244
41,000	42,000	57	124	183	220	253
42,000	43,000	59	128	192	228	263
43,000	44,000	60	134	198	238	273
44,000	45,000	63	139	205	246	282
45,000	46,000	65	144	212	255	293
46,000	47,000	68	148	220	263	303
47,000	48,000	70	153	226	272	314
48,000	49,000	72	157	234	280	323
49,000	50,000	74	163	241	288	333
50,000	51,000	76	168	249	297	343
51,000	52,000	78	173	255	307	352
52,000	53,000	81	177	262	315	363
53,000	54,000	83	182	269	323	373
54,000	55,000	84	187	276	332	384
55,000	56,000	87	192	284	340	394
56,000	57,000	89	197	291	349	403
57,000	58,000	92	202	298	357	413
58,000	59,000	94	206	305	366	422
59,000	60,000	97	210	314	374	433
60,000	62,000	99	218	323	387	448
62,000	64,000	104	228	338	404	467
64,000	66,000	109	238	352	421	488
66,000	68,000	112	247	367	439	507
68,000	70,000	117	257	380	457	526
70,000	72,000	122	267	395	474	547
72,000	74,000	126	276	409	491	567
74,000	76,000	130	286	424	508	587
76,000	78,000	134	296	438	526	606
78,000	80,000	139	305	453	543	625
80,000	85,000	147	322	478	572	661

Continued on next page

2023 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 2023

Fair Market Value of Passenger Automobile		Tax Year During Lease				
Over	Not Over	1st	2nd	3rd	4th	5th & Later
\$ 85,000	\$ 90,000	\$ 158	\$ 346	\$ 513	\$ 617	\$ 710
90,000	95,000	169	371	549	659	760
95,000	100,000	180	395	585	701	810
100,000	110,000	196	431	640	766	885
110,000	120,000	218	479	711	852	984
120,000	130,000	240	527	783	938	1,084
130,000	140,000	262	576	855	1,025	1,183
140,000	150,000	284	624	927	1,110	1,282
150,000	160,000	307	672	998	1,196	1,382
160,000	170,000	328	721	1,071	1,282	1,481
170,000	180,000	350	769	1,142	1,369	1,580
180,000	190,000	372	817	1,214	1,455	1,679
190,000	200,000	394	867	1,284	1,541	1,778
200,000	210,000	416	914	1,357	1,627	1,878
210,000	220,000	438	962	1,429	1,713	1,977
220,000	230,000	460	1,010	1,502	1,799	2,077
230,000	240,000	482	1,060	1,572	1,885	2,176
240,000	and over	505	1,107	1,644	1,971	2,275

Continued on next page

2023 Lease Inclusion Indexing – Table 2

Table 2: Dollar Amounts For Trucks and Vans With A Lease Term Beginning In Calendar Year 2023

Fair Market Value of Truck or Van		Tax Year During Lease				
Over	Not Over	1st	2nd	3rd	4th	5th & Later
\$ 19,500	\$ 20,000	\$ 5	\$ 10	\$ 13	\$ 16	\$ 19
20,000	20,500	5	12	17	20	24
20,500	21,000	6	14	20	25	28
21,000	21,500	7	17	24	29	34
21,500	22,000	8	19	28	34	38
22,000	23,000	11	23	32	40	46
23,000	24,000	12	28	41	48	55
24,000	25,000	14	32	47	58	65
25,000	26,000	17	37	54	66	74
26,000	27,000	19	42	61	74	85
27,000	28,000	22	47	68	83	95
28,000	29,000	23	52	76	91	106
29,000	30,000	25	56	83	100	115
30,000	31,000	28	61	90	108	125
31,000	32,000	30	66	97	117	135
32,000	33,000	32	71	105	125	144
33,000	34,000	35	76	112	133	155
34,000	35,000	36	80	119	143	163
35,000	36,000	38	85	126	151	174
36,000	37,000	41	90	133	160	184
37,000	38,000	43	95	141	168	193
38,000	39,000	46	100	147	178	203
39,000	40,000	48	105	154	186	213
40,000	41,000	49	109	162	193	223
41,000	42,000	52	114	169	202	233
42,000	43,000	54	119	175	211	244
43,000	44,000	56	124	183	220	253
44,000	45,000	59	129	190	228	263
45,000	46,000	60	133	198	235	274
46,000	47,000	62	138	204	245	283
47,000	48,000	65	143	211	253	293
48,000	49,000	67	148	219	262	303
49,000	50,000	70	153	226	270	314
50,000	51,000	72	157	233	279	323
51,000	52,000	73	162	240	288	333
52,000	53,000	76	167	247	297	342
53,000	54,000	78	172	255	305	352
54,000	55,000	80	177	262	314	362
55,000	56,000	83	181	269	322	371
56,000	57,000	84	186	276	330	382
57,000	58,000	86	191	283	339	392
58,000	59,000	89	196	291	347	402
59,000	60,000	91	201	298	356	412
60,000	62,000	95	208	308	370	426
62,000	64,000	98	217	323	386	447
64,000	66,000	103	227	336	404	466
66,000	68,000	108	237	351	420	485
68,000	70,000	112	246	365	438	505
70,000	72,000	117	256	380	455	525
72,000	74,000	121	265	394	472	544
74,000	76,000	125	275	408	489	565
76,000	78,000	130	285	423	506	585
78,000	80,000	133	294	437	524	604
80,000	85,000	142	311	461	554	639
85,000	90,000	153	335	497	597	688
90,000	95,000	163	359	533	639	738
95,000	100,000	174	383	569	681	788
100,000	110,000	191	419	622	746	861
110,000	120,000	213	467	694	831	961
120,000	130,000	234	515	765	918	1,059
130,000	140,000	256	565	836	1,003	1,158
140,000	150,000	279	611	908	1,088	1,258
150,000	160,000	300	659	980	1,174	1,356
160,000	170,000	322	708	1,051	1,260	1,455
170,000	180,000	344	757	1,122	1,345	1,553
180,000	190,000	366	804	1,194	1,431	1,653
190,000	200,000	388	852	1,266	1,516	1,751
200,000	210,000	410	901	1,336	1,602	1,850

Continued on next page

2023 Lease Inclusion Indexing – Table 2 Continued

Table 2: Dollar Amounts For Trucks and Vans With A Lease Term Beginning In Calendar Year 2023

Fair Market Value of Truck or Van		Tax Year During Lease				
Over	Not Over	1st	2nd	3rd	4th	5th & Later
\$ 210,000	\$ 220,000	\$ 431	\$ 949	\$ 1,408	\$ 1,688	\$ 1,950
220,000	230,000	453	997	1,479	1,774	2,048
230,000	240,000	476	1,045	1,550	1,859	2,147
240,000	and over	497	1,093	1,622	1,945	2,246