

## **ET-2 - Federal Bonus Depreciation is not Deducted for Excise Tax**

***This article is for informational purposes only.***

Tennessee has permanently decoupled from Internal Revenue Code (IRC) Section 168(k) commonly called "bonus depreciation." Any asset depreciated federally using "bonus" depreciation must be recalculated for state purposes using a depreciation method available prior to the 2002 enactment of "bonus" depreciation.

Reference: Tenn. Code Ann. § 67-4-2006(b)(1)(H).