



FREE CHECKLIST · FOR BUSINESS OWNERS

The 10-Minute G-Wagon Tax Write-Off Checklist

Find out if a 6,000+ lb SUV deduction is actually valid for your business **before** you buy, expense, or claim it.

BEST FOR

Business owners considering a heavy SUV deduction who want a clear yes/no framework.

NOT FOR

People looking for a “free car” loophole.

QUICKSTART

Use this checklist in order. If you hit **No** on any major qualification item, stop there before assuming the deduction works.

Done looks like this: by the end, you will know whether your vehicle purchase is likely eligible, limited, risky, or worth reviewing before filing.

THE AHA MOMENT

A heavy SUV deduction is **not** mainly about the badge on the hood. It comes down to **4 things**:

Vehicle classification

Business-use percentage

Deduction method

Documentation

A G-Wagon can qualify for favorable treatment by weight, but it is still **listed property** — weak records can wreck the deduction even if the vehicle itself qualifies.

The Checklist 10 SECTIONS · WORK IN ORDER

01 Vehicle Qualification

- ☐ The vehicle's **GVWR is 6,001 pounds or more**
- ☐ I verified the GVWR using **manufacturer or dealer documentation**
- ☐ I understand GVWR is **not** the same as curb weight
- ☐ I confirmed the specific vehicle configuration, not just the model name
- ☐ I know whether the vehicle is treated as a **heavy SUV** or falls into a possible exception category

02 Business-Use Qualification

- ☐ The vehicle has a **real business purpose**
- ☐ I expect **more than 50% business use**
- ☐ My business use does **not** rely on counting normal commuting as business mileage
- ☐ I can clearly separate business trips from personal use
- ☐ I would still consider this vehicle a valid business purchase even without the tax write-off

03 Deduction Method Check

- ☐ I understand that **Section 179 for a qualifying heavy SUV is capped**
- ☐ I know that cap applies to the **Section 179 portion**, not necessarily the entire first-year deduction
- ☐ I understand **bonus depreciation may apply after Section 179**
- ☐ I know any remaining basis may be depreciated under **MACRS**
- ☐ I understand the order is generally **Section 179 → bonus depreciation → MACRS**

04 Recordkeeping & Audit Defense

- ☐ I have a system for a **contemporaneous mileage log**
- ☐ My log captures **date, miles, destination, and business purpose**
- ☐ I am not relying on rough estimates or reconstructed mileage later
- ☐ I can support the business-use percentage with records that would hold up under scrutiny
- ☐ I understand that expensive vehicles with sloppy documentation are high-risk

05 Method Tradeoff Check

- ☐ I understand that using **Section 179, bonus depreciation, or MACRS** generally means I give up the **standard mileage rate** for that vehicle
- ☐ I have compared **actual expenses vs. standard mileage**
- ☐ I know that a big first-year write-off is not automatically the best long-term tax result
- ☐ I have considered whether this vehicle will be used heavily enough for mileage treatment to matter
- ☐ I am choosing the method intentionally, not just chasing the biggest year-one deduction

06 Entity & Ownership Setup

- ☐ The way the vehicle is **owned** matches the way the deduction will be claimed
- ☐ If the business owns the vehicle, I can properly track and report any personal use
- ☐ If I own the vehicle personally and the business reimburses use, that reimbursement is set up correctly
- ☐ If I operate through an S-corp or C-corp, I have addressed payroll or fringe-benefit issues
- ☐ My bookkeeping and tax reporting will match the legal and payment structure

07 Profitability & Limitation Check

- ☐ My business has enough taxable income for the strategy I am relying on
- ☐ I understand Section 179 has income-related limits
- ☐ I know the deduction is limited to the **business-use portion** of the vehicle
- ☐ I am using my actual tax bracket, not an inflated “internet example”
- ☐ I know state tax treatment may differ from federal treatment

08 Recapture Risk Check

- ☐ I understand that if business use later drops to **50% or less**, recapture may apply
- ☐ I understand a large upfront write-off can create future tax consequences
- ☐ I know selling the vehicle later may trigger **depreciation recapture**
- ☐ I am planning for the full life cycle of the vehicle, not just year one
- ☐ I am comfortable with the downstream tax effects if facts change

09 Real Math Check

- ☐ I calculated the **business-use basis** of the vehicle
- ☐ I estimated tax savings using my **actual marginal tax rate**
- ☐ I understand tax savings reduce after-tax cost, not purchase price
- ☐ I calculated what I still pay after tax savings
- ☐ I included ongoing costs like insurance, fuel, repairs, financing, registration, and maintenance

10 Final Decision Filter

- ☐ The vehicle qualifies mechanically
- ☐ The business use is legitimate and documentable
- ☐ The deduction method fits my long-term plan
- ☐ The ownership structure is clean
- ☐ The purchase still makes business sense even if the tax savings are lower than expected

FAST SELF-SCORE

Mostly Yes

You likely have a valid framework worth implementing properly.

Several No answers

The deduction may be limited, poorly documented, or not worth the risk yet.

Major No in business use, records, or ownership

This is where expensive vehicle deductions usually fall apart.

COMMON MISTAKES

- × Assuming a heavy SUV is automatically fully deductible
- × Confusing **GVWR** with curb weight
- × Counting commuting as business use
- × Taking aggressive depreciation without a mileage log
- × Ignoring the loss of the standard mileage method
- × Buying based on “it’s basically free”
- × Forgetting that Section 179 has a heavy-SUV cap
- × Ignoring future recapture if business use drops
- × Letting entity structure and reimbursement get messy
- × Focusing on tax savings instead of total economic cost

YOUR 3-STEP NEXT MOVE

1 • Verify the vehicle

Confirm GVWR and configuration before purchase.

2 • Run the real numbers

Calculate business-use percentage, projected deduction, estimated tax savings, and after-tax cost.

3 • Set up the paper trail

Create the mileage log, ownership structure, and reimbursement/reporting process before claiming anything.

SIMPLE YEAR-ONE REALITY CHECK

A deduction can make a vehicle *less expensive*. It does not make the vehicle *free*. If the purchase only works because of the tax write-off, it usually does not work.

NEED THE ADVANCED VERSION?

If you want help reviewing your projected business-use percentage, Section 179 vs. bonus depreciation, entity ownership setup, or the real after-tax cost of the vehicle —

Book a tax strategy review and get a clean yes/no answer before you buy or file.