INDEPENDENT DIESEL SHOPS

The Diesel Pickup Tax Guide

A practical guide to business use, vehicle costs and the records your tax preparer needs.



Worked examples, linked authorities, printable worksheets and an editable Excel workbook.

2026 / 2027 edition | Version 1.2 | Prepared November 3, 2026

U.S. federal tax education for owners of diesel pickups used in a genuine small business. State rules and individual eligibility require separate review.

Cover: AI-generated pickup image, for illustration.

READ THIS FIRST

Use this guide with your CPA

This guide provides general U.S. federal tax education. It does not prepare your return or determine that you qualify for a deduction. Before claiming a deduction, changing methods, buying a truck for tax reasons or transferring business property, have a CPA or enrolled agent review your facts, records, entity and applicable federal/state rules.

Independent Diesel Shops publishes this material as an educational resource. No CPA authorship, independent professional review, government approval or guaranteed tax savings is claimed. Examples simplify the facts and are not promises of a particular result.

Who this edition is for

The main examples concern a self-employed owner using one personally owned diesel pickup in a genuine business. Employees, partnerships, corporations and lessees have additional rules. Their owners can use the logs, but should confirm the tax treatment before using the cost comparison.

What is included

• This guide explains choices and gives examples.

• The printable workbook provides blank record sheets and a CPA handoff checklist.

• The Excel workbook records up to 1,000 trips and 500 expenses for one pickup in a selected 2026 or 2027 tax year. It calculates miles and a preliminary cost comparison.

Keep a clean master copy. Work on a copy stored privately. These files do not send your records to the directory or your accountant. Send records only through a method you and your preparer agree on.

Tax-year boundary

Sources were checked November 3, 2026. This edition supports one pickup for either 2026 or 2027, with separate annual records. 2026 amounts are labeled. The IRS rate table did not list a 2027 mileage rate when checked. Enter published 2027 rates and confirm that year's rules with your preparer before relying on a deduction.

04A / THE OPTIONS

How can you claim the truck?

Start with two main vehicle-expense methods: standard mileage or actual expenses. Depreciation, Section 179 and bonus depreciation are ways of recovering eligible purchase cost within actual expenses. They are not extra purchase deductions to add to standard mileage.

Option	How it works	What to check
Standard mileage	Eligible business miles x the IRS rate, plus permitted separate items.	The rate already covers fuel, repairs, insurance and depreciation. Check first-year and prior-election rules.
Actual costs + MACRS	Business share of eligible operating costs, plus allowed depreciation over the recovery period.	Trucks are generally 5-year property under GDS. The convention and vehicle limits affect annual amounts.
Actual costs + straight line	Business operating costs plus eligible cost recovered more evenly over time.	An election or required ADS treatment can apply. Recovery period and first/last-year conventions still matter.
Actual costs + Section 179	Elect to expense eligible purchase cost in the in-service year, within applicable limits.	More than 50% business use is required. Income, vehicle caps and later recapture need review.
Actual costs + bonus	Eligible accelerated first-year recovery under Section 168(k).	Acquisition/in-service dates, vehicle restrictions, elections and business use matter.

The choice can affect future years

A large first-year deduction leaves less basis for later depreciation and can increase gain/recapture on sale. Compare the full ownership period, anticipated business use and cash cost, not just this year's refund.

Within actual expenses, the usual order is Section 179 first, then applicable bonus depreciation, then regular depreciation on remaining basis. Each reduces the cost left for the next step. A deduction reduces taxable income; it is not a dollar-for-dollar tax refund.

Authority: [03] IRS Topic 510; [06] IRC 179(a), (b)(3), (b)(5), (d)(10); [07] IRS Publication 946, What's New for 2026, chapters 2-5 and Appendix A, Tables A-1 and A-8; [10] IRC 168(a), (b), (d), (e), (k); [08] IRC 280F(a), (b), (d). Full links are in the source register.

05 / MILEAGE BY TAX YEAR

Use the published rate for that year

Trip dates	Business rate per mile
2026 January 1 - June 30	$0.725
2026 July 1 - December 31	$0.760
2027 January - June	Enter the published IRS rate
2027 July - December	Enter the published IRS rate

2026 worked example

Taylor has 6,000 eligible business miles in January-June and another 6,000 in July-December. The standard-mileage calculation is:

Calculation	Amount
6,000 x $0.725	$4,350
6,000 x $0.760	$4,560
Mileage component	$8,910
Documented business parking/tolls	$200
Preliminary total before separate items	$9,110

This example assumes the mileage method is permitted, the miles qualify, and the records support them. It does not add fuel, DEF, repairs, insurance or depreciation to the mileage component.

How the workbook handles this

Choose the year on Summary. Rates & notes contains the 2026 rates and blank 2027 rate fields. For 2027, enter the official IRS source URL, check date and rates. If one annual rate applies, enter it for both halves. Until these fields are complete, the mileage-dollar total stays blank. Other rate-change dates require a separate CPA calculation.

Authority: [05] IRS standard mileage rates; Notice 2026-10; Announcement 2026-11; [03] IRS Topic 510. Full links are in the source register.