



Under the One Big Beautiful Bill Act (OBBBA), the deduction for car loan interest is available for tax years beginning after December 31, 2024, and before January 1, 2029. This means the deduction is first available for the 2025 tax year, and applies to interest paid or accrued during tax years 2025, 2026, 2027, and 2028. The deduction is only available for interest paid on loans that are originated after December 31, 2024. Interest on loans incurred before January 1, 2025, does not qualify for the deduction, even if paid in 2025 or later [3].

To summarize:

- The deduction is available for tax years 2025 through 2028.
- Only interest on loans originated after December 31, 2024, qualifies.
- The deduction is not available for loans incurred before January 1, 2025 [3].

Additional requirements must also be met for the deduction to apply, such as the vehicle being new, purchased for personal use, and assembled in the United States, but the timing rules above answer the specific question about when the deduction is available [1] [4] [2] [1].

