



FAQS – NO TAX ON CAR LOAN INTEREST

Is my auto loan interest deductible on my taxes?

It may be if you meet the criteria as outlined in the One Big Beautiful Bill Act (Public Law 119-21) which became effective on July 4, 2025. This Act introduced a new temporary tax benefit for certain vehicle owners. From tax years **2025 through 2028**, eligible taxpayers may be able to deduct the interest paid on a qualifying auto loan.

To qualify for this deduction, **the vehicle owner, the vehicle, and the loan itself must all meet the requirements outlined in the law.** Eligibility criteria vary, so it's important to review the specific rules and/or consult a tax professional to confirm whether you qualify. Visit the [IRS webpage](#) and read through the section titled - "[No Tax on Car Loan Interest](#)" for guidance on eligibility.

How can I find what I paid in total or year-to-date (YTD) interest on my Monterra Credit Union auto loan?

An eligible borrower, who purchased a qualified vehicle can obtain the total or year-to-date (YTD) interest paid on their vehicle by viewing their statement or logging into online banking and viewing their eStatement. Select the eStatement & Notices tab on the top then select Account Statements and scroll through to the auto loan section. This section or area provides a variety of loan information including total interest charged year-to-date (YTD).

2025 TOYOTA 4RUNNER 0101								
					PREVIOUS BALANCE:	\$45,000.00		
Eff. Date	Description	Amount	Fees	Principal	Interest	Balance		
11/24	Payments ACH TYPE: ORIGINATE ID: 0132456789	-825.93	0.00	-615.11	210.82	44,384.89		
					ENDING BALANCE:	\$44,384.89		
<table style="width: 100%; border: none;"> <tr> <td style="width: 50%;"> Joint Owner: PETER SMITH Total Interest Paid from Open: \$210.82 Total Payments: \$825.93 Interest Charged: \$210.82 Total Interest Charged YTD: \$210.82 Total Principal YTD: \$615.11 Annual Percentage Rate: 3.80% Daily Periodic Rate: .010410% </td> <td style="width: 50%;"> Next Payment: \$825.93 Next Scheduled Due Date: 12/24/2025 Payment Due on Scheduled Due Date: \$825.93 Total Due on Scheduled Due Date: \$825.93 Payment Amount: \$825.93 </td> </tr> </table>							Joint Owner: PETER SMITH Total Interest Paid from Open: \$210.82 Total Payments: \$825.93 Interest Charged: \$210.82 Total Interest Charged YTD: \$210.82 Total Principal YTD: \$615.11 Annual Percentage Rate: 3.80% Daily Periodic Rate: .010410%	Next Payment: \$825.93 Next Scheduled Due Date: 12/24/2025 Payment Due on Scheduled Due Date: \$825.93 Total Due on Scheduled Due Date: \$825.93 Payment Amount: \$825.93
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What are the vehicle eligibility requirements?

Qualified new vehicles must be purchased no earlier than January 1, 2025. A qualified vehicle is a car, minivan, van, SUV, pick-up truck or motorcycle with a gross vehicle weight of less than 14,000 pounds and has undergone final assembly in the United States.

Vehicle owners can use the [National Highway Traffic Safety Administration \(NHTSA\)'s VIN decoder tool](#) to check the location of the manufacturing plant that completed the final assembly.

I am unsure about my eligibility to qualify for this tax deduction. What should I do?

Consult with a tax professional, who can further guide you on your individual eligibility and details of the criteria of this bill.