

2017 IRS SECTION 179 BENEFITS

Create your own tax break through December 31, 2017!

The deduction limit for Section 179 is \$500,000.

- This means that if you buy (or finance) a piece of equipment, you can deduct the Full Purchase Price (up to \$500,000) from your gross income.

The 2017 Section 179 deduction threshold for total amount of equipment that can be purchased is \$2,000,000.

- This means that you can purchase more equipment and still have the benefit of the Section 179 deduction.

50% bonus depreciation was reinstated for the tax year 2016 and extended through 2019.

- For equipment purchases over the Section 179 deduction of \$500,000, you can deduct an additional 50% of the amount over \$500,000 in addition to your standard depreciation deduction. This applies to equipment acquired and put into service during 2017. Then bonus depreciation will phase down to 40% in 2018 and 30% in 2019.

For more information, please call:

888-327-8121

*Credit & equipment restrictions apply.
This program does not assume a company will qualify to take advantage of the IRS Section #179 depreciation schedule which allows rapid first year depreciation of certain assets acquired. The amount of previous depreciation a company may have used may affect the ability to utilize the elections. Companies should consult their own tax advisor or accountant for additional information. Equipment must be purchased and placed in service by 12/31/17.



EXAMPLE: Equipment Cost of \$75,000

First Year Write-Off: \$75,000

\$500,000 is the max. Section 179 write-off

50% Bonus Depreciation: \$0

On any remaining value above \$500,000

Normal 1st Yr. Depreciation: \$0

Depreciation calculated at 5 years = 20%

Total 1st Yr. Depreciation: \$75,000

Tax Savings

Assuming Rate of 35%: \$26,250

\$75,000 x 35% = \$26,250

1st Yr. Net Cost

After Tax Savings: \$48,750

\$75,000 - \$26,250 = \$48,750