

## TAKE ADVANTAGE OF THE 2019 TAX BENEFITS

### About Section 179

- Created to help businesses purchase or lease new equipment
- Easy strategy to improve your 2019 bottom line
- Significant impact to cash flow and profits when combined with leasing
- In several cases, write-off more than your total first year's payments
- Valid on most types of equipment and standard software

### Tax Savings

Businesses in 2019 can deduct the full cost of qualifying new and used equipment and most software from gross income up to \$1,000,000, if purchased or leased and placed into service during 2019. Additionally, most businesses are allowed to deduct bonus depreciation for the full cost of new and used purchases and leases that exceed \$1,000,000.

### Example\*

	EXAMPLE 1	EXAMPLE 2
<b>EQUIPMENT COST</b>	\$ 1,500,000	\$ 250,000
2019 section 179 deduction: (\$1,000,000 limit)	\$ 1,000,000	\$ 250,000
100% bonus depreciation: (on equipment cost > \$1,000,000)	\$ 500,000	\$ 0
Normal 1st year depreciation:	\$ 0	\$ 0
Total 2019 deduction:	\$ 1,500,000	\$ 250,000
Tax savings: (assuming 21% tax rate)	\$ 315,000	\$ 52,500
After-tax equipment cost:	\$ 1,185,000	\$ 197,500

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