



Section 179 Deduction ECONOMIC STIMULUS CALCULATOR

Section 179 Federal Income Tax Deduction

Section 179 will be at the \$500,000 level. Businesses exceeding a total of \$2 million of purchases in qualifying equipment will have the Section 179 deduction phase-out dollar-for-dollar and completely eliminated above \$2.5 million. Additionally, the Section 179 cap will be indexed to inflation in \$10,000 increments in future years.

Also, 50% Bonus Depreciation will be extended through 2019. Businesses of all sizes will be able to depreciate 50 percent of the cost of equipment acquired and put in service during 2015, 2016 and 2017. Then bonus depreciation will phase down to 40 percent in 2018 and 30 percent in 2019.

EXAMPLE OF 2016 TAX STIMULUS

\$ 650,000.00	New Machinery Equipment Acquired in 2016
\$ 500,000.00	First Year Write Off from Section 179 Deduction
\$ 75,000.00	Bonus Depreciation
\$ 75,000.00	Net Machinery Cost
\$ 10,717.50	1st Year Nominal Depreciation, (75k / 7 year depreciable life)
\$ 585,717.50	Total First Year Deduction
\$ 205,001.12	Cash Savings based on Company with 35% Tax Rate

Note: Machine tools and fabricating equipment are typically depreciated over 7 years. Please consult with your accountant. The above calculations are only estimates and everyone's tax situation is different.

CONTACT THE EQUIPMENT EXPERTS TODAY AT:

Corporate Headquarters

840 North 3rd Street, Suite 500
Milwaukee, WI 53203
Phone: 414.224.0220
Fax: 414.224.0244

Mark Charlton
414.224.0242
markc@techfin.net

Mertztown, PA

Matt Coblentz
610.682.1089
mattc@techfin.net

Omaha, NE

Chris Frans
402.639.0475
414.224.0209
christf@techfin.net

Cincinnati, OH

Matt Borman
513.233.2138
mattb@techfin.net

Please check with your accountant to always confirm eligibility for tax benefits.

techfin.net