



BLAST INTO SAVINGS IN 2013!

Summer is a great time to buy equipment and Get Big Tax Breaks!

FINANCED ITEM COST	IMMEDIATE* TAX DEDUCTION	TAX SAVINGS* (35% TAX BRACKET)
\$25,000	\$25,000	\$8,750
\$55,000	\$55,000	\$19,250

*Assuming your use of the equipment/software qualifies it for bonus depreciation and /or IRC Section 179 deduction

Section 179

Many business owners are unaware that the acquisition of equipment under a \$1 purchase option lease or Equipment Finance Agreement (EFA) qualifies for the tax break provided under Section 179 of the Internal Revenue Code. Subject to limitations, **Section 179 allows taxpayers to take an outright deduction equal to the full purchase price of qualifying equipment** purchased during the tax year, and a \$1 purchase option lease or EFA is considered a purchase under the Internal Revenue Code.

The limitations on the deduction for tax years that begin in 2013 include:

- (a) an aggregate cap on the Section 179 deduction of \$500,000
- (b) a dollar-for-dollar reduction in that cap to the extent that the cost of qualifying equipment placed by the taxpayer during the tax year exceeds \$2 million
- (c) the deduction cannot reduce taxable income below \$ -0-
- (d) other applicable limitations

Contact your tax advisor to confirm how you may benefit from this tax break.

NOTE: The above is promotional material. It does not affect the terms of any contract with us. It is not intended to and does not constitute tax advice. It is based on assumptions that may not apply in your situation. You should contact your own tax advisors to confirm how applicable tax rules apply to your business and your equipment/software acquisition.

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