

Reduce your 2009 Tax Liability when financing new or used equipment

ECONOMIC STIMULUS ACT (SECTION 179) 2009

IRS SECTION 179 for 2009 has been increased to \$250,000!
Additional 50% BONUS DEPRECIATION

SECTION 179 - \$250,000.00

The dollar amount that can be expensed under SECTION 179 has nearly doubled from \$128,000.00 in 2007 to \$250,000.00 in 2009. This change could result in an additional \$122,000.00 in depreciation expense for 2009.

50% BONUS DEPRECIATION

The 50% Depreciation Bonus allows companies to accelerate the amount of depreciation expense on equipment purchased over and above the initial \$250,000 deduction

Below is an example * of the significant financial impact Section 179 can have on your business

	BEFORE Section 179 2007	AFTER Section 179 2009
Equipment Cost	\$450,000	\$450,000
Purchase Amount	\$450,000	\$450,000
Section 179 Deduction Opportunity	<u>\$128,000</u>	<u>\$250,000</u>
Amount Capitalized After Section 179 Deduction	\$322,000	\$200,000
Bonus Depreciation 50% of the amount capitalized after Section 179	N/A	\$100,000
Total Expense Deducted from Taxable Income	<u>\$128,000</u>	<u>\$350,000</u>