



“American Recovery and Reinvestment Act” extends Section 179 Deduction increase through December 31, 2009

What is Section 179?

Most people think the Section 179 Deduction is some arcane or complicated tax code. But it isn't!

Essentially, Section 179 allows businesses to deduct the full purchase price of qualifying equipment, purchased or financed, during 2009. That means if you buy or lease a piece of equipment, you can deduct the **FULL PURCHASE PRICE** from your gross income.

It works like this. When your business buys certain pieces of equipment, you typically write them off through long-term depreciation. But under Section 179 you write off the entire amount of your purchase in one year!

Equipment Purchase \$75,000

Example from section179.org deduction calculator

Section 179 Deduction: **\$75,000**

50% Bonus Depreciation Deduction: **\$0.00**
(On any remaining amount above \$250,000)

First Year Depreciation Deduction: **\$0.00**

Total First Year Deduction: **\$75,000**

Cash Savings on Equipment Purchase: **\$26,250**
(assuming a 35% tax bracket)

Lowered Cost of Equipment after Tax Savings:

\$48,750



Will It Benefit You?

- Are you buying and putting to use new or used equipment in 2009?
- Do you plan on or are you currently leasing equipment?
- Will you be converting a lease to purchase in the next few months?

If you answered yes to any of these, go to www.section179.org to view the **FREE** Section 179 Deduction Calculator.

Call your Authorized Shanklin Distributor today
or call Shanklin direct at

866-997-7273

** This deduction only applies if you place the equipment in operation in 2009.

