

STANDARD

Plumbing & Heating Co. *Est. 1912*

What could this tax deduction mean to you?

The recently passed *Tax Cuts and Job Act* has a new provision under section 179 allowing all parts of "heating, ventilation, and air conditioning" system to be expensed in the first year instead of being depreciated over 39 years!

This deduction is meant to encourage businesses to stay competitive by purchasing needed equipment and writing off the full amount on their taxes for the current year.



To take advantage of this, the equipment must be purchased and put into service by 11:59 pm on December 31st of that tax year.

Section 179 Tax Deduction Calculator™

SECTION179.ORG

Enter Cost of Equipment Here

\$ 150000

Assuming a tax bracket of: 35%

Show My Savings

Section 179 Deduction: \$ 150,000.00

Bonus Depreciation Deduction: \$ 0.00
(100% in 2018)

Normal 1st Year Depreciation: \$ 0.00

Total First Year Deduction: \$ 150,000.00

Cash Savings on your Purchase: \$ 52,500.00

Lowered Cost of Equipment: \$ 97,500.00
(after Tax Savings)

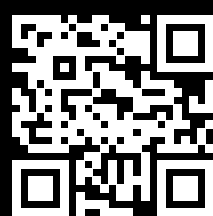
For example, you are a building owner who needs 10 new rooftop units and system renovations totaling \$150,000. Prior to this new tax benefit, with a 39 year depreciation, assuming a 35% tax bracket, you would have been able to only claim a \$3,846 first year depreciation and only save about \$1,346 in taxes.

You can now fully deduct the \$150,000 purchase for a tax reduction of \$52,500! See the table above for the computation. Section 179 is squarely aimed at small to medium sized businesses that purchase anywhere from \$5,000 to \$2.5 million worth of equipment.

This flyer is for illustrative purposes only and doesn't constitute tax or legal advice. Always check with your accountant or tax attorney to verify your eligibility for any tax deductions. Go to <http://www.section179.org> for more information on the deduction.

HVAC TAX DEDUCTION

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