

SECTION 179 FOR 2018

The Tax Cuts and Jobs Act (H.R.1) that was recently signed by President Trump has increased the Section 179 limit from \$500,000 to \$1,000,000 for 2018 and beyond. In addition, the limit on equipment purchases was increased from \$2,000,000 to \$2,500,000. The law was also expanded to include nonresidential property if it was put in place after the property itself was put into service. These would include items like: roofs, HVAC units, fire protection, alarm and security systems. Lastly, bonus depreciation was doubled from 50% to 100% and is retroactive to 9/27/2017 for both new and used assets purchased after this date.

QUICK FACTS

Qualifying property for Section 179:

- Current year's deduction is now \$1,000,000
- Limit on equipment purchases is now \$2,500,000
- Tangible personal property
- New or used equipment
- Must be actively used by the business
- The asset must have a normal depreciation deduction

Computer software can qualify if:

- The software is readily available for the general public
- The software is not "significantly" modified to operate within the business

In addition, Bonus Depreciation has been expanded to 100% through 2023.

If you're considering purchasing any new or used equipment, software or IT related projects, commercial vehicles or most anything else we'll help you get the most for your dollars **AND OUR FINANCING CAN QUALIFY FOR THE TAX SAVINGS.** If you have any questions or if you would like to discuss a current project just call Don at 320-774-1088.