

Bayshore



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“ The Truck Store”

4003 N DuPont Hwy
New Castle, DE 19720
(800) 241-6644
(302) 656-3160

Commercial Used Truck Center

2217 N DuPont Hwy
New Castle, DE 19720
(800) 241-6644
(302) 656-3160

“The Car Store”

200 S Broadway
Pennsville, NJ 08070
(800) 353-3872
(856) 678-3111

2017 Section 179

Your customers can take 100% of the depreciation of the truck this year!

2017 Deduction Limit = \$500,000

This deduction is good on new and used equipment, as well as off-the-shelf software. This limit is only good for 2017 and the equipment must be financed/purchased and put into service by the end of the day 12/31/17.

2017 Spending Cap on Equipment purchases = \$2,000,000

This is the maximum amount that can be spent on equipment before the Section 179 Deduction is available to you company begins to be reduced on a dollar for dollar basis. This spending cap makes Section 179 a true “small business tax incentive”

Bonus Depreciation: 50% for 2017

Bonus Depreciation is generally taken after the Section 179 Spending Cap is reached. Note: Bonus Depreciation is available for new equipment only.

The above is an overall “simplified” view of the Section 179 Deduction for 2017. For more details on limits and qualifying equipment, as well as Section 179 Qualified Financing, please read this entire website carefully. We will also make sure to update this page as limits change.

2017 Section 179

Example Calculation

Equipment Purchases..... \$ 650,000.00

First Year Write Off..... \$ 500,000.00
(\$500,000 = Maximum in 2016)

50% Bonus First Year Depreciation..... \$ 75,000.00
(updated to 50% via PATH Act of 2016)

Normal First Year Depreciation..... \$ 15,000.00
(20% in each of 5yrs on remaining amount)

Total First Year Deduction..... \$ 590,000.00
(\$500,000 + \$75,000 + \$15,000)

Cash Savings \$ 206,500.00
(\$590,00 x 35% tax rate)

Equipment Cost after Tax..... \$ 443,500.00
(assuming a 35% tax rate)

Compliments of www.crestcapital.com

Many vehicles that by their nature are not likely to be used for personal purposes qualify for full Section 179 deduction including the following vehicles:

1. Heavy “non-SUV” vehicles with a cargo area at least six feet in interior length (this area must not be easily accessible from the passenger area.) To give an example, many pickups with full-sized cargo beds will qualify (although some "extended cab" pickups may have beds that are too small to qualify).

...3/4 or 1 Ton Pickups with 6 ft. bed length

2. Vehicles that can seat nine-plus passengers behind the driver's seat (i.e.: Hotel / Airport shuttle vans, etc.).

...12 to 15 passenger vans

3. Vehicles with: (1) a fully-enclosed driver's compartment/cargo area, (2) no seating at all behind the driver's seat, and (3) no body section protruding more than 30 inches ahead of the leading edge of the windshield. In other words, a classic cargo van.

...Cargo vans, cab/chassis, commercial cutaways for canopy service bodies & box trucks

**These figures represent a potential tax scenario and should not be considered tax advice. You should always advise your customers to consult with their tax adviser regarding the exact details of the program and acquiring equipment for their business.

For additional information please visit: www.Section179.org