

# MAXIMIZE YOUR TAX SAVINGS

## Section 179 and Bonus Depreciation

Many business owners are unaware that the acquisition of qualifying equipment under an Equipment Finance Agreement (EFA) or \$1 purchase option lease qualifies for the same tax break provided under Section 179 of the Internal Revenue Code as cash purchases. Subject to limitations, Section 179 allows business taxpayers to take an outright deduction equal to the full purchase price of qualifying equipment purchased and put into place during the tax year.

Additionally, **Bonus Depreciation** may be taken after the Section 179 annual cap is reached. In 2025 bonus depreciation is a 40% deduction and scheduled to gradually decrease over the upcoming years to 20% in 2026, and 0% in 2027.

<b>Cost of Equipment</b>	ENTER HERE
<b>Section 179 Deduction</b>	
<b>Bonus Depreciation Deduction</b>	
<b>Tax Bracket</b>	ENTER HERE
<b>First Year Tax Savings</b>	

Contact your tax advisor to confirm if you qualify for these deductions and savings!

### The limitations on the deduction for the 2025 tax year include:

- An aggregate annual cap on the Section 179 deduction of \$1,250,000
- Total equipment purchased limit is \$3,130,000
- The deduction cannot reduce taxable income below \$0
- Other applicable limitations

Note: The above is promotional material. It does not affect the terms of any contract with us. It is not intended to and does not constitute tax advice, and does not take into account the effect of state tax laws. It is based on assumptions that may not apply in your situation. You should contact your own tax advisors to confirm how applicable tax rules apply to your business and your equipment/software acquisition.