



## TAX INCENTIVES AVAILABLE WHEN YOU PURCHASE EQUIPMENT IN 2012!

Caldwell Machinery will show you below how investing in equipment NOW can still pay off in BIG Tax Savings.

- Essentially, Section 179 of the IRS tax code allows businesses to deduct up to the full purchase price of qualifying equipment purchased or financed during the tax year. That means that if you buy (or lease) a piece of qualifying equipment, you may be able to deduct all of the PURCHASE PRICE from your gross income (up to \$139,000) . It is an incentive created by the US Government to encourage businesses to buy equipment and invest in themselves.

For the 2012 tax year, Section 179 allows businesses that spend less than \$560,000 a year on qualified equipment to write off up to \$139,000 in 2012 (new or used).

- Bonus Depreciation in 2012 is 50%. This can be taken on new equipment only.

PLEASE PLUG IN THE ESTIMATED MACHINE PRICE HERE: ➔ **\$ 185,000.00**

The simple spreadsheet below will demonstrate your potential Tax Savings:	2012
Estimated Machine Price (EMP)	\$ 185,000.00
Section 179 Deduction	\$ 139,000.00
Balance to Depreciate over 7 Years (EMP - Section 179 Deduction)	\$ 46,000.00
50% Bonus Depreciation	\$ 23,000.00
Standard Depreciation (14.29% Yr. 1 x (EMP - Section 179))	\$ 3,286.70
<b>Total First Year Tax Deduction (179 Ded. + Bonus &amp; Stand. Depreciation)</b>	<b>\$ 165,286.70</b>
Assumed Customer Tax Bracket	35%
<b>TAX SAVINGS</b>	<b>\$ 57,850.35</b>
Aprox. # of Payments Covered by these Tax Savings	16

[Companies should consult their tax accountants to confirm eligibility for tax benefits.](#)

If a company exceeds its depreciation limit for the year, Caldwell Machinery can also offer a number of financial products to minimize a company's tax liability beyond Section 179, and the Standard Depreciation.

Caldwell Machinery would be happy to assist in securing financing for your equipment purchases and answer any questions relating to this tax law. Please feel free to contact us with any questions.

**For Details Call: Melvin Caldwell (800) 984-4540**