

## Section 179 Deduction

**The deduction limit for Section 179 is \$ 1,040,000**

If you purchase (or finance) any qualified equipment, you can subtract the full price (up to \$1,040,000) from your gross income.

\$2,590,000 is the highest amount that can be spent on equipment before the Section 179 Deduction available to your company begins to be reduced on a dollar for dollar bases.

New capital equipment qualifies!

Keep in mind that businesses with a net loss are still qualify to deduct some of the cost of new equipment and carry the loss forward.

For equipment purchases over the Section 179 deduction of \$1,040,000, you can deduct 100% of the overage price.

Please be aware that the bonus depreciation only applies to new equipment.

For example, you spend \$84,900 on a printer. The Section 179 write off (based on 21% tax bracket): \$17,829.

Cost of equipment after savings:

**\$ 67,071!**

Refer to: [https://www.section179.org/section\\_179\\_deduction/](https://www.section179.org/section_179_deduction/)