

Section 179

Section 179 is a valuable resource that lets you save thousands while investing in your practice.

In all cases, please check with your financial advisor or accountant before making a purchase.

Check:

- Equipment must be purchased and put into use between January 1 and December 31 of the tax year you are claiming for.
- The maximum annual deduction for 2020 is \$1,040,000.
- Equipment can be new or used
- You can purchase, finance or lease. (Wondering whether you should purchase finance or lease? [Read the blog.](#))

What qualifies?

- Equipment including tables and machines
- Personal property used in business
- Business Vehicles with a gross vehicle weight in excess of 6,000 pounds (vans and trucks, for example)
- Computers
- Printers
- Computer “Off-the-Shelf” Software (custom software does not apply)
- Office furniture
- Office equipment such as televisions or stereo systems
- Some improvements to existing non-residential buildings: fire suppression, alarms and security systems, HVAC, and roofing.

EXAMPLE:

Cost of equipment	\$ 30,000
Tax bracket	35%
Section 179 deduction	\$ 30,000
Total 1st Year deduction	\$ 30,000
Cost Savings on the purchase	\$ 10,500
Lowered cost of equipment	\$ 19,500