



Tax Cuts and Jobs Acts for 2017 Section 179 Enhancements

The Tax Cuts and Jobs Act of 2017 includes enhancements to two significant business related tax incentives that may lower your cost of investing in new dry ice blasting machines.

- Expanded (Section 179) deduction limit for small businesses: The allowable section 179 deduction has increased from \$500,000 to \$1 million. The maximum asset-spending phaseout has also increased from \$2 million to \$2.5 million.
- 100% Bonus Depreciation for all businesses: The new rules also double bonus depreciation from 50% to 100%. Bonus depreciation applies to both new and used equipment, generally after you've hit the phaseout spending cap.

EXPANDED SECTION 179 EXPENSES FOR SMALL BUSINESSES

In 2018, small businesses can deduct \$1 million of capital equipment purchases in the first year.

- Businesses can deduct the full purchase price of qualifying equipment purchased or financed during 2018. This means that if you buy a piece of qualifying equipment, you can deduct the FULL PURCHASE PRICE from your gross income.
- You can qualify to claim this expense if you purchase less than \$2.5 million of capital assets during 2018. Once your business reaches the \$2.5 million spending mark, the deduction begins to be reduced.

100% BONUS DEPRECIATION FOR ALL BUSINESSES

In 2018, small businesses can deduct \$1 million of capital equipment purchases in the first year.

- Businesses can deduct \$100% of capital investment in the first year.
- All companies, regardless of the size of their capital investment, may qualify for this deduction.
- When applying these provisions, Section 179 is generally taken first, followed by Bonus Depreciation.

For more information and to access the Section 179 Tax Deduction Calculator visit:
<http://www.section179.org/>

This flyer does not constitute tax, legal, or other advice from Continental Carbonic Products, Inc., which assumes no responsibility with respect to assessing or advising you as to tax, legal or other consequences arising from your particular situation. Contact your tax professional to see how these revisions apply to you.