



## KEEP MORE OF YOUR MONEY WITH THE SECTION 179 DEDUCTION

### Benefits of Section 179 Deduction

- Immediate expense deduction, providing significant tax savings for your business.
- Encouragement of growth and scalability through the acquisition of new equipment.
- Increased financial flexibility by improving your business' bottom line.



### What is the Section 179 Deduction?

Section 179 of the IRS tax code allows businesses to deduct the full purchase price of all qualifying equipment purchased or financed during the 2024 tax year. That means that if you buy (or lease) a piece of qualifying equipment, you can deduct the FULL PURCHASE PRICE from your gross income. The deduction can include both new and used equipment acquired and put into service between 1/1/2024 and 12/31/2024.

### How does it work?

In the past, businesses would write off qualifying equipment gradually through depreciation. For example, if your company spent \$50,000 on a machine, it might write off \$10,000 a year for five years. Section 179 allows your business to write off the entire purchase price of qualifying equipment in the current tax year.

This provision enables businesses to purchase needed equipment immediately rather than waiting. For most small businesses, the entire cost of qualifying equipment can be written off on the 2024 tax return, up to \$1,220,000.

### Limits of Section 179

There are caps to the total amount written off (\$1,220,000 for 2024), and limits to the total amount of the equipment purchased (\$3,050,000 in 2024). The deduction begins to phase out on a dollar-for-dollar basis after this limit is reached by a given business - the entire deduction goes away once \$4,270,000 in purchases is reached.

### Who qualifies for Section 179?

All businesses that purchase, finance, and/or lease new or used business equipment during tax year 2024 should qualify for the Section 179 Deduction assuming they spend less than \$4,270,000.

### How to calculate your 2024 Section 179 Deduction?

Are you planning to purchase, lease or finance equipment this tax year? A [deduction calculator](#) could be a valuable decision-making tool.

For basic guidelines on what property is covered under the Section 179 tax code, please refer to [list of Section 179 Qualifying Equipment](#). Also, to qualify for the Section 179 Deduction, the equipment and/or software purchased or financed must be placed into service between January 1, 2024 and December 31, 2024.

**FOR FULL DETAILS ON HOW TO TAKE ADVANTAGE OF SECTION 179, PLEASE CONTACT YOUR GEE HEAVY MACHINERY REPRESENTATIVE AT 844-433-6224.**