MACHINERY FINANCE RESOURCES

We Speak Your Language

Take Advantage of Enhanced Federal Tax Incentives for Capital Equipment

Investing in Equipment Can Payoff in Big Tax Savings:

$1,250,000 Section 179 Deduction

The Section 179 deduction allows manufacturing companies to deduct new or used equipment purchases from their taxable income. The annual deduction limit is $1,250,000, for companies purchasing (loan financing or leasing with a $1.00 Purchase Option) up to $3,130,000 of equipment. This deduction phases out dollar-for-dollar from $3,130,000 to $4,380,000 and is not available for companies purchasing over $4,380,000 million in equipment.

40% Bonus Depreciation

Bonus depreciation applies after the Section 179 deduction limit is utilized. Companies can deduct 40% of the cost of new or used equipment in the year it is placed in service. This benefit is available through 2025, decreases to 20% in 2026, and phases out entirely in 2027.

EXAMPLE OF POSSIBLE SAVINGS:

Equipment Cost:	$1,300,000.00
Section 179 Deduction	$1,250,000.00
40% Bonus Depreciation Deduction	$20,000.00
Total First Year Deduction:	$1,270,000.00
Total Tax Savings: ($1,270,000.00 x 32%)	**$406,400.00**
(32% Assumed Federal Tax Rate Bracket)	
Equipment Cost After Tax Savings:	**$893,600.00**

Advantages of Financing through MFR:

- Fast Track Application up to $500,000 | No Financial Statements
- Representatives Experienced in Manufacturing
- Flexible Payment Options & Terms with Competitive Rates
- Simple, Fast, Convenient Process through DocuSign®

MFR is not a qualified tax advisor. This worksheet must not be interpreted as either a legal opinion or a tax advisory. You should always consult with your accountant prior to making any purchase based on tax consequences.

SERVING MANUFACTURERS IN ALL 50 STATES

Backed by more than 100 years of industry experience, we have the resources and knowledge to help your business develop and expand. When you work with Machinery Finance Resources, you're ensured a customized financing solution that meets your specific business needs.

BUSINESS MOVES FAST – AND SO DO WE:

Get started now with our SECURE single page Fast Track Application

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