

## INCREASED TAX ADVANTAGES IRS SECTION 179 AND BONUS DEPRECIATION

**KAESER**  
COMPRESSORS®

**The Section 179 Deduction limit has been increased to \$1,160,000. A full \$80k jump from last year!**

- This means that if you buy (or finance) a piece of equipment, you can deduct the Full Purchase Price (up to \$1,160,000) from your gross income.

**The 2023 Section 179 deduction threshold for total amount of equipment that can be purchased is \$2,890,000.**

- This means that you can purchase more equipment and still have the benefit of the Section 179 deduction.

**The BEST advantage for small and mid-sized businesses:**

- The full \$1,160,000 deduction can be claimed, all the way to the \$2,890,000 spending cap.
- Once the spending cap limit is reached, the Section 179 deduction will decrease dollar-for-dollar (it will reach zero once \$4,050,000 worth of equipment is purchased.)
- **Take Advantage Now!** With increasing supply-chain issues, it's best to start your Section 179 purchases early.

**EXAMPLE: Enter Cost of Equipment Below  
EQUIPMENT COST:**

**FIRST YEAR WRITE-OFF:**

\$1,160,000 is the max. Section 179 write-off

**100% BONUS DEPRECIATION:**

On any remaining value above \$1,160,000

**NORMAL 1<sup>ST</sup> YR. DEPRECIATION:**

Depreciation calculated at 5 years = 20%

**TOTAL 1<sup>ST</sup> YR. DEPRECIATION:**

Add Section 179 Deduction, Bonus  
Depreciation and First Year Depreciation

**TAX SAVINGS**

**ASSUMING RATE OF 21%:**

Equipment Cost x 21%

**1<sup>ST</sup> YR. NET COST**

**AFTER TAX SAVINGS:**

Equipment Cost - Tax Savings

**CONTACT US FOR MORE INFO:**

\*Credit & equipment restrictions apply.

This program does not assume your company will qualify to take advantage of the IRS Section #179 depreciation schedule which allows rapid first year depreciation of certain assets acquired. The amount of previous depreciation your company may have used may affect your ability to utilize the elections. Please consult your tax advisor or accountant for additional information. Equipment must be purchased and placed in service by 1/1/2024.