

Section 179 for 2023

Tax Deduction & Bonus Depreciation



\$1.16 Million
179 Deduction Limit



\$2.89 Million
Equip Purchase Max



80%
Bonus Depreciation
(reduces to 60% in 2024)



In Service Deadline
By 12/31/23

WHAT QUALIFIES? NEW & USED

- ✓ EQUIPMENT
- ✓ MACHINES
- ✓ BUSINESS VEHICLES
- ✓ OFFICE EQUIPMENT
- ✓ COMPUTERS
- ✓ SOFTWARE

Example Scenarios*

Equipment Cost	\$400,000	\$1,160,000	\$1,500,000
Section 179 Deduction	\$400,000	\$1,160,000	\$1,160,000
Bonus Depreciation (80%)	\$0	\$0	\$272,000
Normal 1st Year Depreciation**	\$0	\$0	\$13,600
First Year Deduction	\$400,000	\$1,160,000	\$1,445,600
Tax Savings (21% Tax Bracket)	\$84,000	\$243,600	\$303,576
Cost of Equipment After Tax Savings (21% Tax Bracket)	\$316,000	\$916,400	\$1,196,424

*Restrictions may apply. This information is not intended to provide tax or legal advice. Consult your local advisor or tax attorney. **Annual Depreciation Rate x Remaining Adjusted Depreciation Basis.

Scan the QR code to access our tax calculator!

This calculator can help you estimate the tax savings of a new or used equipment purchase.



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