



Integrity Medical Capital, LLC

223 N. Guadalupe St. #147 Santa Fe, NM 87501
(505) 490-6198 Fax (505) 212-6106

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Tax Incentives for Healthcare Equipment Acquisitions

Section 179 Deduction

\$510,000 maximum calendar year expensing of new and used equipment and new software.
This expense phases out, dollar-for-dollar, starting at \$2,030,000.

50% Bonus and Straight Line Depreciation

After the Section 179 Deduction is taken, 50% Bonus Depreciation and Straight Line Depreciation allows expensing of the remainder of the equipment cost.

\$376,396 Equipment Cost

	2017	2018	2019	2020	2021
Section 179 Deduction	\$376,396	\$0	\$0	\$0	\$0
50% Bonus Depreciation	\$0	\$0	\$0	\$0	\$0
Straight Line Depreciation	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total Deductions	\$376,396	\$0	\$0	\$0	\$0
Federal Tax Rate	<u>39.6%</u>	<u>39.6%</u>	<u>39.6%</u>	<u>39.6%</u>	<u>39.6%</u>
Annual Tax Savings	\$149,053	\$0	\$0	\$0	\$0

100% Deductible via Section 179

Section 179 Deduction	\$376,396
X Federal Tax Rate	<u>39.6%</u>
= 2017 Tax Savings	\$149,053

Pre-Tax Price vs. After-Tax Price

Pre-Tax Equipment Cost	\$376,396
- 2017 Tax Savings	<u>(\$149,053)</u>
= After-Tax Equipment Cost	\$227,343

*Deductible expenses include equipment, sales tax, shipping/installation and room preparation costs.
The above applies to Installment Payment Agreements, Equipment Financing Agreements & Capital Leases.
If an Operating Lease, then the annual lease payments are deductible.*

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