



179

**WHAT YOU
NEED TO
KNOW ABOUT
THE SECTION
179 TAX
DEDUCTION**

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ACT NOW!

With the passage of the “PATH” Act in 2015, congress has expanded the Section 179 deduction limit to \$500,000 and has made it permanent on qualifying material handling equipment including forklifts. (See IRS Pub. 946). This is good news for companies wanting to take advantage of accelerated depreciation, and the deduction can add up to big savings.

HOW DOES IT WORK?

With the ability to accelerate depreciation expenses, which offset income, your company’s current tax liability can be significantly reduced. Qualifying taxpayers may be able to depreciate the entire purchase in the first year.*

HOW MUCH CAN I SAVE?

The amount of money you save depends on the amount of qualifying equipment a company purchases and puts into use in the qualifying year. A company may estimate its savings by using the 2016 Section 179 Tax Deduction Calculator, found [here](#). (Please note that this calculator is provided by [section179.org](#), which is not affiliated with Toyota Material Handling USA. Companies should consult a tax advisor to determine their actual tax reduction, if any.)

WHAT QUALIFIES?

The IRS allows for Section 179 depreciation on tangible property, including forklifts, used in a business or income-producing activity. See IRS Pub. 946 for more information and restrictions, and consult your tax advisor.

IS THERE A DEADLINE?

Yes! To take advantage of Section 179 for tax year 2016, qualifying equipment must be purchased AND placed in service before midnight on December 31, 2016.

*Consult your tax advisor to determine if you qualify and if this deduction is right for you.