

American Specialty

Section 179 and “How It Works” with Vertical Storage

This federal tax code section allows taxpayers to deduct the cost of equipment when the item is placed into service. This is different from a capital expenditure deduction which is traditionally taken over multiple years.

Vertical storage and almost every equipment item we provide falls under the Section 179 deduction as it is tangible property. These items are considered machinery and equipment purchased for use in a trade or business which qualifies it for this deduction.

This section was set up to encourage small and medium sized businesses to invest in the machinery they needed by making it easy for them to deduct the entire purchase price from gross income in the year it was placed in service.

Do Vertical Lifts and Carousel qualify under Section 179? They do!

These items qualify under Section 179 when:

- *The equipment is leased or purchased. This applies to both new and used equipment.*
- *The equipment is deployed in the same year you take the deduction.*
- *There is no nepotism. You cannot purchase the equipment from a relation in any form (person or entity)*
- *You have profit to put the expense against*

Vertical Lifts and Carousels are considered capital equipment that used in trade or business (even we don't have one of these in our house!).

You can use this [Section 179 Federal calculator](#) to see how much you can save and reach out to your accountant to see how it will work for you.

Contact us to get a quote started so you can take advantage of this deduction!

800-466-9561

