



TAX SAVINGS ARE HERE TO STAY. TAKE ADVANTAGE TODAY!

Through the Protecting Americans from Tax Hikes Act (PATH Act), you may qualify for significant tax advantages in 2017. These include:

- > **Section 179 expensing levels are set at \$500,000** for 2017. Taxpayers can expense up to \$500,000 in purchases for 2017, as long as total purchases don't exceed \$2 million and certain taxable income limitations are met. Once businesses exceed \$2 million in purchases, a dollar-for-dollar phase out takes effect and the deduction is eliminated completely at \$2.5 million. New and used equipment is eligible for expensing. Until further notice, Section 179 is permanent at the \$500,000 level.
- > **Bonus Depreciation is in effect** for new equipment purchases this year, allowing 50% bonus depreciation in addition to normal depreciation. Equipment must be purchased and placed in service during 2015, 2016 or 2017 to qualify. This provision has been extended to 2019 (bonus depreciation will phase down to 40 percent in 2018 and 30 percent in 2019).

Contact your tax adviser to determine if you qualify. Visit section179.org for more details, qualifying property information and a Section 179 calculator.

Restrictions may apply. Caterpillar does not provide tax advice and this flyer should not be considered tax or legal advice. Customers should always consult their legal, tax or accounting advisor before making decisions.

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