



# Centra Corporation

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## Stimulus Package Information



**The Value of Used Machinery has never been better. Choose an MDNA Dealer.**

### INTEGRITY

As a condition of membership, members agree to abide, unequivocally, by our code of professional ethics.

### TRUST

Member companies consistently deliver what they promise — day in and day out.

### RELIABILITY

Our members have the technical experience to deliver what they promise each and every time.

## Tax Alert

### 2009 Tax Incentive

The American Recovery and Reinvestment Act of 2009 extends the \$250,000 Code Section 179 increased expensing limit, that was in effect for 2008. It now runs through 2009 and does apply to used machinery. Similar to 2008, the deduction is reduced to the extent the cost of qualifying property placed in service during the taxable year exceeds \$800,000.

**The Section 179 limit for 1st year expense in 2009 is now \$250,000 (almost double the 2007 limit of \$128,000).**

### What this could mean for your business:

Instead of depreciating a newly acquired asset over several years, the Section 179 expense allows a business to take a current year deduction of the full purchase amount up to \$250,000 for assets under \$800,000. This benefit begins to decline after total new asset acquisition tops \$800,000. The amount you can deduct decreases by \$1 for every dollar spent above \$800,000.

With these temporary tax incentives, you should seriously consider acquiring capital you may need soon to maximize savings.

#### Sample Savings\*

Original Equipment Cost:	\$48,000
2009 Potential Tax Savings:	\$16,800
Final Equipment Cost:	\$31,200
Cash Savings on Equipment Purchase :	\$16,800

\*Assuming a 35% tax qualifying purchase

This information does not constitute tax advice, please check with your tax advisor on how this applies to your business.

For the full statement on the American Recovery and Investment Act of 2009 – [Click Here](#)



Used Industrial Machinery - Bought & Sold



Machinery Dealers National Association