

News Bulletin

Stimulus package provides relief for businesses buying equipment

The economic stimulus package passed last week by the U.S. House and Senate and signed by President Bush provides enhanced expensing and depreciation relief for businesses buying equipment and placing it into service this year.

Under the Section 179 the depreciation amount has increased from \$125,000 per year to \$250,000. This provision is for companies who acquire less than \$800,000 in capitol assets in one year. For companies who spend higher than that amount a new Bonus Depreciation law has been put in place that allows companies to write off 50% of certain capitol assets that have a life span of 15 years or less. The CVMARC system qualifies for both of these programs so on top of the up to 20% savings in fuel the system can be written off in the first year!

Bush signed the two-year \$168 billion economic stimulus package on Wednesday, Feb. 13, hoping it would deliver "a booster shot" to an ailing American economy. Bush said the world's largest economy had overcome shocks in the past and expressed confidence that the giant economic aid plan would help the economy through a "rough patch."

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