

TAX ADVANTAGES ON THE PURCHASE OF *NEW AND USED* EQUIPMENT

TWO KEY TAX BENEFITS:

- 1** **SECTION 179** provides a deduction on the cost of **new** and **used** capital equipment purchases – an investment cap applies. Deduction limit is \$2,500,000.
- 2** **Bonus depreciation** can be combined with the Section 179 deduction for **additional savings**. Bonus depreciation enables you to take additional depreciation on **new** and **used (new to you)** capital equipment purchases.

Bonus depreciation returns to 100% for property acquired and placed in service after January 19, 2025.

PREVIOUS BONUS DEPRECIATION SCHEDULE

Placed-in-Service Date	Bonus Depreciation
Today to December 31, 2024	60%
January 1, 2025, to December 31, 2025	40%
January 1, 2026, to December 31, 2026	20%
January 1, 2027, and thereafter	0%



NEW BONUS DEPRECIATION

Placed-in-Service Date	Bonus Depreciation
Prior to January 19, 2025	40%
After January 19, 2025	100%

IMPORTANT

The information in this flyer is provided by John Deere Financial. However, it is not and should not be constructed as tax advice. We strongly recommend that you consult with your tax advisor regarding how these tax-advantages apply in your situation.



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