



*Your material handling, space planning,
process flow experts!*



Capital Equipment Tax Advantage!
*Now is the time to start looking
at projects that have been put on hold!*

Are you aware of the **new tax law** regarding expensing and depreciation? A recent article in *The Kiplinger Letter* discussed this subject. Here are some of the exciting highlights:

- **Small businesses can expense up to \$100,000 (approximately 4 times the previously allowable amount) of the cost of new equipment expiring in 2006.**
- **Large firms can take advantage of a change in depreciation policy that allows companies to deduct 50% of the cost of new assets like machinery, equipment, etc.**
- **Firms must purchase after May 5, 2003 and before January 1, 2005. This new tax law was obviously put in effect to encourage businesses to spend money and spark the economy.**

Epoch's experience can help you with order picking, storage, and transporting product from raw goods, to work in process, to finished goods, out to shipping. We would relish the opportunity to work with you in helping you and your company become more efficient and competitive while saving valuable tax dollars in the process.

See an example of how these depreciation advantages could benefit your company.

We invite you to visit our website at www.epochsolutionsllc.com to learn more about how we can help each other succeed. Or better yet, call to schedule a complimentary walk through of your facility to determine how Epoch can be of service.

Call Epoch today at 800-411-7062

Here's an example from Sterling National Bank utilizing both of the new depreciation advantages (\$100,000 depreciation and 50% bonus depreciation) plus the standard straight line depreciation (assumes equipment has a 5-year term).

The example is to be used for information purposes only, and assumes a tax account or financial advisor has determined and applies the depreciation policies and terms appropriately.

STERLING NATIONAL BANK

TAX ADVANTAGES EXAMPLE ~ 2003 FEDERAL TAX BENEFITS

Equipment Cost	\$125,000
Section 179 Tax Deduction	\$100,000
9/11 Tax Deduction	\$12,500 (((\$125,000-\$100,000) X 50%)
Standard Depreciation Deduction	\$2,500.00 (\$12,500/5) based on 5-year property

In this scenario, the **total tax deduction** available to the customer is **\$115,000**. Assuming the customer is in the 35% tax bracket, your initial after-tax cost for the equipment is only **\$84,750** or first year's tax savings of **\$40,250**. **IN ADDITION**, you receive an annual tax saving of **\$875** for the next four years.