

# Section 179 Tax Deduction

## For qualifying equipment and software

### Expand Your Business System Capabilities and Opportunities

Now may be the time to further invest in your business.

Many of our customers invest in upgrading their equipment or systems while taking advantage of Section 179.

Some of these enhancements include:

- Payment terminals, scanners, and printers that help run their day-to-day operations
- Computers and software
- eCommerce, loyalty programs, and cloud solutions that expand their customer reach
- Infrastructure options such as access points, firewalls, and enhanced support and security.

Now is the right time to reinvest in a software solution that can streamline your operations, help you grow your business, and save you significant money on your taxes.\* Businesses can deduct the full price of qualifying equipment and/or software purchased or financed during the tax year, according to [section179.org](https://section179.org). Read [section179.org](https://section179.org) for a complete list of Section 179's requirements and limitations.

### Changes for 2023

The accelerated depreciation deduction for Section 179 of the IRS tax code was increased in 2023 allowing businesses to deduct the full purchase price of qualifying equipment or qualifying software purchased or financed during the tax year. That means if you buy (or finance) a piece of qualifying equipment or qualifying software, you may be able to deduct the full purchase price from your gross income all in the first year. The 2023 deduction limit is \$1,160,000.

Bonus Depreciation is an additional first-year depreciation allowance. It's intended to spur capital purchases by all business taxpayers, small, mid-sized and large. Bonus Depreciation is useful to very large businesses spending more than the Section 179 Spending Cap (currently \$2,890,000) on new capital equipment.

- Perpetual licenses and professional services and hardware acquisitions will qualify for the Section 179 deduction (on prem or hosted.)
- SAAS is treated as a rental expense and the payments made by the end user would be deducted in the tax year that they have been made.

*Call 1-888-DocStar or  
visit [DocStar.com](https://DocStar.com)*

### Disclaimer

Epicor ECM (DocStar) does not offer tax advice. Please Consult your tax professional.

\*Tax consequences will vary based on your unique tax circumstances. You should contact your tax advisor to determine the actual results for your business.