



# TAX REFORM CHANGES

Volvo Financial Services



**100% FIRST-YEAR DEPRECIATION ON NEW AND USED EQUIPMENT**

Date Eligible Property Placed Into Service	First-Year Depreciation on New and Used Equipment
January 1, 2018 - December 31, 2018	100%

The 2018 Tax Reform law permits a depreciation allowance of 100% for qualified new and used property acquired and placed into service, allowable in the first year. Customers can act now and purchase a new piece of Volvo equipment to take advantage of this benefit. For some customers, this could potentially increase tax loss carry-forwards\*.

Eligible customers may also be able to take advantage of the Section 179 Deduction, which allows qualifying businesses a deduction on the first \$1,000,000 of new or used equipment they purchase that is placed into service on or after January 1, 2018\*.



**Other Tax Reform Changes:**

- Corporate Tax Rate changes from 35% to 21%
- S-Corp. pass-through Tax Rate changes from 39.6% to 25%

\*Customers should contact their tax professional for advice regarding proper tax treatment of these transactions and for details regarding bonus depreciation. Volvo Financial Services does not provide tax, legal or accounting advice.