

October 6, 2009

**RE: Current Events Memorandum
First Year Write-off Remains at \$250,000 for 2009**

Make sure your company takes full advantage of one of the best tax breaks available to business owners today---the "Section 179" first-year depreciation allowance for equipment.

Take a look at what makes this deduction so valuable:

With Section 179 - You can write off business equipment in one year, rather than depreciating it over several years. This included computer, copiers, fax machines, telephone systems and office furniture. The annual Section 179 allowance for taxable years 2009 and 2008 is \$250,000.

Without Section 179 – Money spent to purchase business-related equipment must generally be re covered over a period of years, through depreciation or amortization.

TIP: With some careful timing, you can utilize your full \$250,000 tax break for 2009. Look around your company toward year-end and buy any equipment you need. Many business owners are involved in more than one venture. In the case of pass-through (entities, partnerships, LLCs and S corporations), the dollar limitation rules for the Section 179 deduction apply at both the entity level and the owner level. (IRS Regulation 1.179-2). Therefore, advance planning may be necessary to maximize Section 179 deductions at the owner level, which is where the write-offs really count.

GLO CPAs, LLLP can help in capturing savings with pro-active Tax planning.