



Big Economic Stimulus News for Machine-Buying Businesses

Congress has passed the Economic Stimulus Package at the urging of The Association for Manufacturing Technology. AMT President John B. Byrd III joined other business leaders at the White House when President Bush signed the bill into law. Officially named "**The Recovery Rebates and Economic Stimulus for the American People Act of 2008**," it provides tax relief for both individuals and businesses. The business tax relief comes in two forms:

- **Fifty percent bonus depreciation for new capital expenditures like machine tools ordered during 2008.**
- **An increase in how much small businesses can write off for new equipment purchases in 2008.**

Fifty Percent Bonus Depreciation

Allows businesses an extra one-year boost in how much they can deduct on capital expenditures that normally would depreciate over time. For example, under the old law, a \$100,000 machine could only provide a 2008 depreciation deduction of 14 percent of its costs, or \$14,000. Under the new law, first-year depreciation can be \$57,000: 50 percent of the \$100,000 machine cost (\$50,000) plus 14 percent regular depreciation on the remaining \$50,000 property basis, (\$7,000).

Expensing for Small Business

The increased Section 179 Expensing for Small Business more than doubles the amount that small businesses can write off for new equipment purchased during 2008, from \$128,000 to \$250,000. Additionally, the new law significantly increases the amount that can be purchased during the year and still receive the full benefits of the Section 179 expensing option - from the previous cap of \$510,000 to \$800,000.

So what should it all mean to you?

Here's a simplified way to look at how this makes COE, SESCO, and GSW equipment more affordable in 2008. Take a press feeding/coil handling purchase of \$100,000 and apply the new rules. It can be depreciated to the level of \$57,000 in the first year of ownership (a larger 50% level instead of the traditional 14% level in the first year). **This equates to a 43% tax reduction on your 2008 purchase!**

Put more profits in your books instead of the government's pockets!

Need a lot of equipment? You can expense up to \$800,000 in equipment in 2008 versus the previous cap of \$510,000. So you can depreciate 50% on the first \$250,000 and 14% depreciation on the remaining balance up to \$800,000.

We've got the pressroom equipment you need today!

The right technology...at a valued price...and now, under the best tax conditions.

For more information on our equipment, visit our website at www.cpec.com. You will find detailed information and specifications on our wide range of individual equipment such as press feeds, straighteners and coil handling equipment. You can also download comprehensive product line brochures from our website.

If there's a specific coil handling challenge you're wanting solutions to, simply call us at 586-979-4400 or send us an email at sales@cpec.com. COE, SESCO, and GSW offer the widest range of Progressive Press Feed Lines, Cut-to-Length and Blanking Lines, Compact Coil Lines, Transfer Press Feed Lines, and Heavy Gauge Coil Feed Lines. Now's the time to talk new upgrades to your plant floor...we're anxious to help your production needs.