



ATTRACTIVE POTENTIAL SAVINGS ON QUALIFYING COACH PURCHASES WITH NEW 2008 ECONOMIC STIMULUS PACKAGE

Examples of Estimated Tax Savings	New Coach	Used Coach
Purchase price of coach	\$1,350,000	\$700,000
Section 179 depreciation	\$0	\$250,000
Bonus depreciation	\$675,000	\$0
1 st year depreciation	\$135,000	\$90,000
Total (estimated) depreciation allowed in 2008	\$810,000	\$340,000
Federal Tax rate 35%	35.00%	35.00%
Estimated tax savings	\$283,000	\$119,000

State Income Tax Savings Example

Examples of Estimated Tax Savings	New Coach	Used Coach
States with a 5% income tax rate (estimate)	\$40,500	\$17,000
States with a 10% income tax rate (estimate)	\$81,000	\$34,000

The new economic Stimulus Package was just passed and signed into law. If you buy a new or pre-owned Amadas coach in 2008 and use it for business purposes you may qualify for significant savings! The key is to use it for business purposes.

- The 2008 Economic Stimulus Act allows a business to purchase a coach and expense up to \$250,000 of the cost under the Code Section 179 depreciation.
- If your Amadas Coach is purchased new, you can use the Bonus Depreciation. You can then expense up to 50% of the remaining tax basis of the new coach in 2008. (The Bonus Depreciation applies to new coaches only.)
- The Code Section 179 expense starts to "phase out" when equipment purchases exceed \$800,000. It is phased out dollar-for-dollar for total equipment purchases that exceed \$800,000. It is completely phased out for purchases that exceed \$1,050,000.
- Although the Bonus Depreciation does not apply to pre-owned coaches, the Code Section 179 expense applies to pre-owned coaches if your total equipment purchases do not exceed the limits described above.
- Consult with a tax professional to be sure you qualify for these potential benefits from the 2008 Economic Stimulus Act.

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