

2011 SECTION 179

Section 179 tax deductions have been extended. Businesses can write-off up to \$500,000 of qualified equipment and software during the 2011 tax year.

Bonus Depreciation was also extended allowing businesses to use 1st year Bonus Depreciation of 100% on qualified assets purchased after Sep 8, 2010 but no later than Dec 31, 2011.

Section 179 of the IRS tax code allows businesses to deduct the full purchase price of qualifying equipment purchased or financed during the tax year. That means that if you buy or lease a piece of qualifying equipment, you can deduct the FULL PURCHASE PRICE from your gross income. It's an incentive created by the U.S. Government to encourage businesses to buy equipment and invest in themselves.

Following is an example of how the program works.

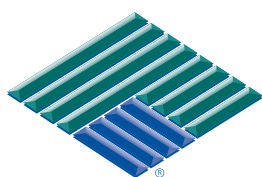
Cost of Equipment: \$70,000

Section 179 Deduction: \$70,000

Cash Savings on Purchase: \$24,500
(Assuming 35% tax bracket: $\$70,000 \times .35$)

Lowered Cost of Equipment
After Tax Savings: \$45,500

To find out your savings go to: www.stearnsleasing.com
and click on *How much can I save with the tax stimulus act?* Always contact your tax advisor to verify tax or accounting issues or visit www.irs.gov for specific details.



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Pictured: Michelle Fuchs, Jim Peach, Mandy Eiyneck, Daryn Lecy, and Diane Notch
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