

STRONG MATERIAL HANDLING GROWTH POTENTIAL ALIGNS WELL WITH TAX CUTS AND JOBS ACT

The Tax Cuts and Jobs Act of 2017 is an excellent opportunity for all Hoist dealers to reinvest in their businesses, thanks to new provisions which can provide some extra cash to their businesses. The Tax Cuts and Jobs Act was meant to relieve tax burdens on corporations and businesses, with provisions included for increasing business investments. Hoist Liftruck is excited for these new provisions, as they are expected to assist material handling equipment, such as forklifts and cranes, which are capital investments that businesses expect to help them increase profits in both the short and long term.



Prior to the Tax Cuts and Jobs Act of 2017, businesses had to capitalize and depreciate the investment over the life of the asset. In our dealer's case, the material handling equipment in their possession. Now, businesses can immediately expense the cost of capital equipment acquired and placed in service before January 1, 2023. This will be greatly beneficial in reducing the upfront costs of acquiring property. It is now easier than ever to balance the cost of capital equipment investment and new business initiatives.

TAX SAVINGS EXAMPLE *

	NOW	BEFORE 2017
EQUIPMENT PURCHASES (100% VIA "TAX CUTS & JOBS ACT")	\$500,000	\$500,000
FIRST YEAR WRITE OFF (20% IN FIRST YEAR)	\$500,000	N/A
NORMAL FIRST YEAR DEPRECIATION (ASSUMING 21% TAX RATE)	N/A	\$100,000
CASH SAVINGS	\$105,000	\$21,000
EQUIPMENT COST AFTER TAX	\$395,000	\$479,000

**DISCLAIMER - Hoist Liftruck Mfg., LLC presents this information based on our own research gathered in regards to the Tax Cuts and Jobs Act of 2017. We do not provide tax advice, nor do we consider the tax situation of specific companies. Always consult with a qualified tax advisor regarding your company's specific tax situation.*