



Jason Landry
VP of Sales

Gage Helps Businesses Deduct Up to \$1M on Qualifying Equipment Expenses

Leading Managed Technology Services Points Out Section 179 Tax Benefit to SMBs

Baton Rouge, LA – October 2020 - Gage a leading managed technology services provider (MTSP), announced today that it is helping customers take advantage of a substantial tax deduction, outlined by guidance issued from the IRS, also known as Section 179. Section 179 allows businesses to completely deduct the purchase price of qualifying equipment and/or software purchased or leased during the 2020 tax year. However, the technology or equipment must be operational by the end of the calendar year, December 31, 2020, and with the deadline fast-approaching businesses must leverage its benefits quickly.

Gage is advising its clients about this tax-benefit in order to help businesses cope with the unforeseen and often sizable expenses the pandemic has forced upon them. This comes at a time when many small to mid-sized businesses (SMBs) are searching for ways to restructure their operations to accommodate for remote workplaces, work-from-home scenarios and/or hybrid-offices, and have discovered how important security is to make this transition happen. As business owners have done their best to comply with mandatory work-from-home policies, there are often significant costs in making these transitions work. Gage is doing its part to keep the business community informed on how they can reduce their tax liability and weather the storm.

“Small and mid-sized businesses have taken the brunt of this pandemic,” stated Jason Landry, VP of Sales of

Gage. “Section 179 is too good of a deal to ignore. It’s a huge discount. If a business is restructuring itself or making an investment in technology or software, they need to know about this exemption.”

Section 179 is affording businesses a golden opportunity to reposition themselves for success, by making investments much more feasible than ever before. The IRS is firmly behind this incentive and has even expanded the maximum expense deduction in the recent years, “For tax years beginning after 2017, the Tax Cuts and Jobs Act (TCJA) increased the maximum Section 179 expense deduction from \$500,000 to \$1 million.” (IRS.gov)

As businesses have been confronted with mandates to operate remotely, Section 179 offers a much-needed tax-break to make this transition financially possible. The TCJA also amended the definition of “qualified real property” to mean qualified improvement property and some improvements to nonresidential real property, including roofs; heating, ventilation and air-conditioning property; fire protection and alarm systems; and security systems.

As a provider of various security-based technologies, Gage is thrilled that businesses can more easily access the security tools they need making their teams more productive and secure as they work from home, and with the assistance of a government subsidy, business owners don’t have to do it all alone. For example, let’s assume that a business owner wants to invest \$125,000 back into their company through qualifying expenses. In the first year, they can deduct the entire

\$125,000. This means that effectively they would save \$43,750 (assuming a 35% tax bracket) on those expenses. This would drive the net cost of the new equipment down to \$81,250. Regardless of which equipment the business invests in, Section 179 is a phenomenal program that should not be wasted.

ABOUT GAGE

GAGE is a full-service telecommunications and IT services company that has helped businesses since 1980. Founded in Baton Rouge, the company’s original mission continues today, which is to provide the very best products and services that enable its clients to increase their profitability, obtain a competitive advantage, and improve employee productivity. Gage has served the Louisiana business community for over 40 years through a culture of striving towards excellence and unparalleled commitment to customer service.

Gage works with companies of all sizes with business phone systems, computer networks, managed IT services, structured cabling and standby generators. The company conducts a complete needs analysis to ensure that each customer implements the right technology to meet their needs now and into the future. Gage has been recognized with numerous industry awards and has become one of the region’s leading technology services companies.

For more information on Gage, please call (225) 753-4243 or visit www.gage.cloud