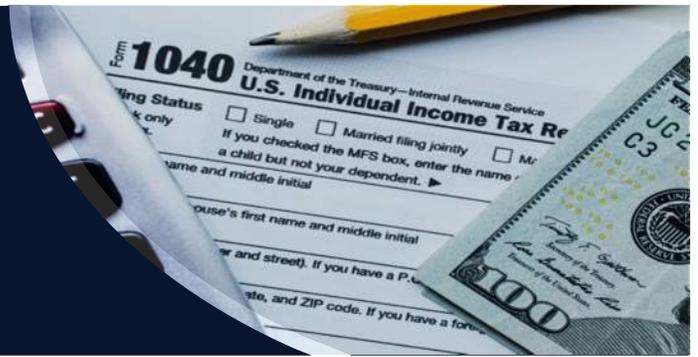


COVID-19

Tax Regulation Benefits



Tax Deductions and the COVID-19 Workplace Solution

COVID-19 has brought an onslaught of additional expenses for businesses and organizations, including plexiglass barriers, new signage, personal protective equipment, increased cleaning protocols and more. A recent development in the field of taxes may provide some hope.

A 2017 change to the Internal Revenue Code allows business owners to use bonus depreciation to deduct 100% of an asset's cost upfront. (Before the change, only 50% could be deducted upfront.) It also increases the maximum deduction from \$500,000 to \$1 million. The deduction applies to any piece of qualified property acquired and placed in service after Sept. 27, 2017, and before Jan. 1, 2023.

Turing's newest solution, Turing Shield, is a COVID-19 Workplace Solution that helps businesses navigate the COVID era taxes with ease. Complete with an employee health questionnaire, temperature check, mask check, and contract tracing, the Turing Workplace Solution keeps employees safe while also helping businesses stay compliant and protected from pandemic-related litigations, which is on the rise.



A Closer Look at the Tax Change

IRC Section 179 was modified as part of the Tax Cuts and Jobs Act of 2017, which was intended as a catalyst to spur economic growth. Criteria for qualified property includes:

- The taxpayer or its predecessor didn't use the property at any time before acquiring it.
- The taxpayer didn't acquire the property from a related party.
- The taxpayer didn't acquire the property from a component member of a controlled group of corporations.
- The taxpayer's basis of the used property is not figured in whole or in part by reference to the adjusted basis of the property in the hands of the seller or transferor.
- The taxpayer's basis of the used property is not figured under the provision for deciding basis of property acquired from a decedent.
- The cost of the used property eligible for bonus depreciation doesn't include the basis of property determined by reference to the basis of other property held at any time by the taxpayer (for example, in a like-kind exchange or involuntary conversion).

IRC Section 168 (k), if section 179 does not apply to a business, is also an option for taking the full expense of property as a deduction.

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