

DOCKETED

Docket Number:	17-EBP-01
Project Title:	Improving Energy Compliance of Central Air-Conditioning and Heat Pump Systems
TN #:	224528
Document Title:	Additional comment regarding Commercial HVAC expensing Docket no. 2017-EBP-01
Description:	N/A
Filer:	System
Organization:	Alex Ayers/HARDI
Submitter Role:	Public
Submission Date:	8/20/2018 11:17:46 AM
Docketed Date:	8/20/2018

Comment Received From: Alex Ayers
Submitted On: 8/20/2018
Docket Number: 17-EBP-01

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Additional submitted attachment is included below.

HVAC NOW QUALIFIES

SECTION 179 SMALL BUSINESS EXPENSING

The recently passed Tax Cuts and Jobs Act included a provision to allow HVAC products to be immediately expensed. Under Section 179 (26 U.S. Code § 179) Small Business Expensing, all components of a “heating, ventilation, and air-conditioning” system can be expensed in the first year instead of being depreciated over 39 years.



BEFORE

39-year depreciation schedule



AFTER

Fully expense HVAC systems immediately

FOR EXAMPLE

A typical commercial heating and air-conditioning unit will cost approximately **\$14,000***

BEFORE



\$350

depreciation expense

AFTER



\$14,000

immediately expensed
reducing the tax bill by over

\$5,000

*The actual cost of HVAC equipment will depend on the specifics of the building and the contractor