



**SAVE MONEY
ON AN LED SIGN**
with this tax deduction

What if you could have the sign of your dreams, and save money at the same time?

You know an LED sign can grow your revenue, but you've been holding back for the right moment. As the year comes to an end, you should know there is a tax code that can help you save money on your sign by reducing your taxes.

According to Investopedia, Section 179 of the **U.S. internal revenue code** is an immediate expense deduction that business owners can take for purchases of depreciable business equipment. The Section 179 deduction can be taken if the piece of equipment is purchased or financed and the full amount of the purchase price is eligible for the deduction. These include any business expenses related to depreciable assets such as equipment, vehicles, and software.

And as luck would have it, LED signs fall under the **Section 179 tax code**, which allows you to deduct a digital sign in the first year you have it powered on. It is a great way to get the digital sign you've been wanting, save money, and get a break on your taxes at the same time. So how does it work?

As an example, on a \$25K display, you'll save \$5,250 at a 21% tax rate

THE RULES

Section 179 is fairly simple to understand. To be eligible, you must purchase the sign before December 31st of the tax year to be claimed; this purchase can be financed or leased. Then you also need to install it and use it before the end of the year.

The deduction amount will vary since it is based on your tax bracket, but you can deduct up to \$1,040,000 in eligible purchases. Which could be more than one sign. Though we know most businesses are not looking for a million-dollar sign. A smaller sign can have just as big an impact if placed near a road and loaded with great content.

THE DEDUCTION

Let's look at a standard roadside sign. Say you spend \$35,000 on your sign and installation. On your taxes, you can deduct the entire \$35,000. If we assume a 21% tax rate you'll get a tax savings of \$7,350. This means the actual investment in your LED sign is really \$27,650.

If the cost still seems high and you're feeling a bit of sticker shock, there are options to get a sign now and still claim the deduction. For instance, we offer a **subscription program** for our high-resolution outdoor LED signs that can provide you with a sign at a low monthly fee over 5 years.

THE BENEFIT OF AN LED SIGN

An LED sign can provide a lot of value to your business, and there has never been a better time to act. Some businesses see their revenue increase by 17% or more upon installing an outdoor digital sign. Try our **digital signage ROI calculator** to see how quickly you could potentially make your investment back.

We recommend you reach out to a tax professional to discuss section 179 in more detail to ensure that your purchase will be covered by the deduction. If you need help with an LED sign or want to discuss what size sign might be right for your business, please reach out to us through our **contact form**. Our experts have helped connect businesses and organizations with the right sign to reach their customers.