



Sanford Gladding
President

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

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

CONCORD, CA – October 2020 - ATS Communications 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.

ATS Communications 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. ATS Communications 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 Sanford Gladding, President of ATS Communications. “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, ATS Communications 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 ATS COMMUNICATIONS

ATS is a technology solutions provider that partners with

businesses to implement the latest enterprise networking and IT infrastructure, unified communications, cyber-security, business continuity, video surveillance and cloud infrastructure. These products and services are delivered as a proactive managed service model providing peace of mind that all critical business systems meet expectations of high availability, security and optimization. With expertise on a wide range of voice and data products, ATS Communications is

a business' complete voice and data partner. Their services match the needs of small and medium size enterprises with optimized technology that provide best practice solutions which creates a competitive advantage and makes a positive impact to the client's bottom line. With over 40 years of experience, ATS has gained an excellent reputation for designing, implementing and proactively supporting solutions that focus on converging voice and data applications and has been

recognized for outstanding performance by several of the industry's top manufacturers. These credentials have allowed ATS to grow and partner with businesses throughout Northern California and across the United States. ATS has three California offices located in Concord, Sacramento and Redding. For more information, call their corporate office in Concord at (925) 602-1500 or visit www.teamats.com.