

HVAC NOW QUALIFIES

FOR FULL BUSINESS EXPENSING

After technical fixes to the Tax Cuts and Jobs Act, HVAC equipment, controls, and commercial refrigeration equipment can be fully expensed when installed in existing buildings. Through Section 179 Small Business Expensing and Qualified Improvement Property, businesses of any size can expense the cost of replacing or adding new equipment to existing non-residential buildings. This includes equipment installed after December 31, 2017, so customers can file amended returns to write off previously installed equipment and all equipment moving forward instead of being depreciated over 39 years.



BEFORE

39-year depreciation schedule



AFTER

Fully expense HVACR 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