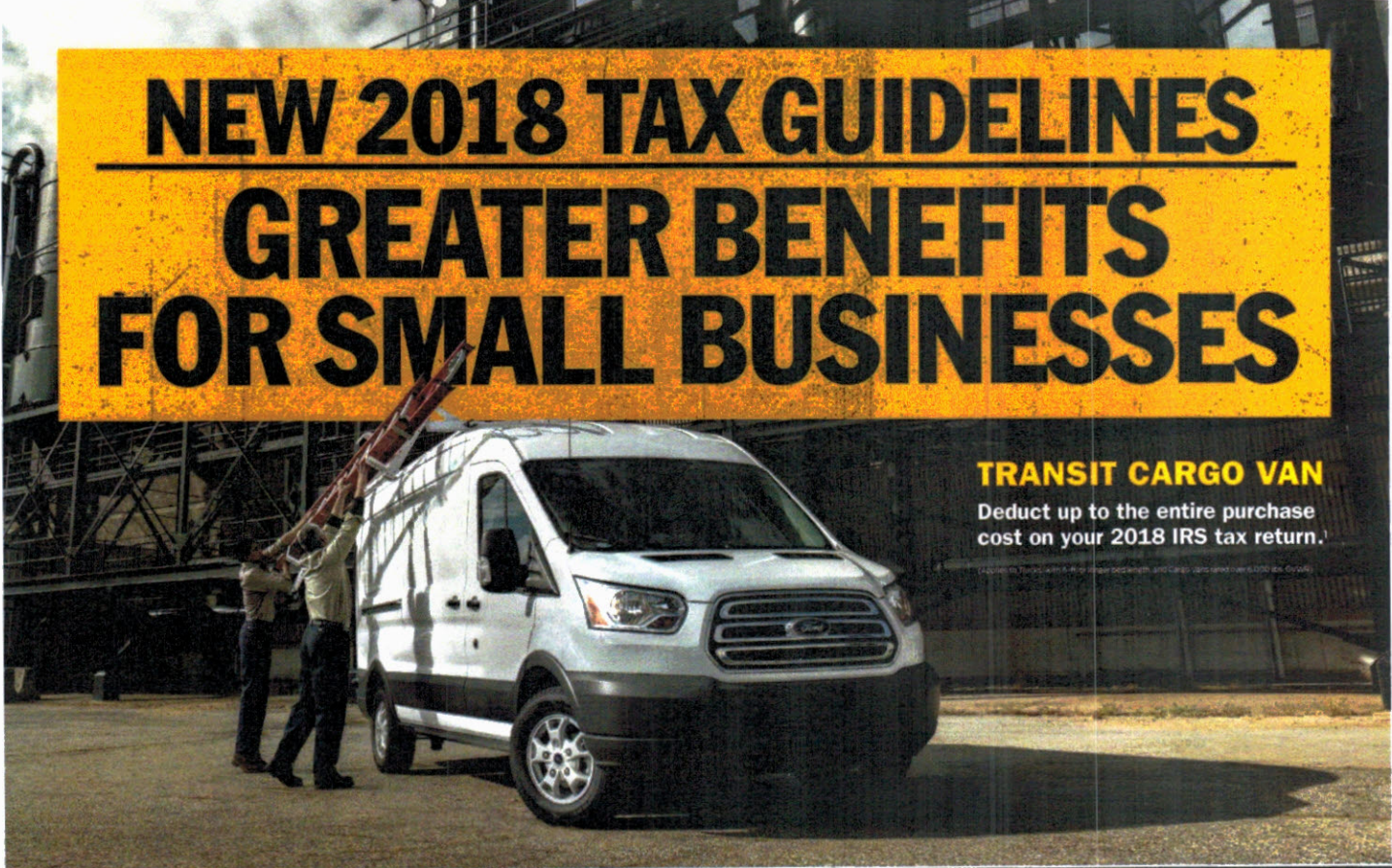


NEW 2018 TAX GUIDELINES GREATER BENEFITS FOR SMALL BUSINESSES



TRANSIT CARGO VAN

Deduct up to the entire purchase cost on your 2018 IRS tax return.¹

Applies to Trucks with a longer bed length, and Cargo Van with over 6,000 lbs GVWR.

POTENTIAL TAX BREAKS WHEN YOU BUY A NEW FORD COMMERCIAL VEHICLE

2018 Deduction Limit = \$1,000,000 (one million dollars)

This deduction is good on new and used equipment, as well as off-the-shelf software. To take the deduction for tax year 2018, the equipment must be financed/purchased and put into service between January 1, 2018 and the end of the day on December 31, 2018.

2018 Spending Cap on equipment purchases = \$2,500,000

This is the maximum amount that can be spent on equipment before the Section 179 Deduction available to your company begins to be reduced on a dollar for dollar basis. This spending cap makes Section 179 a true "small business tax incentive" (because larger businesses that spend more than \$3.5 million on equipment won't get the deduction.)

Bonus Depreciation: 100% for 2018

Bonus Depreciation is generally taken after the Section 179 Spending Cap is reached. Further, the bonus depreciation is 100% and is made retroactive to 9/27/2017 and good



TRANSIT WAGON

Deduct up to \$25,000 in the first year.

Plus 100% Bonus Depreciation on any remaining balance, retroactive to 9/27/17 and good through 2022.

Applies to Trucks with GVWR less than 6,000 lbs GVWR.



TRANSIT CONNECT CARGO VAN and/or WAGON

Deduct up to \$11,760 in the first year.

Plus 100% Bonus Depreciation on any remaining balance, retroactive to 9/27/17 and good through 2022.

Applies to Trucks with GVWR less than 6,000 lbs GVWR.



SUPER DUTY[®]

Deduct up to the entire purchase cost on your 2018 IRS tax return.¹

Applies to Trucks with a longer bed length, and Cargo Van with over 6,000 lbs GVWR.



MEDIUM DUTY

Deduct up to the entire purchase cost on your 2018 IRS tax return.¹

Applies to Trucks with a longer bed length, and Cargo Van with over 6,000 lbs GVWR.

COMMERCIAL VEHICLES **BUILT Ford TOUGH**

NOTE: The information supplied herein is provided by your local Ford Dealer to a public service to its customers. It should not be construed to be an advisor or a promise of potential tax savings or reduced tax liability, individual to a situation may vary. Federal rules and tax guidelines are subject to change. For more information about the Section 179 expense write-off or other business vehicle expense write-offs, you should consult your tax professional for complete rules applicable to your situation and visit the Internal Revenue Website at www.irs.gov.

¹Under Section 179 of the Internal Revenue Code, Companies may be eligible to fully expense the cost of vehicles purchased for business use. Companies are limited to a maximum aggregate Section 179 deduction of \$500,000 during a single tax year on all eligible property purchased. The \$500,000 maximum reduced if the Company spends more than \$2,500,000 on capital expenditures (including vehicles) during the year. GVW over 6,000 pounds (GVW) are limited to a deduction of \$25,000 under Section 179(b)(1), with the remaining basis in the vehicle depreciated under normal MACRS methods (including 5-year bonus depreciation in the year placed in service). Passenger automobiles (other than trucks and vans) are limited to \$1,600 of depreciation on the remaining basis in the vehicle in subsequent years. A vehicle is not a considered a passenger vehicle, and is thus not limited to the lower depreciation amounts, if it is considered a "qualified non-passenger use vehicle". Qualified non-passenger use vehicles are subject to the amount of their value to design that are considered passenger vehicles are limited to \$1,500 of depreciation in the year of purchase with normal MACRS depreciation on the remaining basis in the vehicle in subsequent years. A vehicle that can seat more than six passengers (including the driver's seat), is a heavy-duty vehicle with a cargo weight or load to be towed length of 7.5 a vehicle with a GVW exceeding 6,000 lbs, and a body and/or protruding more than 30 inches are not likely to be used more than a de minimis amount for personal purposes. Examples of qualified non-passenger use vehicles include: 1) vehicles that can seat more than six passengers (including the driver's seat), 2) a heavy-duty vehicle with a cargo weight or load to be towed length of 7.5 a vehicle with a GVW exceeding 6,000 lbs, and a body and/or protruding more than 30 inches. Consult your tax advisor as to the proper tax treatment of all business vehicle purchases.