

THIS FORM MUST TO BE SIGNED AND RETURNED TO US BY DECEMBER 31, 2018

The IRS now requires this form to be filled out on an annual basis. This election form below must be dated on or before December 31, 2018 for the tax year 2019 tax year.

RE: Depreciation Rules and Depreciation Policy Adoption Worksheet for 2019

The following policy allows expensing of **items up to \$2,500.00**. Without adopting this Policy, you can only expense up to \$200.00. This means if an item cost over \$200.00 you may have to depreciate it. If election is taken, **all items** up to \$2,500 **must** be expensed. A lesser amount than \$2,500.00 can be selected. There are situations where \$2,500.00 may not be in taxpayer's best interest. This saves huge amounts of record keeping. If questions call us!

Below you will find the fill-in form to complete. According to rules in place now, we will have to attach this via PDF to your e-filed 2019 tax return. Without this you will be limited to expensing only \$200.00. **Please sign the form below, date and mail or drop off at this office. THIS FORM MUST BE SIGNED AND DATED BEFORE 12-31-18.**

Section 1.263 (a) -1(f) de minimis safe harbor election

I _____ acting on behalf of _____,
Print your name Business name (if applicable)

EIN number _____ business address of _____
or Social Security No _____

_____, WI Zip _____ hereby adopts for *book and Federal income tax purposes* the following policy regarding capitalization expenses for the year beginning January 1, 2019. In accordance with the Internal Revenue Code Sections 167, 168, Section 1.263 (a) -1(f) & Notice 2015-82 the above business has determined that amounts whose individual cost (includes tax, installation and delivery costs) does not exceed \$ _____ will be deducted as incurred as an operating expense. Amounts exceeding this dollar limit will be examined individually to determine if their use or purpose requires capitalization under the betterment, adaptation or restoration rules used by the Internal Revenue Service and will be capitalized or expensed as incurred as a result of the application of those rules.

Signed: _____ Date: _____, 2018