DID YOU KNOW THE **ENACTED TAX REFORM HELPS YOU UPGRADE YOUR LIGHTING WITH NO MONEY OUT OF POCKET?**

ARE YOU ELIGIBLE?

1. **Is Your Business?**
   - Small, spending less than $3.5M/year in equipment

2. **Is Your Facility?**
   - An owned building
   - Or
   - A leased building

3. **Will You?**
   - Purchase the lighting
   - Or
   - Finance the lighting

IF YOU GOT ALL THREE

YOUR LED LIGHTING PROJECT CAN PAY FOR ITSELF
and can earn you money from day 1 (CASH FLOW POSITIVE)

In addition to **Energy Savings** and **Utility Rebates**...

The **Tax Cut and Jobs Act 2017** allows for 100% expensing of your LED lighting project, and a 100% write-off for abandonment of the old lighting.

Contact your Flex Sales Representative to Schedule an Audit and Learn How to Benefit From This

HOW DOES IT WORK?

MONEY OUT OF YOUR POCKET

- PROJECT COST
- Utility Rebates
- Tax Savings
- Energy Savings

MONEY IN YOUR POCKET

- CASH BACK & SAVINGS
- Energy Savings
- Utility Rebates
- Tax Savings

**CASH FLOW POSITIVE**

Your Lighting Upgrade EARS YOU MONEY every month

Earn CASH BACK from TAX Deductions

Your CASH BACK from realized tax savings, energy savings, and other utility rebates can OFFSET or be HIGHER than the total cost of the new LED lighting project
Example:

- **OLD Lighting Installation**: 100 HID fixtures (458W) with an estimated undepreciated cost of $20K.
- **NEW LED Lighting Project**: 100 Essentials Series 4.0 LED High Bay fixtures (128W) model ES40S-A1-20K-4MS.
- **Utility Rebates**: $189 per fixture from New York State Elec & Gas Corp by upgrading 458W fixtures running 5,110 h/year.
- **Energy Savings**: Usage of 14 hours/day (420 hours/month) with an average energy cost of $0.10 Kw/h.

<table>
<thead>
<tr>
<th>PURCHASED</th>
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<th>RECURRING</th>
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<tbody>
<tr>
<td>Upgrade Cost</td>
<td>$40,000</td>
<td>COST</td>
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<tr>
<td>Tax Write Off</td>
<td>$8,400</td>
<td>BENEFIT</td>
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<tr>
<td>Local Utility Rebate</td>
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<td><strong>TOTALS</strong></td>
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**GOOD**: With Simple Purchase there is an initial out of pocket cost, that can be recovered (in this example) after 6 months from the monthly energy savings.

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**GREAT**: With Financed Purchase there is no out of pocket cost. You receive cash back from rebates and tax deductions, then earn money every month from the energy savings.

Disclaimer:

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Notes:

2018 Deduction Limit = $1,000,000 (one million dollars). This deduction is good on new and used equipment. 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). The Tax Cuts and Jobs Act of 2017 (“TCJA”) significantly expands bonus depreciation: For qualified property placed in service between September 28, 2017, and December 31, 2022 (or by December 31, 2023, for certain property with longer production periods), the first-year bonus depreciation percentage increases to 100%. In addition, the 100% deduction is allowed for not just new but also used qualifying property. In 2023, bonus depreciation is scheduled to be reduced 20 percentage points each year from 2023-2027. Bonus depreciation would be 80% for property placed in service in 2023, 60% in 2024, etc., until it would be fully eliminated in 2027.