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## Are you a candidate for a business aircraft and the significant income tax deductions available?

Consider the following scenario:

You leave home on a Sunday afternoon, drive an hour to the airport two hours prior to your flight, make a connection flight and arrive at the destination Sunday evening for a two-hour business meeting on Monday morning at 11.00am. After the meeting, you embark on the same journey and arrive home around midnight after the kids are in bed Monday evening.

Consider the alternative:

You leave home on Monday morning at 7.00am, drive ten minutes to the local general aviation airport, and board your personal business aircraft piloted by a professional pilot. You polish up your PowerPoint presentation during the three hour flight. After the meeting, you board the plane and arrive home by 5.30pm for your child's little league game or dance recital.



Do you have trouble retaining key employees because of quality of life issues relating to business travel? Have you reviewed your travel and entertainment budget? Are you looking for ways to trim expenses

relating to meals, hotel, rental car and airfare? Does your business travel take you to towns like Jasper, Indiana or Olathe, Kansas? Consider the possibility of solving many of these problems with a general aviation aircraft while realizing a tremendous income tax benefit.

With the extension of 50% bonus depreciation and Section 179 Expensing, a taxpayer can generate significant and immediate income tax savings by utilizing a business aircraft. An \$800,000 state of the art piston aircraft can generate up to \$680,000 of depreciation deduction in 2016. At 45% marginal tax bracket, a taxpayer can reduce his income tax liability by \$300,000. An entry level business jet at \$4,500,000 can produce \$2,700,000 in tax depreciation deduction and over \$1,200,000 in income tax savings. The interactions between the Internal Revenue Code, states sales and use tax laws and the Federal Aviation Regulations create a unique planning opportunity for taxpayer who is acquiring a business aircraft.

Please contact Fred McCarter ([fmccarter@aviationtaxconsultants.com](mailto:fmccarter@aviationtaxconsultants.com)) and Daniel Cheung ([daniel@aviationtaxconsultants.com](mailto:daniel@aviationtaxconsultants.com)) at 800.342.9589 for more information.

*Aviation Tax Consultants, LLC ([www.aviationtaxconsultants.com](http://www.aviationtaxconsultants.com)) assists business owners in acquiring business aircraft in a tax efficient manner. Our consulting services include the elimination or reduction of sales and use tax at the time of purchase, maximizing income tax savings, controlling the cost of personal use of the aircraft, complying with passive activity, hobby loss and related party leasing rules and Federal Aviation Regulations. Cooperation with client's current tax and legal advisors is welcome and encouraged.*