

The Write-Off Reality Check

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A deduction is a discount, not free money. Five things to remember.

THE MATH

A \$1 write-off saves about 35 cents

At a 35% rate, you still spend the other 65. If it wasn't worth it before, it isn't after.

THE TRUTH

'Loopholes' are just incentives

The code pays you to build housing, hire people, buy equipment. That's the deal, not a

PAPER LOSS

Depreciation is real, not magic

Real estate can show a 'loss' on paper (a 27.5-year write-down) while cash still flows in.

THE FILTER

One question before you spend

'Would I still buy this with no tax break?' If no, keep your cash.

THE SYSTEM

How you actually win

Know the law. Follow the rules. Document the truth.

The tax break is never the reason to buy.

You still have to write the check.