

# Modern Machinery Matters



## Use the temporary tax breaks to help gear up this year

The tax-man might just be the farmer's second best friend if new equipment is ordered this year.

The proposed 10, 30 and 50 per cent temporary tax breaks for equipment purchases will only be available to farmers who order this year, so Case IH Marketing Manager Stuart Brown says anyone considering a new purchase should talk to their tax advisor and plan a visit to their dealership now.

"Any farmer who has been thinking about upgrading their equipment over the next 18 months should consider whether buying now could be to their advantage," Stuart says. "This tax break is a one-off opportunity that could potentially be worth thousands of dollars to businesses. Case IH

has released a wide range of new products for 2009 so this is a great time to think about upgrading to equipment that will help boost productivity on your farm."

Under the proposed tax breaks, orders placed this year will qualify for a 10, 30 or 50 per cent tax deduction depending on business turnover and equipment delivery date (see Case Study box for more details).

"With strong global demand for equipment it makes sense to order early anyway," Stuart says. "That way farmers will not only put themselves in a position to potentially take advantage of the tax break, they'll also ensure their order is prioritised."

"Local and overseas demand is still at very high levels and the tax break cut offs

could create an even stronger run on products, possibly making it difficult to source machines on short notice. We've secured extra production of high horsepower tractors and combine harvesters to help meet the projected demand, but it's always good practice to order sooner rather than later."

Case IH dealerships can also help customers finance their purchases. "We can arrange competitive finance and with our CNH Capital Express offering, eligible customers will have their finance approved in under 90 minutes. This is in addition to great rates from a lender that has machinery finance as their focus."

**The temporary tax breaks are subject to parliamentary approval and eligibility will depend on individual circumstances.** ■

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## ONLINE TAX BREAK CALCULATOR

Farmers considering buying new equipment can now use an online calculator to assess the benefit they might receive under the proposed temporary tax breaks. The calculator, developed by CNH Capital, can be accessed at [www.caseih.com/stimulus](http://www.caseih.com/stimulus)

"The calculator allows farmers to enter the approximate cost of their new equipment so they can get an idea of how much the tax break benefit might be worth to them," says Stuart Brown. "There's also a finance calculator where they can compare a range of different finance products including mortgages and lease options. They can see how the finance package would change with various levels of deposit, balloon payment options, loan terms and interest rates."

