

Tax Deductibility

Example 1	
Taxable Income	\$100,000
Tax bracket	20%
Taxes owed	\$20,000
Take Home	\$80,000

Example 2	
Taxable Income	\$100,000
Tax bracket	20%
Buy a boat (Deduct this from taxable income)	\$10,000
Now taxable income at 20%	\$90,000
Taxes owed now	\$18,000
Taxes saved	\$2,000
Actual cost of boat ((\$10,000 boat less \$2,000 in taxes saved)	\$8,000

Very good to be able to tax deduct the thing you bought. Saves taxes.

Don't email me about the boat. Was only an example. You were going to, weren't you?