

ROI for Biovision EndoDiagnostic+Surgical Suite EDSS Mobility (effective 9/1/2020)

ASSUMPTIONS		
A. Equipment cost*		\$ 41,950
B. Interest rate on loan		6%
C. Average billed/procedure		\$ 500
D. Loan term (in months)		60
E. Monthly procedures		4
F. Estimated tax bracket		35%
RESULTS		CALCULATION
G. Loan payment/month	$B * A / (1 - (1 + B)^{-D})$	\$ 811
H. Billings/month	$C * E$	\$ 2,000
I. Gross profit/month	$H - G$	\$ 1,189
J. Break-even procedures/month	G / C ; expressed as a whole number	2
K. IRS Section 179 allowance	A; max. of \$1,040,000	\$ 41,950
L. Bonus depreciation	N/A	\$ -
M. 100% bonus depreciation above \$1,040,000	$A - 1,040,000$	\$ -
N. Total tax savings in Year 1	$K * F$	\$ 14,683
O. Equipment cost after Year 1 tax savings	$A - N$	\$ 27,267
P. Year 1 cash-on-cash return	$(H * 12) / O$	88%

Section 179 provisions effective for U.S. practices for purchases made on or after January 1, 2020

* Equipment cost based on purchase price of EndoDiagnostic+Surgical Suite EDSS Mobility from Biovision Veterinary Endoscopy