

ROI for Biovision NeedleView Arthroscope Suite: Equine/Large Animal (2019)

ASSUMPTIONS		
A. Equipment cost		\$14,950.00
B. Interest rate on loan		6%
C. Average billed/procedure		\$ 1,000.00
D. Loan term (in months)		60
E. Monthly procedures		2
F. Estimated tax bracket		35%
RESULTS		CALCULATION
G. Loan payment/month	$B * A / 1 - (1 + B)^{-D}$	\$ 289.03
H. Billings/month	$C * E$	\$ 2,000.00
I. Gross profit/month	$H - G$	\$ 1,710.97
J. Break-even procedures/month	G / C ; expressed as a whole number	1
K. IRS Section 179 allowance	A; max. of \$1,000,000	\$14,950.00
L. Bonus depreciation above Sec. 179 spending cap of \$2,500,000	N/A	\$ -
M. Total tax savings in Year 1	$K * F$	\$ 5,232.50
N. Equipment cost after Year 1 tax savings	$A - M$	\$ 9,717.50
O. Year 1 cash-on-cash return	$(H * 12) / N$	247%

Section 179 provisions effective for U.S. practices for purchases made on or after January 1, 2019