

ROI for Biovision NeedleView Arthroscope Suite: Equine/Large Animal (2020)

ASSUMPTIONS		
A. Equipment cost*		\$ 14,950
B. Interest rate on loan		6%
C. Average billed/procedure		\$ 1,000
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
H. Billings/month	$C * E$	\$ 2,000
I. Gross profit/month	$H - G$	\$ 1,711
J. Break-even procedures/month	G / C ; expressed as a whole number	1
K. IRS Section 179 allowance	A; max. of \$1,040,000	\$ 14,950
L. Bonus depreciation	N/A	\$ -
M. 100% bonus depreciation above \$1,000,000	A-1,000,000	\$ -
N. Total tax savings in Year 1	$K * F$	\$ 5,233
O. Equipment cost after Year 1 tax savings	$A - N$	\$ 9,718
P. Year 1 cash-on-cash return	$(H * 12) / O$	247%

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

* Equipment cost based on purchase price of NeedleView Arthroscope Suite from Biovision Veterinary Endoscopy