



GATEWAY TELNET HELPS COMPANIES TAKE ADVANTAGE OF SIGNIFICANT TAX-BREAKS FOR NEW TECHNOLOGY

Gateway TelNet Educates Customers on Powerful Stimulus Plan

VAN NUYS, CA — November 29, 2011 — Gateway TelNet, a leading provider in unified communications, announced today that the company is helping customers take advantage of a large tax-break for small to mid-sized businesses with Internal Revenue Code (IRC) Section 179. The tax benefit targets businesses who are contemplating large equipment purchases, such as technology, and significantly reduces the cost of purchasing such equipment. Section 179 allows business owners to write-off the entire cost, up to \$500,000, on new equipment purchases made by December 31st, 2011.

Many Americans were left wondering how the Stimulus Package would have an impact on their lives and Section 179 has answered that question for many business owners. Creating significant savings on major purchases of equipment, software or phone systems, the federal government has enacted this bill in an effort to spur business-to-business spending. Right now businesses can expense the entire purchase

price of qualifying equipment/software/phone systems in the first year up to \$500,000 (to be reduced to \$125,000 at the end of the 2011 tax year). Also slated to expire at the end of the 2011 tax year is the 100% Bonus Depreciation, which will drop down to 50 percent. For example, assuming you're in a 35% tax bracket, a \$45,000 purchase would drop dramatically, and would cost approximately \$29,250 after Section 179 has been applied to the transaction. In a transaction like this, Section 179 would yield a total savings of \$15,750. While every transaction is different and tax professionals should be consulted on specific situations, the potential rewards of this government program has persuaded many business owners to seriously consider investing in new equipment before year-end.

The one caveat associated with this powerful program is that the new equipment must be in use by December 31, 2011 in order to qualify for the massive savings. This year, Section 179 also extends to cover software purchases in addition to traditional equipment. Many business owners have installed

new business phone systems as a result of this addition to the tax code, because recent breakthroughs in telecommunications are enabling businesses to collaborate better, faster and more efficiently with one another.

“We were stunned to find out that so many of our customers had not yet heard of Section 179,” commented Jerry Hilecher, President of Gateway TelNet. “We may specialize in delivering technology solutions to our customers, but we treat our customers like partners. If we find something as powerful as this we have always considered it to be our duty to communicate this information to our customers. Our goal is to introduce our customers to technology that increases their productivity, but more importantly increases their profitability. When an opportunity like this comes along, we're thrilled to skip discussions regarding technology, and go straight to the part where our customers get to enjoy increased profitability. That's why we're different and we plan on continuing to treat our customers like gold.”

**ABOUT GATEWAY
TELNET**

Gateway Telnet Inc. is Southern California's leader in introducing communications technology to the business environment. Even in a difficult economy, Gateway Telnet has found Return on Investment

opportunities to allow businesses to increase technology and increase their competitive advantage in the marketplace all at a cash neutral position.

Partnering with TAG National and its 110 affiliates, Gateway Telnet has the unique capability of installing and servicing a variety of cutting edge

communications technologies anywhere in the United States while maintaining the finest service program in the marketplace.

For more information on Gateway Telnet, please call (866) 591-GREEN or visit us at www.gatewaytelnet.com.