

# THE BENEFITS OF RESIDUAL LEASES

Allstate Capital offers many types of residual leases to allow customers real choices and savings when purchasing equipment. Of course, we still offer \$1.00 out leases and Finance Agreements, however, there are many instances where a residual lease just makes more sense. Consider the following bullets below.

## What is a Residual Lease?

A Residual Lease is a great way to reduce your monthly payments and may have significant tax savings for both sales and federal tax depending on your county, state, and federal regulations. It also allows the Lessee to pay for the use of the equipment over the specific term of the lease, but not to necessarily own it. Since all equipment depreciates, residual leases simply make sense in many cases for equipment that is replaced on periodic intervals or where the overall savings make more sense than a capital lease or outright purchase. Residual values can vary from 10% to up to 25% based on the term, credit and equipment types. Inquire.

## When Should You Consider Residual Leases?

- If you Replace Equipment on a Periodic Basis “Planned Replacements”
- If you need the lowest monthly payment possible
- If you need certain tax advantages
- If you can avoid Gross Receipts sales tax
- If you need to structure as an operating expense
- If you need to Lower you up front costs

Feel free to contact your Allstate Capital representative to discuss how the different leasing or financing options make sense for you. All lease and finance options available so feel free to discuss your specific needs so we can present you with your best options. Call Allstate Capital at 800-949-0018 or apply online 24/7 at [www.allstatecapital.com](http://www.allstatecapital.com).

**Don't delay - speak to your tax and accounting advisors today to maximize these and other incentives this year!**



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