

SWAT Advisors Advises Business Owners to Revisit Equipment, Capex and R&D Tax Decisions

SWAT Advisors urges business owners to revisit equipment and R&D tax planning now that bonus depreciation and R&D expensing have both been restored.

BREA, CA, UNITED STATES, August 27, 2026 /EINPresswire.com/ -- Amit Chandel Explains Why Two Major Law Changes Are Prompting Business Owners to Rebuild Their Tax Models

“

Full expensing is back for equipment and R&D. If your tax models haven't been updated, you're planning around rules that don't exist anymore.”

— Amit Chandel, Founder and Chief Tax Strategist, SWAT Advisors

CALIFORNIA – [SWAT Advisors](#), a California-based tax planning and advisory firm founded by Amit Chandel, CPA and LL.M. (Tax), is advising business owners to revisit how they are approaching equipment purchases, capital expenditures, and research and development costs, as recent legislative changes have significantly altered the tax treatment of both. Chandel says many business owners are still operating off tax models built for rules that no longer apply, and working with [tax planning advisors](#) to

update those models has become a meaningful opportunity heading into the back half of 2026.

Bonus Depreciation Is Back, But Old Assumptions Are Not

For several years, businesses planned equipment purchases around a bonus depreciation benefit that was scheduled to shrink annually, dropping from 100 percent in earlier years down toward 40 percent and eventually to zero by 2027. That declining schedule shaped how businesses timed capital expenditures and modeled the after-tax cost of major equipment purchases.

Recent legislation reversed that trajectory, restoring 100 percent bonus depreciation on a permanent basis for qualifying property placed in service after January 19, 2025. Businesses that have not updated their capital expenditure planning to reflect this change may be significantly underestimating the first-year deduction available on equipment, machinery, and other qualifying property purchased in 2026.

"A lot of business owners are still thinking about capex the way they did two or three years ago, when the deduction was shrinking every year," said Amit Chandel, Founder and Chief Tax Strategist at SWAT Advisors. "That's no longer the environment we're in. Full expensing is back, and it changes the math on equipment purchases and the timing decisions around them. If your models haven't been updated, you're planning around rules that don't exist anymore."

R&D Expensing Rules Have Also Reversed Course

Research and development costs have gone through a similarly significant shift. Under rules that took effect in 2022, businesses were required to capitalize and amortize domestic R&D expenses over five years rather than deducting them immediately, a change that caught many businesses off guard and meaningfully increased taxable income for R&D-intensive companies during those years.

That requirement has since been reversed for domestic research expenses, restoring eligible businesses' ability to deduct qualifying R&D costs in the year incurred rather than spreading them out over time. For businesses that adjusted their financial planning around the amortization requirement, this reversal represents a substantial planning opportunity that requires revisiting prior assumptions.

"R&D expensing went through a real disruption for a few years, and a lot of businesses adjusted their whole approach to research spending because of it," Chandel noted. "Now that immediate expensing is back for domestic research costs, businesses need to look at whether their prior year filings and current planning actually reflect that. Some businesses may even have opportunities to amend prior returns depending on their specific situation."

Why These Two Changes Interact

For businesses that invest heavily in both equipment and research and development, such as manufacturers, technology companies, and product-driven businesses, the combination of restored bonus depreciation and restored R&D expensing can meaningfully change the total deduction available in a given year. Business owners who model these provisions separately, without considering how they interact with overall taxable income and cash flow planning, may miss opportunities to time purchases and R&D investments more strategically.

"These aren't decisions that should be made in isolation," Chandel explained. "How much you're spending on equipment, how much you're spending on research, and when those costs hit your books all affect your total tax picture for the year. Businesses that coordinate this planning tend to end up in a meaningfully better position than businesses making these decisions one at a time without a broader strategy."

What Business Owners Should Review

Business owners are encouraged to revisit capital expenditure plans made under the assumption of a reduced bonus depreciation rate, confirm whether prior year R&D costs were treated correctly under the current rules, evaluate whether amended returns may be appropriate for businesses affected by the earlier amortization requirement, and reassess the timing of planned 2026 equipment purchases and research spending in light of both changes. Working with an [expert tax advisor](#) familiar with both provisions can help business owners determine whether their current approach still makes sense or whether their tax strategy needs to be rebuilt around the current rules.

Acting Before Year-End

With several months remaining in 2026, business owners still have time to adjust their capital expenditure and R&D planning to reflect current law rather than outdated assumptions. Waiting until tax filing season limits the ability to make timing decisions that could otherwise have a meaningful impact on the current year's tax liability.

"The businesses that benefit most from these changes are the ones reviewing their numbers now, not the ones finding out about it from their accountant next spring," Chandel said. "These are two significant, favorable changes for a lot of businesses, but only if your planning actually reflects them."

About SWAT Advisors

SWAT Advisors is a California-based tax planning and advisory subsidiary of Focus CPA Group Inc., founded in 2023 by Amit Chandel, a CPA and LLM in Tax. The firm specializes in proactive tax strategy for business owners, professionals, and high-net-worth individuals, providing comprehensive tax planning services, wealth preservation strategies, retirement planning, exit planning, and business succession planning.

With over 20 years of combined experience in California, SWAT Advisors has helped clients across diverse industries identify tax-saving opportunities and build sustainable wealth. The firm serves clients in Northern and Southern California and works with business owners nationwide.

For more information about SWAT Advisors and how strategic tax planning can transform your financial future, visit our website.

Amit Chandel

Swat Advisors

+ +1 800-374-7327

info@swatadvisors.com

Visit us on social media:

[LinkedIn](#)

[Instagram](#)

[Facebook](#)

This press release can be viewed online at: <https://www.einpresswire.com/article/937448501>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire, Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable in today's world. Please see our Editorial Guidelines for more information.

© 1995-2026 Newsmatics Inc. All Right Reserved.