



NEWS RELEASE

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“Committed to building the best business environment for North American equipment dealers”

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NAEDA, TOOLCHEX REACH AGREEMENT

Fenton, Mo. – The North American Equipment Dealers Association (NAEDA) continues its endorsement of a tool expense reimbursement program offered by Toolchex Inc. The agreement with Toolchex, which is based in Murray, Utah, was signed in 2003. The program offers reimbursements to industry technicians who are required to purchase their own tools or equipment as a condition of employment.

Under the program, technicians who choose to participate will be able get reimbursed for tools, equipment and other business expenses. The expenses will not be subject to federal income taxes or payroll taxes if the reimbursements are made pursuant to an accountable plan that meets the requirements of the Internal Revenue Code.

“The Toolchex program is endorsed by NAEDA because of the valuable benefits that can be realized by NAEDA-affiliated dealers and their employees,” says Paul Kindinger, president and CEO, NAEDA. “The program really is a perfect way to help technicians capture the tax advantage many others in our economy already enjoy. It helps the working person and is a great stimulus for our economy. When technicians receive tax credit for their tool purchases, they either purchase additional tools or use the money to improve some other aspect of their lives. It fits perfectly with what our government is trying to accomplish with various other stimulus incentive programs.”

Toolchex estimates a typical technician enrolled in the Toolchex program will increase net take-home pay by an average of \$150 per month and dealer principals will realize an average savings of \$765 in employment taxes on every \$10,000 of processed qualified expense.

Due to the tax complexities involved with accountable plans such as the Toolchex program, NAEDA suggests that dealers consult their tax advisors for an assessment of any tax risks that may be involved by participating in the Toolchex program.

Dealers who are interested in learning more about this program are encouraged to call their state or regional associations, call Toolchex at 800/498-2256 or visit www.toolchex.com. Dealers also may download a Request for Information form by clicking on “Toolchex” found under Partner Programs at www.naeda.com.

The North American Equipment Dealers Association is based in Fenton, Mo. The association provides educational, financial, industry relations, legal, and legislative services to approximately 5,000 dealers in the United States and Canada.