What Can Equipment Leasing Do for Your Business?

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Before we discuss the benefits of equipment leasing for your businesses, let us first find out what an equipment lease actually is. An equipment lease is a long-term rental agreement for any type of equipment. The equipment has to be maintained well and it is often required that the lease term does not exceed the total life of your equipment. Once the lease term is over, you have the option of returning the equipment to the company that provided the lease or purchasing the equipment. Equipment leasing allows you to get the equipment you need at manageable monthly payments, often times with no down payment required, so your company can thrive.

In recent times, equipment leasing has become on of the most viable options for acquiring equipment for any businesses. Whether it is an established firm or a new business, everyone prefers to lease some or all of their business equipment. Business owners often find that they need to add new equipment and often choose the leasing option. Following are the ways equipment leasing benefits your business:

1. Leasing calls for a monthly payment lower than the periodic payments required when purchasing new equipment.

2. Down payments are often not required and the cash can be saved for your business expenses.

3. There is a fixed payment plan during the term of the lease unlike the variable interest rates of bank credit lines.

4. Lease payments are considered pre-tax expenses that reduce tax liability.

What has turned most business owners toward leasing is the fact that equipment leasing frees up the capital that can be used for business expenses required to complete larger projects. For new businesses it is increasingly difficult to get a bank loan when there is no credit history to support their loan application.

Equipment leasing also gives you the option of paying in installments for your new equipment. There are many equipment financing companies that offers flexible terms of repayment. These companies will suggest customized financial solutions from which you will choose the appropriate equipment lease option.

A business requires that money be saved for emergency purposes and that is where equipment leasing helps your business. Unlike a bank loan, you may be able to include the cost of installation and shipping in your lease financing. Leasing often means 100% financing so your payment can include every cost associated with the equipment.

With so many leasing companies around, you may have difficulty in choosing the best one. Good leasing companies do not involve their clients in complicated leasing options. All you need to do is fill out a simple application form to initiate the process of leasing.

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Envision Capital offers a equipment lease options for all its clients to help their business grow and thrive. Get in touch with them to learn about their leasing process.

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