

PHOTOCOPIER LEASING GUIDE

Leasing a photocopier is one way for you to avoid the initial capital outlay required for outright purchase. Whilst the overall outlay is slightly more with a photocopier lease as opposed to a straightforward purchase there are sound reasons to consider it as a method of finance for office equipment such as an office printer or copier machine.

Leasing is a well-established and tax efficient form of finance, enabling cost-effective trade-up access to the very latest technology at the right time. An example of leasing companies that specialise in business equipment such as office photocopiers is [Grenke](#) and Finance Ireland

We hope this guide helps with understanding the key benefits of lease finance as well as offering useful advice if you are looking to lease a photocopier. Of course, if you have any questions please do not hesitate to contact us.

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What are the benefits of photocopier leasing?

For many businesses the purchase of an important office utility such as a photocopier or printer may be a daunting investment, mainly due to the associated large up front sum but also the prospect of it becoming obsolete in five years' time. Leasing a photocopier is the smart alternative with numerous good business-sense advantages:

Budgeting

Many businesses earn revenue over time - to pay as you use makes sense: Why pay out in one lump sum when with leasing you can make small fixed manageable payments? It equates to pay as you use. Payments made throughout a lease arrangement are unaffected by changes in interest rates; you can therefore accurately plan for lease payments in advance. And as cash flow can be forecast, cost of use can be compared with projected revenue and profits generated by the use of the photocopier / printer.

Tax efficiency

Leasing can reduce your overall tax bill, as the cost is deductible as a business expense reducing the net cost of leasing the equipment. This factor will help determine whether to rent or lease, rather than buy. If you buy you will be able to claim 40% of the photocopier / printer purchase price against tax in the first year and thereafter claim 25% of the outstanding balance. If you lease you do not have to pay the cost of the photocopier or printer immediately and you may reclaim everything you pay out on a 'by payment' basis - monthly, quarterly or annually.

Upgrading Technology

It is well accepted that a photocopier or printer is not a business asset that appreciates: IT depreciates faster than the vast majority of purchased assets. So save purchases for assets that either appreciate or depreciate less. Leasing gives more freedom for up to date office equipment, important with printers and copiers, to be installed as required, less affected by budget restraints. Photocopier and printer leasing improves cash flow and creates a hedge against inflation,

depreciation and obsolescence. Importantly, it allows you to take advantage of technology improvement at a time of your choosing and at a reasonable cost. By contrast, a business that owns its office equipment can only upgrade by reinvesting and disposing of the existing asset. A photocopier lease with Club Copying will include provisions to trade up to a newer model or, when necessary, to one that accommodates the higher volume, speed and features your business requires at the right time, giving you freedom to upgrade without buying new.

Multifunctional

Because the latest photocopier and printer machines are multifunctional i.e. they combine all the functions of a scanner, fax machine, printer, colour printer (if applicable), pdf writer, document manager (send files to email and mailbox), and photocopier, it makes sense to be able to upgrade all these products and facilities at the same time rather than having to deal with multiple outdated machinery. This is one of the newer benefits of leasing combined with the latest multifunctional technology.

Capital

It makes sense to use capital for expansion or appreciating business purchases. Leasing for office technology preserves precious resources for these purposes and other business opportunities. Furthermore, you are able to preserve your existing bank lines and optimise your use of commercial credit sources.

Flexible Payment

You can choose the option that makes for the most comfortable leasing arrangement, normally up to 5 years, giving immediate access to the photocopier / printer equipment you need, the necessary speed, and the right multifunctional technology, via payments your business can handle and without the large deposit normally associated with outright purchase.

Return on Investment

Let the new equipment provide you with a return ... The reason for a new photocopier or printer is to increase productivity; with leasing you are in the position to use the cost saving and increased production ROI to make the periodic payments.

Buying Tips for a Photocopier Lease

- Test drive it: When deciding between two or three copier models, please feel free to ask us for a demonstration of how the machines work. Or if it is more a case of colour print quality ask an Office Technology Ltd sales representative to forward you copies or prints of your own document files ensuring satisfaction in advance.
- When not to: If you expect to make fewer than 700 copies a month, you probably do not need to lease a "business" copier. You would be better off purchasing a smaller desktop copier or multifunctional laser printer that would cost much less overall - unless you want the advanced features of a business photocopier or printer.

Who retains the equipment at the end of the photocopier lease?

Title to the goods remains with the finance provider, which means the equipment does not show on your company balance sheets and therefore not applicable to the expected value depreciation over a fixed period. This of course gives you the advantage of staying in touch with the latest technology by changing your equipment towards the end of your lease.

Can we upgrade before the photocopier lease agreement expires?

Yes. A Photocopier Leasing facility allows businesses to keep up with changes in technology as your original installation can be altered either during or at the end of your lease period. The normal reason for this is due to a customer's expansion of business and their changing needs.

Why should I choose photocopier leasing?

All sectors of the Irish economy take advantage of Photocopier Leasing; it is the most popular choice for small businesses that need a mid-to-high volume photocopier or printer just as a large multi-national organizations prefers to keep a tighter control on their finances and enjoy the tax efficiency and upgrade opportunities of a lease agreement over purchasing.

How does photocopier leasing work in practise?

Leasing is a contract between a finance company and a customer, giving the customer use of the equipment on payments of rentals over a period. When you lease equipment you make a series of regular (usually tri-monthly) payments, instead of a large capital outlay.

Why lease a photocopier rather than purchase?

The cash flow and tax relief benefits of leasing provide a very strong case against cash purchase. If you buy equipment outright the capital invested becomes, in effect, tied up in a depreciating asset. Photocopier Leasing on the other hand allows you to save resources for other purposes or opportunities. To be sure of the right decision for your business specifically, speak to your accountant who can advise upon what is best for your company financially.

Enquiries

For specific enquiries regarding leasing agreements, feel free to call 01 460 44 44 and speak with one of our staff who have many years of dealing with the various lease finance options available.