

Software Shield (SS)



A high-level leveraged asset purchase strategy built around acquiring ownership rights to income-producing software platforms. The acquisition includes only the software asset and its user base, transferred through a fully documented, arms-length agreement and without the complexities of purchasing an entire business.

Structured under IRS Section 179, this strategy is engineered for efficiency and unlocks up to a **5:1 amortization deduction**, with all filings and support handled by tax and legal professionals.

Who This Is For

- ✓ Entrepreneurs with significant taxable income looking for a legally structured offset
- ✓ W-2 or 1099 earners facing a high tax liability this year
- ✓ Business owners seeking a tax-advantaged way to diversify income
- ✓ High-net-worth individuals searching for asset-backed mitigation strategies with full documentation
- ✓ Established wealth builders who've already maxed out traditional strategies and need something more advanced
- ✓ Anyone facing a \$250,000 tax bill and ready for a smarter solution

How the Software Shield (SS) Strategy Works

This is a strategic acquisition, not a loophole. You're purchasing a software business by licensing a product you can market.

Here's the breakdown:



You acquire a pre-built, revenue-generating software product with an immediate opportunity to develop income via an arms-length agreement



The Legacy Tax Consultants pair each client with a curated software acquisition that fits within the IRS framework for amortizable intangibles



You receive full documentation and legal ownership of the digital asset, including exclusive rights transferred directly to you



You amortize the purchase under Section 179 over 15 years but with an option to extend the financing another 10 years.



Our vetted professionals execute all filings, valuations, and structures. Behind them is the 15+ year track record of the Legacy Tax Consultants, trusted by high-income clients who don't have time for amateur hour.

Timing Matters: 5:1 Deduction Leverage

With the Software Shield Strategy, early movers can finance four times their down payment and still deduct the full purchase. When properly **structured under IRS Section 179**, this creates a **5:1 amortization benefit** within the current tax year.

Acquire in Q2 to Q3

You are able to finance more of the purchase price to unlock more amortization, capturing a larger deduction within the current year.

Wait until Q4

The strategy still applies, but your deduction potential is reduced because the financeable portion of the purchase price is smaller.

Why Clients Choose The Software Shield (SS)

The Software Shield Strategy delivers what most tax plans can't: **Ownership with clarity and control.**



01 You acquire a documented software asset with real economic substance. The filings are clean and the structure aligns with IRS expectations.

02 No asset depreciation games because your deductions come from real amortization.

03 No property maintenance, just digital ownership that runs quietly in the background.

04 No unnecessary complexity like leases or moving parts to slow things down.

Key Client Benefits

- ✓ **Creates real, allocable amortization under IRS Section 179.** These are valid deductions tied to tangible digital assets. This is similar to purchasing a qualifying vehicle
- ✓ **Each acquisition is arms-length and fully documented,** and that's exactly how the IRS wants to see it
- ✓ **Reviewed by** elite CPAs, attorneys and ex-IRS professionals, who bring oversight to every structure
- ✓ **Assets are real and transferable,** with clean license and IP documentation that shows economic substance
- ✓ **Optional early exit model available,** when it aligns with your long-term tax plan
- ✓ **Client involvement stays light** because The Legacy Tax Consultants handle everything from sourcing and structuring to the full execution

Real-World Scenarios

A W-2 earner with \$850K in income uses the software strategy to secure \$500K+ in amortization deductions, significantly reducing tax exposure without disrupting any current holdings

A business owner who recently sold the business that results in a capital gain, can reduce the tax impact with an accelerated software deduction, freeing up liquidity for reinvestment

A consulting firm acquires a niche CRM platform, integrates its features and user base, and unlocks major deductions across two fiscal years

Across each of these cases, The Legacy Tax Consultants have structured the acquisition and compliance strategy to ensure the client walks away with both a viable asset and a serious tax advantage, all with minimal effort on their part.

Compliance First. Always.

This strategy is structured with precision. Built from the ground up to align with IRS expectations and deliver rock-solid documentation every step of the way.

From purchase to amortization, every detail meets regulatory standards and showcases real economic substance.

- 01 Third-party software valuations** validate the asset's fair market value
- 02 Signed purchase agreements confirm** legal transfer of ownership
- 03 Amortization timelines are fully aligned** with Section 179 of the Internal Revenue Code
- 04 Evidence of economic control and activity** to reinforce compliance

What The Legacy Tax Consultants (LTC) Do for You

LTC brings over 15 years of experience executing this exact strategy. Each software asset is carefully vetted and legally transferred to create real economic substance. From there, it's positioned with precision for maximum tax efficiency.



Vetting and selecting qualified software assets with real revenue and active user bases



Drafting ironclad purchase agreements built to withstand professional review



Transferring full legal rights to the software and customer base, creating real economic substance



Delivering amortization schedules and supporting documentation for your filings



Offering early disposition guidance when applicable for added strategic benefit



Collaborating with your CPA or legal team to ensure smooth, confident execution

To Learn More or Discuss Implementation



Visit

www.LegacyTaxConsultants.com

Disclaimer: Strictly confidential. CPA and legal teams available upon request.

This material is intended for educational purposes only and does not constitute tax, legal, or financial advice. The Software Shield (SS) Strategy involves the acquisition of software-based assets and requires precise structuring under applicable tax laws. Qualified professionals should guide implementation. Legacy Tax Consultants do not provide investment or legal counsel. Consult your CPA or legal advisor before taking any action.