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FOR IMMEDIATE RELEASE

Jewelers of America Praises Extension of 15-Year Depreciation on Store Improvements

The legislation, passed by Congress as part of the financial rescue bill, is vital to jewelers

New York, NY – Jewelers of America, the national trade association for businesses serving the fine jewelry retail marketplace, welcomed a two-year extension of the 15-year depreciation on store improvements, which was passed by Congress and signed into law by President George W. Bush on Friday, October 3.

The important depreciation measure was part of a tax “extenders” package attached to the financial rescue bill. The depreciation measure, which was previously only available to leaseholders, has now been expanded to include property owners. It has been extended until the end of 2009.

“Jewelers of America welcomes the extension of this important depreciation measure, which will help jewelers – whether they rent or own their retail space – to refurbish their stores more often to stay competitive,” says Jewelers of America President and CEO Matthew A. Runci.

In a challenging and competitive luxury retail environment, being able to keep stores updated and refurbished – thanks to speeded-up depreciation of store improvements – is a key component to success. The measure enables retailers to continue to write-off improvements on stores over a period of 15 years, instead of the 39 years that previously had been mandated. Jewelers of America applauds the expansion of the rule to include property owners who are also facing challenging economic times.

Jewelers of America had worked originally to have the store improvements depreciation measure included in an economic stimulus package passed by Congress in the aftermath of

9/11. Each time the measure has come up for an extension, the association has contacted legislators on Capitol Hill to support it.

The association's political action committee, JAPAC, has also focused its donations on legislators who work on legislation of vital interest to retailers, such as depreciation for store improvements. "JAPAC has enabled jewelers to have a voice in government on the issues that are critical to jewelers' bottom lines," says Runci.

For more information on JAPAC, the depreciation measure and other legislative issues Jewelers of America is currently following, visit the Public Affairs section of JA's website: www.jewelers.org/publicaffairs/monitoring.html.

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For more information about Jewelers of America, visit www.jewelers.org.

Jewelers of America is the national trade association for businesses serving the fine jewelry retail marketplace, representing 11,000 member stores.

Jewelers of America's primary purpose is to improve consumer confidence in the jewelry industry by: serving as a forum for discussion and analysis of issues; playing a leadership role in public, government and industry affairs; advocating professionalism, including high ethical, social and environmental standards; and facilitating members' access to education.

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