



## Executive Summary

### **TOP 5 – THINGS “YOU” SHOULD KNOW ABOUT COST SEGREGATION**

1. Provides significant REDUCTION in Federal Taxes
2. Provides increased Operating Cash Flow....which can be used to grow your business!
3. Commercial Property owners can generally expect to depreciate between **20 - 40%** of Total Cost to build property (Existing Owners, New Acquisitions, or New Construction)
4. Rules are sanctioned and have been on books since 1997 (see [IRS guide](#) )
5. Expect a substantial Return-on-Investment (generally no less than 20:1)

*NO RISK. NO COST. NO OBLIGATION...*to find out what benefits you can receive because a **FREE** assessment is performed on property, before you spend a penny!

### **WHAT IS COST SEGREGATION**

It is an IRS defined and sanctioned approach that requires skills and expertise in Construction Engineering and Taxes. The process allows Commercial Property owners to **REDUCE FEDERAL TAXES** by accelerating the depreciation on their properties by separating real (essential) and personal (non-essential) components of building cost and reclassifying the depreciation on the personal items from 39 years to 5, 7, and 15 years.

Accelerated depreciation ⇔

Reduced Taxable Income ⇔

Increased Operating Cash Flow (*immediately*)

Providing benefits that are potentially *TENS or even HUNDREDS OF THOUSANDS OF DOLLARS*. With current IRS rules, the owners can take advantage of these benefits immediately by filing a single form (Form 3115), which does NOT require restatement or amending tax returns.

### **HOW TO QUALIFY**

- Own Commercial Property with valuation of \$500k or higher (or leasehold tenant improvements of \$350k or higher)
- Pay Federal Income Taxes
- Operate as a For-profit entity
- Plan to keep property for at least one more year

A YES answer to the above questions, qualifies for a **FREE** assessment of the owners property will be performed where we outline, in advance, the benefits to be expected...along with a Return-on-Investment (ROI) that should truly *“impress.”*

**If the numbers do not make sense, or we cannot work them to meet the clients expectations, then we walk away. NO HARM. NO FOUL.**

### **OUR EXPERTISE**

Our team of experts have over 5,000 studies completed and are considered an industry leader in the usage of IRS guidelines and rulings. More importantly, we perform the preferred Engineering-based (bottom-up / full coverage) approach to Cost Segregation. That means that we start at the bottom and classify ALL property components into the appropriate depreciation classes - 5, 7, 15, and even the 39 year components.

Lesser approaches such as Residual-based methodology are top-down in nature and include lesser details, which may leave both money on the table and the client in a “less” defensible position with IRS.

Toll Free: **877.SAY.WOWW** (877.729.9699)

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