Segregation Holding

Cost Segregation Specialists
www.SegregationHolding.com

Taxes Saved: $154,000*

Dental & Medical Center

ENGAGEMENT OVERVIEW

Segregation Holding was engaged by New Image Dentistry to conduct a cost segregation study of a recently constructed Class A office dental and medical center. The objective was to identify assets that could be moved to shorter recovery periods in order to accelerate depreciation and defer taxes.

PROPERTY OVERVIEW

This innovative, three-story facility was constructed and placed into service in October 2007 with a total depreciable cost basis of $2.3 million. The building consists of 9,800 square feet of dental procedure, recovery, and office space.

ENGINEERING PROCESS

Our engineers examined all design and construction documents, contractor payment applications and other related data to determine the cost basis for every component in the building. Next, our engineer conducted an on-site inspection to identify and photograph all assets eligible for accelerated depreciation. Our team (onsite engineer, senior engineer, and tax specialist) reviewed the cost segregation study and certified its comprehensiveness as well as it's accuracy.

ESTIMATE OF BENEFITS AND SAVINGS

The pre-engagement estimate we provided to New Image showed a potential reallocation of $861,000 or 40% to shorter recovery periods. The projected tax benefit was $8,300 in first year savings with $129,000 in current-year Net Present Value.

RESULTS

Our study resulted in a total of $924,000, or 43%, being rescheduled to 5- and 15-year property. As a result, the property owner will save $10,000 in first year tax payments and realize over $154,000 in current-year Net Present Value.

844-IRS-MONY

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We guarantee any commercial property owner who pays income taxes and owns or leases their office condo, building, or tenant improvements a minimum $10,000 Federal income tax refund or credit or our **services are free!**