



Segregation Holding

Cost Segregation Specialists
www.SegregationHolding.com

CASE NO.
116

CASE STUDIES OF PROVEN PERFORMANCE

Taxes Saved: \$98,025* Veterinary Clinic

ENGAGEMENT OVERVIEW

Segregation Holding was engaged by Dr. Collins of Countryside Veterinary Clinic to conduct a cost segregation study of a newly constructed animal hospital. 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 facility was constructed and placed into service in June 2005. The cost segregation study examined the building and associated site improvements with a total depreciable cost basis of \$1.212 million. The clinic consists of 14,000 square feet of space on 1 acre of land.

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 completeness and accuracy.



ESTIMATE OF BENEFITS AND SAVINGS

The pre-engagement benchmark estimate we provided to Dr. Collins showed a potential reallocation of \$140,716 or 20% to shorter recovery periods. The projected tax benefit was over \$55,723 in first year savings with \$49,115 in Net Present Value tax savings over the next 10 years.

RESULTS

Our study resulted in a total of \$248,225 or 33.1% being rescheduled to 5- and 15-year property. As a result, the property owner saved \$98,025 in current year tax payments.

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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!**