

Cost Segregation Study



We deliver objectives

An often over-looked tax-saving opportunity is accelerated depreciation of costs associated with the construction, renovation or purchase of a new building or real estate. A cost segregation study can help you improve profitability by maximizing tax benefits on certain projects.

Beason & Nalley's approach to cost segregation is different. We have an alliance with a firm who has a focus on this unique service. We believe using professionals with an engineering background and who are well equipped to analyze all types of construction documents is critical. We scrutinize the details to find cost savings that would otherwise be overlooked.

Maximize Your Investment

Through a cost segregation study, an asset's depreciable life is shortened where appropriate. This in turn accelerates expense and decreases taxable income. As a taxpayer, you pay less tax during the early stages of a property's life.

Create an Audit Trail

A properly documented third-party cost segregation study can help resolve IRS inquiries at the agent level, while improper documentation of cost and asset classification can lead to an unfavorable audit adjustment.

Reduce Real Estate Tax Liabilities

Separating tangible personal property from the non-residential real property being constructed may reduce real estate taxes. Even if a jurisdiction imposes a personal property tax on business property, tax savings may be realized due to substantially shorter personal property lives and faster devaluation of assets.

Specific Sales Tax Exemptions

Substantial sales tax savings may be achieved by classifying tangible personal property as industrial machinery and equipment. Many states provide a sales tax exemption to a company purchasing qualifying machinery and equipment. Sales or use tax exemptions represent immediate and permanent cash savings.

Studies Benefit a Variety of Properties

Cost segregation studies benefit a wide range of properties. Tax planning opportunities exist when you:

- Build a new facility
- Acquire real estate
- Renovate, remodel or expand

Get the Most Out of Your Project

Proper identification and allocation of construction-related costs into assets with short recovery periods is one of the most significant opportunities to reduce your income tax liabilities. Our affiliation with dedicated cost segregation consultants can help ensure you maximize your investment. At Beason & Nalley, *we deliver objectives*.

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