

# Cost Segregation



## Recently Built, Purchased or Expanded Your Building?

You may be eligible for a tax holiday if you recently built, purchased or expanded your building and the original cost of your building (excluding land) is in excess of \$500,000.

A cost segregation study is a powerful tool approved by the IRS to lower your income taxes. It is based on a very detailed process that identifies all of the costs associated with a building's purchase, construction, repair or renovation. As a result, business owners can accelerate their depreciation schedule and reallocate costs on their buildings to obtain a significant decrease in current tax liabilities and increased cash flow which can then be reinvested back into the growth of the business. Prior depreciation can also be recalculated and the difference between the old and the new is a one-time special tax deduction in 2014.

## Buildings with the Greatest Potential for Savings

Commercial buildings and building improvements generally must be depreciated over a period of 39 years. A cost segregation study identifies building components that can be depreciated over a shorter time period — typically 5, 7 or 15 years, depending on the type of asset.

A cost segregation study can be performed for buildings that have been acquired, constructed, expanded or updated since 1990. These types of buildings offer the greatest potential for savings:

- Industrial and manufacturing facilities
- Distribution warehouses
- Office buildings
- Apartment complexes
- Auto dealerships
- Restaurants
- Strip malls
- Agricultural and biofuel production facilities

Contact Scott Henkel, CPA today to ask additional questions and to determine if your business can benefit from a cost segregation study.

## Areas of Specialization

### Accounting, Audit, Tax and Consulting

- Tax Planning and Compliance
- Succession Planning
- Outsourced Accounting
- Estate and Gift Planning
- Research & Development Tax Credit
- QuickBooks Assistance
- Family Office Management

### Technology Consulting

- Managed Network Services
- ERP and CRM Software Offerings
- Help Desk Support Plans
- Network Virtualization
- Back-up Disaster Recovery
- System Selection

### Mergers & Acquisitions

- Recapitalization
- Sell/Buy Side Advisory
- Financial Forecasting
- Strategic Planning

## Professional Resources

- 5 Partners
- 25 Certified Public Accountants
- 25+ Staff Professionals

## Locations

- Waukesha, WI
- Appleton, WI