



Cash flow from tax savings of 6-10% through Cost Segregation and Tangible Property Regulation compliance are available whether your client owns or leases commercial property. That's \$60K-\$100K for each \$1M in building costs!

**It's your client's money. Help them keep more of it.**

## What is Cost Segregation?

Cost Segregation is an application by which commercial property owners accelerate depreciation and reduce the amount of taxes owed. This savings generates substantial cash flow that owners often use to reinvest in business, purchase more property, apply to their principal payment or spend on themselves.

## How Does Cost Segregation Work?

Cost Segregation Services, Inc. (CSSI) an experienced and qualified company, performs an engineering-based cost segregation study on the property. Our study accelerates the depreciation of the building/renovation components into shorter depreciation categories such as 5-, 7-, 15-year rather than the conventional 27.5- and 39-year schedules. Five- and 7-year items might include decorative building elements, specialty electrical for dedicated computer equipment and medical equipment, and carpet, tile, etc. Fifteen-year items might include site utilities, landscaping, and paving. This engineering-based cost segregation study results in a much higher depreciation expense and significantly reduced taxable income for the property owner. Best of all, tax code ruling states cost segregation can be applied to categories of buildings purchased or built since 1986, including renovations. There is no need to amend tax returns.

Actual Savings Generated by Cost Segregation Studies			
Facility Type	Total Property Cost	First Year Cash Flow from Tax Savings	Five Year Cash Flow from Tax Savings
Office Condo	\$480,000	\$12,783	\$31,229
Restaurant	\$540,000	\$9,934	\$38,179
Medical Facility	\$663,000	\$6,962	\$36,124
Leasehold Improvements	\$1,400,000	\$53,751	\$131,569
Warehouse	\$3,600,000	\$57,540	\$286,372
Apartments	\$15,000,000	\$236,763	\$570,288
Retail Strip	\$22,300,000	\$379,793	\$848,160

### As a tax professional, are you interested in:

- ♦ Saving your clients' money and providing them opportunities for increased cash flow?
- ♦ Increasing client service and loyalty?
- ♦ Working with a firm that operates within all approved US tax codes and guidelines?
- ♦ Partnering with someone you can trust?

### Who is CSSI?

CSSI is the premier national company providing quality, affordable, engineering-based cost segregation studies and tax analysis studies for businesses for over 14 years. CSSI has successfully completed over 15,000 studies nationally, with properties ranging from \$150,000 to \$750 million in cost. Our national coverage and extensive expertise allows us to work with customers and properties across the United States.

### How to get Started

Follow the AICPA recommendation for application: Get an engineering-based cost segregation study. It's easy:

1. Call your CSSI representative to request a no-cost preliminary property analysis to illustrate your client's potential savings.
2. Engage CSSI to begin your client's cost segregation study. The process is usually completed in six to eight weeks, after which we provide the CSSI study to you and your client. CSSI will also provide the completed 3115 and 481a adjustments when needed.
3. You apply the results to your client's tax return and they will realize their tax savings dollars. This is their money!

For your cost-free property analysis, please contact:

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