



COST SEGREGATION STUDIES

Cost Segregation Services for Your Organization

Whether you are constructing, purchasing or expanding a building, or even relocating, KatzAbosch can show you how your property can significantly increase your cash flow by accelerating tax deductions. A cost segregation study can also be done on property purchased or constructed in a prior year, resulting in a catch-up deduction in the current year.

How Does a Cost Segregation Study Decrease Your Taxes?

A cost segregation study carefully breaks down construction and/or acquisition costs and allocates them to specific asset categories, maximizing depreciation for qualifying costs. Our study allocates such costs to 5, 7, and 15-year asset classes versus 27.5 or 39 years—the shorter the depreciation period, the greater your tax deductions and cash flow. The incentive to do a study has been significantly expanded as a result of recently passed tax acts.

A KatzAbosch cost segregation study is based on an engineering approach combined with work paper documentation that provides the kind of detail and support acceptable to the IRS and Tax Court.

Who Should Consider a Cost Segregation Study?

Owners of properties such as:

- Apartments
- Car Dealerships
- Golf Courses
- Grocery Stores
- Manufacturing Plants
- Hospitals/Clinics/Medical Offices

- Childcare and Learning Centers
- Hotels/Motels
- Industrial Buildings
- Office Buildings
- Parking Lots
- Restaurants
- Research and Development Centers
- Shopping Centers
- Tenant Improvements
- Warehouses

Simply segregating percentages of construction contracts or invoices can leave significant and valuable benefits on the table. Additionally, this method will not withstand an IRS audit.

You need a firm with experience in cost segregation to assist you in classifying your property to save money, not only now, but in the future. KatzAbosch works in close affiliation with professional construction engineers who have a thorough knowledge of the tax code and experience in successfully defending cost segregation studies before the IRS.

In addition, KatzAbosch was a founding firm of the Leading Edge Alliance (LEA), a global alliance of major independently owned accounting and consulting firms in the United States, Asia, and Europe. Since its inception, we have become a leader within the organization by founding various subsets of the group and speaking regularly at LEA conferences.

For more information, contact us at 1.800.989.6432 or info@KatzAbosch.com.

The KatzAbosch team is dedicated to providing responsive, accurate and reliable service to clients. We recently conducted an independent client satisfaction survey and across the board, the firm overwhelmingly exceeds our clients' expectations by more than 90%. Additionally, out of 150 accounting firms across the nation, KatzAbosch averaged 5 to 26% higher than the median group. These excellent results showcase the firm's superior reputation in the mid-Atlantic community and beyond as well as our commitment to helping our clients achieve their financial goals.