



Teaming with CPAs to Bring Value . . .

COST SEGREGATION STUDIES AND TAX SAVINGS

Orange County

New York

Los Angeles

Washington, D.C.

WHAT IS COST SEGREGATION?

Many Property Owners are improving cash flow and finding immediate tax savings from their business properties. They are finding these benefits from an unexpected source: The Internal Revenue Service.

They are taking advantage of the significant tax benefits from accelerated depreciation deductions for commercial properties supported by more than 200 court cases, Treasury regulations and IRS revenue rulings.

Cost segregation is an IRS-sanctioned technique allowing business owners to accelerate depreciation deductions on their properties. According to the IRS guidelines, a properly performed cost segregation study is based on a detailed engineering analysis.

The analysis involves a thorough review of engineering and architectural documents, cost data, AIA Documents, as well as an on-site inspection of the property. These studies allow property owners to get the most out of their facility and maximize the tax benefits available to increase cash flow.



WHO CAN BENEFIT FROM COST SEGREGATION?

- Airports
- Apartment buildings
- Assisted living facilities
- Automobile dealerships
- Automotive service centers
- Banks
- Casinos
- Cinemas
- Day care centers
- Department stores
- Fitness centers
- Funeral homes
- Gas stations
- Golf resorts
- Grocery stores
- Hospitals
- Hotels
- Industrial facilities
- Laboratories
- Manufacturing facilities
- Marinas
- Medical facilities
- Mixed-use facilities
- Nursing homes
- Office buildings
- Research facilities
- Retail centers
- Resorts
- Restaurants
- Service stations
- Shopping centers
- Sports facilities
- Storage facilities
- Warehouses



BENEFITS OF INTRODUCING COST SEGREGATION

- **Cost Segregation provides tremendous tax savings for your clients who own commercial properties.**
- **CPA firms and their clients are finding Cost Segregation Studies to be vital in their tax planning. They are finding untapped tax savings.**
- **Business owners are able to maximize their return on real estate investments.**

THINK ADVANTAGE

- **On average, Think finds \$150K more in personal property per \$1MM of real estate value vs. our competition.**
- **Think prepares the revised depreciation schedules in detail and arranges IRS filings, at no additional fee.**
- **Think provides IRS audit defense, at no additional charge, in the event of an IRS review.**
- **Think provides free feasibility analysis to estimate potential client savings.**
- **Think completes revised depreciation schedules, calculates the IRC Section 481(a) catch-up adjustment for missed depreciation, and completes the Form 3115 for change in depreciation, if applicable.**
- **Think offers turnkey cost segregation and works with you to provide marketing materials, articles, seminars and prospects for potential cost segregation studies.**
- **Think assists its alliance partners with tax strategies to maximize their client's savings. This includes minimizing passive activity losses and recapture from the sale of a property that had cost segregation, and identifying the implications of a 1031 Exchange for a client who conducted a cost segregation study.**
- **Think has an experienced team with the capacity to complete projects in a timely manner and can accommodate rush projects.**



OUR PROCESS

Cost-segregation specialists perform a non-intrusive yet detailed engineering study of a building's walls, flooring, ceiling, plumbing, electrical, lighting, telecommunications, heating, and cooling systems.

For maximum benefit, cost-segregation professionals conduct site visits and work from building plans and cost documents. Having the plans makes the facility walkthrough more productive in identifying the maximum number of building elements that can be placed into short-term depreciable categories. Our accounting team will then research Tax Court Rulings, Revenue Rulings and Revenue Procedures to establish the accelerated depreciable lives for your assets.

Finally, full documentation, savings and completed depreciation schedules are then prepared and presented to you and your accountant for submission to the IRS. Our analysis will identify overlooked costs that may be segregated for accelerated depreciation.



think

...HIGH VALUE TAX INSIGHTS

Think, LLP's management team is made up of "Big-4" accounting firm partners and consultants. We focus on performing R&D Tax Credit Studies, Cost Segregation Studies, IC-DISC and other value-added specialty tax services.

Aligned with the client's trusted business advisors, Think LLP's studies are imperative for maximizing and sustaining significant tax savings for past, present and future qualifying expenditures.

Our services complement the expertise and expand the service offerings of the client's CPAs. Think, LLP's mission is to bring our specific expertise to local and regional CPAs and their clients in a cost-effective manner.

Together it will help strengthen existing and future client relationships.



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