

COST SEGREGATION CASE STUDY

WHAT IS COST SEGREGATION?

Cost Segregation is a commonly used strategic tax planning tool that allows companies and individuals who have constructed, purchased, expanded or remodeled any kind of real estate to immediately reduce tax by accelerating depreciation deductions and deferring federal and state income taxes. ***The following is a case study for a golf course and country club to demonstrate the benefits of accelerated depreciation on this property type.***



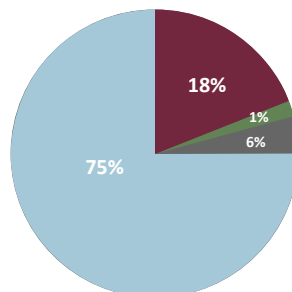
BUILDING TYPE: GOLF COURSE & COUNTRY CLUB

SUMMARY OF BENEFITS	RESULTS
Additional Tax Deductions in First Year	\$7,651,371
Net Present Value (NPV) Over 10 Years	\$2,218,294
NPV Over Remaining Life of Property	\$1,833,031

**Benefits typical for tax returns filed 2018-2022*

BUILDING ALLOCATION AFTER STUDY

■ 5-yr property	\$47,500
■ 7-yr property	\$570,000
■ 15-yr property	\$7,125,000
■ 39-yr property	\$1,757,500



BUILDING INFORMATION

Purchase Price of Property (less land)	\$9,500,000
Property Type	Golf course & country club
Building Sq Ft	21,200
Entire Site Sq Ft	6,534,000
Date Acquired	July - Current Tax Year
Federal Tax Rate	29.6%
State Tax Rate	5%
Combined Tax Rate	34.6%
ROI Factor	8%
Bonus Depreciation	100%

CALCULATE YOUR TAX SAVINGS

Use our Cost Segregation Savings Calculator to estimate tax savings for your type of building. Enter building details for instant results at kbkg.com/costsegregation/calculator.

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