



Segregation Holding

Cost Segregation Specialists
www.SegregationHolding.com

CASE NO.
125

CASE STUDIES OF PROVEN PERFORMANCE

Taxes Saved: \$81,733*

Funeral Home

ENGAGEMENT OVERVIEW

Segregation Holding was engaged by the owners of a funeral home to conduct a cost segregation study on one of their properties. The objective of the study was to identify assets that could be moved to shorter recovery periods in order to accelerate depreciation and defer taxes.

PROPERTY OVERVIEW

This funeral home facility was acquired in 2011 for a total purchase cost of \$1,950,000. The building has total interior space of approximately 12,621 square feet. The facility was constructed in 1999, and expanded in 2003. It's constructed on a 121,136 square foot site.



ENGINEERING PROCESS

Our engineers examined all design and construction documents, depreciation schedules, and other related data to determine the cost basis for every component in the building. Next, our engineer conducted an on-site study to identify and photograph all assets that may qualify for accelerated depreciation. Further, our team (site engineer, costing engineer, and tax specialist) identified assets that qualify as "Specialized Use", i.e. outside normal use of that property type.

ESTIMATE OF BENEFITS AND SAVINGS

Our pre-engagement estimate showed a potential of \$117,566 in assets that should be scheduled with shorter depreciable lives.

RESULTS

Our study resulted in a total of \$179,633 that qualified as 3- and 9-year property. Furthermore, we reallocated the entire base building asset from 39 year property to 22 year property because the funeral home is located on Indian Reservation Territory qualifying for special tax treatment. As a result, the property owner saved over 50% more than originally estimated for the current tax year.

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We guarantee any commercial property owner who pays income taxes and owns or leases their office condo, building, or tenant improvements a minimum \$10,000 Federal income tax refund or credit or our **services are free!**