



COST SEGREGATION SERVICES

A&M's Cost Segregation Services team helps companies and high-net-worth (HNW) individuals improve profitability by maximizing tax benefits on certain real estate assets and construction projects. We provide an engineering-based approach to allocate building expenses by classifying qualified assets into proper depreciation classifications for federal income tax purposes.

WHO WE HELP

Profitable and For-Profit Companies

Long Term Investors

Active (not limited by passive or at-risk rules) Investors

Conservative (Risk Averse) Investors

WHY OUR CLIENTS CHOOSE US

Getting to the best answer requires the right mix of tax knowledge, engineering skills and business acumen. Our experts know and apply current tax guidelines. We bring engineering expertise to our applications and procedures. Finally, we scope our projects to estimate benefits and propose the optimum solution to maximize those benefits.

Benefits



- Cash-flow via income tax deferral created from accelerated depreciation deductions.
- A proven process that provides results in compliance with IRS recommended guidelines.
- Audit defense – if and when required.
- Accurate property records for future needs.

Holistic Tax Approach



Our comprehensive, 360-degree view provides a pathway for navigating commercial real estate initiatives and construction-related projects. With a focus on reducing taxes, we help to maximize value.

Tax Planning Opportunities



There are tax planning opportunities for investments in new property construction, acquisitions of existing property, and renovations, remodels and expansions.

DATA REQUIRED TO QUALIFY AN OPPORTUNITY



NEW CONSTRUCTION

- Contractor Costs
- Budget Reconciliation
- Construction Drawings
- Ownership Structure
- Estimated Completion Date



ACQUISITIONS

- Purchase Agreement
- Closing Documents
- Recent Appraisals
- ALTA Survey
- Rent Roll (multi-tenant)
- Available Drawings
- Ownership Structure



RENOVATIONS

- Contractor Costs
- Vendor Invoices
- Budget Reconciliation
- Construction Drawings
- Ownership Structure
- Estimated Completion Date

THE A&M DIFFERENCE

ALWAYS A VALUE ADD

The initial benefit from a Cost Segregation Study, measured by the net-present value of the cash-flows derived from accelerated depreciation deductions, should always be significantly greater than the after-tax fee for the study. We make sure that happens.

RESULTS WITH AUTHORITY

We bring extensive knowledge and experience in engineering and tax. We understand the complex process of building construction and how the components of a building work together. We bring a thorough understanding of the current tax guidelines and provide state-of-the-art applications.

AUDIT DEFENSE

We have tax professionals on our team to ensure appropriate application of the most current tax cases and rulings to support our conclusions. A Cost Segregation Study, generally, does not trigger an IRS audit. However, we will provide audit defense when necessary.

Contact Us



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ABOUT ALVAREZ & MARSAL TAX

Alvarez & Marsal Tax, part of Alvarez & Marsal (A&M), a leading global professional services firm, is an independent tax group made up of experienced tax professionals dedicated to providing customized tax advice to clients and investors across a broad range of industries. Its professionals extend A&M's commitment to offering clients a choice in advisors who are free from audit-based conflicts of interest, and bring an unyielding commitment to delivering responsive client service. A&M Tax has global presence in major metropolitan markets throughout the Americas, EMEA, and APAC.

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