



COST SEGREGATION STUDY

INCREASING CASHFLOW BY ACCELERATING BUILDING DEPRECIATION

Cost Segregation is an IRS-approved tax strategy that enables businesses to access additional cashflow through a unique method of depreciation.

While the general rule is that commercial buildings are depreciated over 39 years, and residential over 27.5 years, an engineering-based Cost Segregation Study enables businesses to separate various components of their building from the overarching asset and depreciate them at a much faster rate.

This accelerated depreciation typically creates deductions between 15% and 30% of the capital investment into the building.

A COST SEGREGATION STUDY IS BEST SUITED FOR RECENTLY BUILT OR RETROFITTED BUILDINGS THAT:

- ✓ Are located in the US
- ✓ Are intended to be long-term holds or investments
- ✓ Cost more than \$1,000,000 to build or acquire, or \$300,000 in renovations
- ✓ Involve the installation of a range of building systems

TO UNDERTAKE SUCH A STUDY, LEYTON GOES THROUGH THE FOLLOWING PROCESS

REVIEW BUILDING PLANS AND COSTING DOCUMENTS

CONDUCT SITE VISIT WHERE AN ENGINEER SURVEYS THE BUILDING

ASSIST WITH PREPARING RELEVANT TAX DOCUMENTATION



PROVIDE A NO COST ESTIMATE OF POTENTIAL NET PRESENT VALUE

PREPARE AN ENGINEERING-BASED COST SEGREGATION STUDY



HOW DO YOU KNOW IF YOUR BUSINESS QUALIFIES FOR COST SEGREGATION?

If you check all the boxes below, you may qualify!

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Do you own your building?

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Was it recently constructed or
acquired for over \$1,000,000 or
renovated for over \$300,000?