

Hotel

Estimated Savings Overview

We are pleased to provide this Cost Segregation Study Property Analysis for Hotel. The following chart outlines the benchmark estimate for the expected results. We look forward to visiting with you to review these favorable economic results.

Building Cost		\$ 7,600,000		
Date Acquired:		January 2018		
Tax Year:		2018	2019	2023
Current Method				
Accumulated Depreciation Reported 39 year straight line method		\$ 187,036	\$ 381,900	\$ 1,161,356
Alternative Method				
Cost Segregation Study Accumulated Depreciation				
100% Bonus		\$ 1,520,000	\$ 1,520,000	\$ 1,520,000
5 yr.		\$ -	\$ -	\$ -
15 yr.		\$ -	\$ -	\$ -
39 yr.		\$ 149,629	\$ 305,520	\$ 929,085
Total		\$ 1,669,629	\$ 1,825,520	\$ 2,449,085
Results for Tax Year:		2018	2019	2023
Increased Accumulated Depreciation Expense		\$ 1,482,593	\$ 1,443,620	\$ 1,287,729
Tax Rate (Estimated)		39.6%	39.6%	39.6%
Estimated Accumulated Tax Savings Benefit		\$ 587,107	\$ 571,674	\$ 509,941

These results represent a benchmark of the expected results. The accumulated tax reduction benefit estimated for tax year 2018 is \$587,107, and the accumulated tax reduction benefit estimated for tax year 2019 is \$ 571,674. The tax reduction benefit accumulates to an estimated \$ 509,941 in tax year 2023.

The above results assume the application of 100% Bonus Depreciation

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