

Auto Dealership

Estimated Savings Overview

We are pleased to provide this Cost Segregation Study Property Analysis for Auto Dealership. 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		\$ 5,500,000		
Date Acquired:		February 2018		
Tax Year:		2018	2019	2023
Current Method				
Accumulated Depreciation Reported 39 year straight line method		\$ 123,585	\$ 264,605	\$ 828,685
Alternative Method				
Cost Segregation Study Accumulated Depreciation				
100% Bonus		\$ 1,100,000	\$ 1,100,000	\$ 1,100,000
5 yr.		\$ -	\$ -	\$ -
15 yr.		\$ -	\$ -	\$ -
39 yr.		\$ 98,868	\$ 211,684	\$ 662,948
Total		\$ 1,198,868	\$ 1,311,684	\$ 1,762,948
Results for Tax Year:		2018	2019	2023
Increased Accumulated Depreciation Expense		\$ 1,075,283	\$ 1,047,079	\$ 934,263
Tax Rate (Estimated)		39.6%	39.6%	39.6%
Estimated Accumulated Tax Savings Benefit		\$ 425,812	\$ 414,643	\$ 369,968

These results represent a benchmark of the expected results. The accumulated tax reduction benefit estimated for tax year 2018 is \$425,812, and the accumulated tax reduction benefit estimated for tax year 2019 is \$ 414,643. The tax reduction benefit accumulates to an estimated \$ 369,968 in tax year 2023.

The above results assume the application of 100% Bonus Depreciation

Mark Lumpkin
(225) 291-0046
mark@lumpkinagency.com