

## SALT: Property Tax Services

# Personal Property Tax Consulting

Real and personal property taxes have always been a drag on profits. But today's assessors are more aggressive than ever, and their work often results in over-assessment of assets. Combined with the insistence of modern companies on maintaining "lean and mean" tax departments, the frequent outcome is substantial overpayment of personal property taxes.

Cherry Bekaert has the experience and resources to help your company take a closer look at the assessment of all your assets, wherever they are. Our knowledge of how these assets should be treated means that we can provide comprehensive guidance on reducing personal property taxes. Our team of experienced property tax specialists includes individuals who have served every capital-intensive industry. The group works as a national team, bringing the Firm's collective expertise to bear on every engagement.

Companies with significant property tax liability that utilize Cherry Bekaert's property tax services generally yield a tax savings of 20 percent.

- ▶ Determination of the application of depreciation tables and consideration of all forms of obsolescence including environmental contamination.
- ▶ Review of the application of various exemptions and exclusions such as those for tooling, work-in-progressing pollution control and intangible assets.
- ▶ Study of past disposal patterns and tax handling of idle equipment.
- ▶ Determination of alternate ways to recoup lump-sum purchases of assets.

## Benefits of an Original Cost Study

“Original Cost” refers to the most basic property tax element: the initial cost a company records on its books. Very often, the Original Cost is the tax-assessment standard for an asset’s life, which is why Cherry Bekaert starts there. If you’d like quantifiable tax savings on either a historical or prospective basis, if you’d like an objective review of your company’s property tax compliance, or to enjoy the peace of mind that your company is not paying more than its fair share of property taxes, Cherry Bekaert can help.

## Sure-fire Strategies

Conduct a hands on audit on-site inspections and interviews with operations personnel. Can quickly identify assets that are no longer in use. Avoid paying tax on ghost assets.

## Review Records

Some assets may have been listed twice. In many cases, repaired equipment is added to property rolls, while the original item remains on list too.

## Faster Depreciation

Properly classifying your assets for depreciation purposes can reduce your taxes if those assets can be put into a category with a shorter life span. Computer equipment can be depreciated more rapidly for property tax purposes.

Also some states have property tax exemptions for software and equipment used in research and development, manufacturing or pollution control related assets.

## The Cherry Bekaert Difference

Cherry Bekaert has the national team and know how to uncover substantial property tax savings, that are also an annuity for the future providing a benefit year after year.

Property tax consulting has benefits far beyond the obvious efficiencies. It helps minimize risks of over payments and provide bottom-line tax savings.

*Let us be your guide forward*



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