



Real Property Tax Reviews

An Opportunity To Reduce Property Tax Costs

EHTC State and Local Tax Services

INCOME & FRANCHISE TAX

- Tax Minimization Studies
- Business Structure Reviews
- Allocation and Apportionment Planning
- Combined, Consolidated, & Unitary Planning
- Nexus Studies
- Amended State Tax Returns from IRS Audits
- Single Business Tax Training

SALES & USE TAX

- Reverse Audits
- Compliance System Review
- Direct Pay & Compliance Agreements
- Exemption Certificate Documentation
- Industrial Processing / Manufacturing Exemption
- Utility Studies
- Nexus Studies
- Sales & Use Tax Training
- Transportation Company
- Procurement Company

PROPERTY (AD VOLOREM) TAX

- Real Property Tax Reviews
- Personal Property Tax Reviews

TAX AUDIT & APPEALS

- Sales & Use Tax Audit Defense & Appeals
- Income & Franchise Tax Audit Defense & Appeals
- Property Tax Audit Defense & Appeals
- State and Local Tax Litigation Support
- Merger & Acquisition Due Diligence Reviews
- Voluntary Disclosure

BUSINESS INCENTIVE SERVICES

- Business Relocation & Expansion Services
- Tax Credits, Exemptions, & Abatements
- Grants, Financing, & Infrastructure Assistance

Real Property Tax Reviews are designed to identify factors that may result in a reduction of value. Specifically, we analyze whether technological obsolescence, functional obsolescence, or economic obsolescence has caused the property to lose value. The three methods used to value property; the cost approach, the market approach, and the income approach are evaluated to compute the most accurate market value for the property.

The first step in the real property tax review is an analysis of the property tax bills and the assessment notices. This review is combined with a tour of the facility. The purpose of this first step is to specifically identify the property being reviewed and to make sure the property tax assessment is on the subject property only and no personal property is included in error.

The second step is to visit the assessor's office and to review the assessment information on the property in question. The purpose of this step is to identify how the assessor determined the assessed value and the basis for the assessment.

The third step is to recalculate the true market value using the cost approach. The purpose of this step is to verify the reliability of the assessor's computations, making sure the square footages and the factors are correct. Often, the last appraisal by the assessor was several years ago. Therefore, it is necessary to update the computations and the depreciation to reflect the current condition of the property.

The fourth step is to consult with the company's management to inquire into the possibility of extraordinary obsolescence, either technological, functional, or economic. To the extent any obsolescence is identified, the cost approach computations are adjusted to reflect the obsolescence.

The fifth step is to compute a short hand market approach to value and the income approach to value, comparing them to the cost approach. The three approaches are weighed for relevance and a final value is computed.

The sixth step is to compare the value computed in the review to the value used by the assessor. If there is a significant difference in the favor of the taxpayer, the company should be advised to appeal the assessment.