



Unlocking Maximum Tax Savings with Cost Segregation & Green Tape Technology

Learn how an innovative approach to construction can double your tax savings while supporting sustainability.



+314-363-9659



jimwhitesides@soundtractllc.com



What is Cost Segregation?

1. **Definition:** A cost segregation study (CSS) reclassifies building components to accelerate depreciation.
2. **Standard Depreciation:** Without CSS, most building costs depreciate over 39 years.
3. **Accelerated Depreciation:** CSS allows certain components to be depreciated over 5, 7, or 15 years.
4. **Tax Benefit:** Faster depreciation results in significant first-year tax savings.





The Power of Accelerated Depreciation

- **Typical CSS Impact:** About 20% of total construction costs can be reclassified.
- **First-Year Tax Savings:** Can equate to up to 10% of the total construction budget.
- **Increased Cash Flow:** More capital retained in the business for reinvestment.





Introducing the Green Tape Advantage

- **What is Green Tape?** A proprietary tape used in drywall installation on non-load bearing walls.
- **IRS Classification:** Walls built with Green Tape are classified as "removable partitions," making them eligible for 5-year depreciation.
- **Sustainability Impact:** Facilitates drywall reuse, reducing landfill waste and environmental harm

Doubling Your Savings with Green Tape

- **Conventional CSS:** About 20% of costs are accelerated.
- **With Green Tape: 40%+ of costs can qualify for accelerated depreciation.**
- **Why?** The IRS has affirmed that walls built with Green Tape are removable partitions, allowing all materials inside and on the wall to be reclassified.





Environmental & LEED Benefits

- **Landfill Reduction:** Drywall waste is a major contributor to U.S. landfills.
- **Toxic Gas Prevention:** Prevents Hydrogen Sulfide gas emissions from decomposing drywall.
- **LEED Credits:** Projects can earn 11-25 LEED credits, improving sustainability ratings.

Legal & IRS Backing

- **Legal Precedent:** Backed by a lawsuit, a Senate Report, and an IRS Private Letter Ruling.
- **Exclusive IRS Recognition:** The only construction method officially recognized to create removable partitions.
- **CSSI Partnership:** Developers retain CSSI for cost segregation studies and Green Tape licensing.





Who Can Benefit?

Ideal for:

- Ground-up construction projects
- Commercial-to-residential conversions
- Large-scale developments

Key Stakeholders:

- Finance, construction, and sustainability teams should evaluate this opportunity.





Proven Success

- **Track Record:** Over 1,000 successful applications.
- **Limited Availability:** Green Tape is only available through CSSI and is now being more widely offered.
- **Economics:** Most viable for larger projects due to the scale of tax benefits.





Cost segregation is a powerful tool – and with Green Tape, it's even more impactful.

Interested in Learning More? Take Action!

Evaluate how this strategy can optimize your project's tax savings and sustainability impact.

Contact us!



+314-363-9659



jimwhitesides@soundtractllc.com



Jim Whitesides
Commercial Agent / Registered Representative