

Tax Incentives and Credits

Corporate Entity Analysis/Multi-Entity Tax Advantage

The problem

- Owners of pass-through entities (Sub-S, LLC, Sole Proprietorships) pay taxes at owners' individual tax rate—over 50% in some states.
- If the right entity structures and strategies aren't in place, owners lose a lot of statutory tax breaks.

The Answer

- Our Tax Law Firm will do a Tax Strategy Analysis of the business. We will analyze your firm, identify Strategies to reduce taxes and help you implement the strategies. We typically reduce business owner taxes by 20% -40%.

Who can benefit from Tax Strategy Analysis?

- Any business in the United States that feels it is paying too much in taxes.

OTHER PROGRAMS FOR SPECIFIC TYPES OF COMPANIES

What is Section 125?

How can our Section 125 program help a business?

- Our Section 125 plan does NOT replace any other benefit plan, it enhances other plans AND.
 - Creates a guaranteed profit to the business.
 - Increases take-home pay to employees.
 - Provides a Personalized Health Management Program for all employees – at no cost.

Who can benefit from our Section 125 plan?

- Any business in the United States with 10 or more employees.

Cost Segregation

How does a Cost Segregation Study help a commercial building owner?

- A Cost Segregation Study accelerates depreciation, allowing a business owner to reduce their taxes dramatically in the initial years of ownership of a commercial property. Any business in the United States with 10 or more employees.

Who can benefit from Cost Segregation?

- Individuals who have bought a commercial building or done a large Tenant Improvement.

Work Opportunity Tax Credit (WOTC)

How does WOTC help a business?

- Work Opportunity Tax Credit (WOTC) gives businesses tax credits for hiring the identified categories of employees.

What is WOTC?

- WOTC is a federal tax credit available to employers who hire individuals from certain targeted groups that have faced significant barriers to employment. The primary goal of the WOTC is to help individuals facing difficulties in finding employment enter the workforce.

Who can benefit from WOTC?

- Employers who hire 20 or more new employees per year.

R & D Tax Credit

How do Research and Development Tax credits help a business?

- R&D gives businesses Tax Credits for doing activities that improve the efficiency, productivity and/or profitability of their businesses.
 - There are criteria that must be met to receive R&D credits, but the criteria are much more widespread than most businesses realize.

Who can benefit from an R&D Credit Study?

- Any employer who does improvement to their internal systems using technology or the sciences.

831(b) Micro Captives

What can an 831(b) Micro Captive do for a business

- Micro Captives allow a business to fund for business risks and 100% tax deduct the contributions.
 - The contributions can be invested and grow.
 - If there is a claim, It is paid to the business like any other insurance claim.
 - If there are less claims than contributions, the owners can collapse the company and take the proceeds as Capital Gains.

Who can benefit from Micro Captives?

- Any business that wants to set aside at least \$200,000 per year and wants to manage business risks.



Deferred Capital Gains Trust

How can a Deferred Capital Gains Trust help someone who is selling their business?

- A Deferred Gains Trust allows the seller of a business (or any other appreciated asset) to defer payment of the Capital Gains Tax indefinitely – into their estate if they wish.
- The primary benefits of deferring capital gains are to increase the pool of capital available for reinvestment, leverage the time value of money, and potentially pay taxes at a lower rate in the future.

What is Deferred Capital Gains?

- Deferred Capital Gains refers to the practice of postponing the payment of taxes owed on profits from the sale of assets, such as real estate, stocks, or other investments, until a later date instead of paying the tax immediately upon the sale.

Who can benefit from a Deferred Capital Gains Trust?

- Anyone who is selling an appreciated asset with a Capital Gain of \$450,000 or more.

We will analyze your firm, identify Strategies to reduce taxes and help you implement the strategies. We typically reduce business owner taxes by **20%-40%**
