

TAX REDUCTION CASE STUDY: PERSONAL PROPERTY



Property Type:	Business Inventory
Setting:	Suburban
Proposed Value:	\$33,169,882
Certified Value:	\$5,821,124
Tax Savings:	\$635,267
Reduction(%):	82.45%

Client Issue:

The client had to make significant changes due to the recent events in the oil and gas industry and had re-allocated their inventory to another location under a different entity. The county appraisal district was unaware of this transfer of inventory and the client was at risk of double taxation.

Approach and Solution:

The necessary financial information for the inventory re-allocation was received from the client. RETC worked with the county appraisal district to show this consolidation to ensure that the client was not double taxed for the inventory held at their new location. RETC was also able to obtain additional adjustments for obsolescence on the client's current inventory level due to the external economic obsolescence caused by the current state of the oil and gas industry.

Results:

The clients assessed inventory value was lowered from \$33,169,882 to \$5,821,124. This reduction decreased their tax exposure by \$635,267.