CSSI

100% Bonus Depreciation Returns

Your Guide to the Benefits of Bonus Depreciation

Accelerate Depreciation, Reduce Tax Liability

Cost segregation is a proven strategy that allows property owners to depreciate parts of their building faster—such as lighting, flooring, and cabinetry—rather than the standard 27.5 or 39 years.

Reduce Income Taxes

By reclassifying 20–40% of your building's cost into shorter-lived assets, you could generate thousands in extra deductions annually.

Improve Cash Flow

Front-loading depreciation means you access cash sooner, freeing up funds for reinvestment, renovations, or growth.

100% Bonus Depreciation: It's Back and Permanent

Bonus depreciation lets investors deduct a large portion of eligible property in the year it's placed in service. Pair it with cost segregation to more effectively identify qualifying assets (5, 7, or 15-year recovery).

Phase-Out & Restoration Timeline

- **2023** – 80%
- **2024** – 60%
- **2025** – Via the "One Big Beautiful Bill," bonus depreciation is set to be restored to **100%** for assets acquired and placed in service after Jan. 19, 2025. On top of it's return, the bill also adds and adjusts additional tax provisions affecting real estate investments.

Real Results: Bonus Depreciation in Action

Case	Cost Basis	Tax Rate	Date In Service	At 40% Bonus	At 100% Bonus
Residential Rental	$540,000	37%	06/01/2025	$52,088	$108,000
Medical Facility	$663,000	37%	06/01/2025	$74,190	$152,490
Multifamily	$15,000,000	37%	06/01/2025	$1,508,445	$3,150,000
Retail Strip	$22,300,000	37%	06/01/2025	$1,778,097	$3,791,000

Ready to Boost Your Tax Strategy?

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