

FINAL TANGIBLE PROPERTY REGULATIONS

§168 Partial Asset Disposition (PAD) Deduction Sales Sheet

Elevator Pitch

Partial Asset Disposition (PAD) allows you to “write off” the existing building components being renovated. The owner receives an immediate deduction and pays less in taxes when they sell. Over 90% of building owners miss this deduction.

Target Market

- For-profit building owners

Target Projects

- Renovations and additions taking place in the current tax year.
- Renovations and additions planned in a future year.
- Project value \$100,000+

– Conversation Starters

- Do you have any renovations coming up?
- Have you taken the partial asset disposition deduction? If not, why?
- Are you going to have to capitalize your renovation costs under the 280A rules?
- Are you using the first in, first out (FIFO) or specific identification method to identify the disposed assets?

Call to Action

The partial asset disposition (PAD) deduction is almost always overlooked or miscalculated. Let’s schedule a 30-minute discovery call with the specialty tax team to make sure you’re not missing out on any money.

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