

SUPERSTEIN PA CASE STUDY:

UNLOCKING \$200,000+ IN TAX SAVINGS THROUGH REAL ESTATE GROUPING



Reclaiming Trapped Deductions for a Physician Practice

Many physicians own both their practices and the buildings they operate from, yet the tax benefits of that real estate often go unused. Superstein PA identified a structural issue that was preventing valuable deductions from being applied.

THE CLIENT PROFILE

- **Industry:** Medical Practice
- **Annual Revenue:** ~\$2M
- **Ownership Structure:** Physician-owned practice and medical office real estate



"This wasn't about creating new deductions. It was about unlocking the ones already there. When real estate and operations are structured correctly, the tax impact can be immediate."

Drew Superstein
Managing Partner

WHY IT MATTERS

Physicians who own their buildings may be leaving substantial tax savings on the table. Proper structuring can turn real estate into a powerful tax shield instead of a missed opportunity.

THE CHALLENGE

Real Estate Losses Going Unused

Although the real estate generated significant depreciation and losses, those deductions could not offset active medical income due to how the activities were classified for tax purposes. As a result, the physician paid taxes on income while meaningful deductions remained trapped.

THE SUPERSTEIN STRATEGY

Superstein PA implemented a real estate grouping election, treating the medical practice and related real estate as a single economic activity under applicable tax regulations. This restructuring allowed depreciation and real estate losses to directly offset practice income.

- Conducted a detailed structural review of the practice and real estate ownership entities
- Optimized the tax classification to ensure losses could be applied against active income

THE RESULTS

- \$600,000+ in previously unusable deductions unlocked
- \$200,000+ in tax savings in year one
- Meaningful reduction in taxable medical income

Results vary by client. For informational purposes only. Not tax or legal advice.