



## Minimizing Property Tax Liabilities in the Chemical Industry

The chemical industry is a dynamic and constantly evolving area of the raw materials sector, and it is crucial for companies in this industry to stay current with market conditions, regulatory changes, and global competition. Companies involved in the production of chemicals and related products are often highly cyclical and capital-intensive businesses. Changing market demand, regulation, advancements in technology, and global competition can impact the value of your properties. Understanding and applying current industry metrics and trends are essential to managing the burden of property taxes.

### *Industry-Focused Property Tax Solutions Generate Results*

Ryan has a proven history of delivering improved profitability and cash flow to companies in the chemical industry through a suite of specialized property tax services. Our Property Tax team includes chemical engineers who are uniquely positioned to provide a comprehensive program specifically directed toward addressing the distinctive property tax challenges of the chemical industry. We can help identify opportunities for tax savings, minimize property tax liability, and ensure compliance with regulations.

### *Meeting Unique Challenges of the Chemical Industry*

Whether it is process equipment, tanks, specialized lab equipment, or inventory, Ryan has been closely monitoring the chemical industry and the changes throughout the market.

### **Market Trends in the Chemical Industry**

- **Strategic Location:** The chemical industry relies heavily on transportation and logistics infrastructure. Companies in the sector often seek locations near major transportation hubs, such as ports, rail lines, and highways. Access to these transportation networks enables efficient movement of raw materials and finished products, reducing costs and improving supply chain effectiveness.
- **Industrial Real Estate Demand:** The growing demand for chemical products drives the need for industrial real estate, including manufacturing plants, storage facilities, and distribution centers. The availability and cost of industrial real estate in key chemical industry regions can impact companies' decisions regarding expansion, relocation, or facility upgrades.
- **Sustainability and Environmental Factors:** Increasingly, companies in the chemical industry are prioritizing sustainability and environmentally friendly practices. Companies may seek locations that provide access to renewable energy resources or are close to recycling facilities. Additionally, brownfield redevelopment, which repurposes underutilized industrial sites, can align with sustainability goals.

#### CHEMICAL SEGMENTS

##### WE SERVE:

ADDITIVES AND CATALYSTS

AGRICULTURAL CHEMICALS

ELASTOMERS

INDUSTRIAL GASES

ORGANIC AND INORGANIC

INDUSTRIAL CHEMICALS

PETROCHEMICALS

PHARMACEUTICALS

POLYMERS

SPECIALTY CHEMICALS

(PAINTINGS, COATINGS,  
ADHESIVES, ETC.)

- **Workforce Considerations:** The chemical industry requires skilled labor, including chemists, engineers, and operators. Access to a qualified workforce is an important factor when choosing real estate locations.
- **Technological Advancements:** The integration of advanced technologies, such as automation, artificial intelligence, and data analytics, is transforming the chemical industry. Real estate choices may be influenced by the need for facilities that support these technological advancements, including the integration of smart systems and infrastructure to optimize processes and productivity.
- **Credits and Incentives Opportunities:** Credits and incentives opportunities within the chemical industry offer a multifaceted path toward optimizing tax efficiency. This sector provides a rich tapestry of credits and incentives, each tailored to specific aspects of chemical production and operation. Companies operating in this industry can delve into a diverse array of tax benefits, ranging from research and development (R&D) tax credits to energy-efficient equipment incentives, environmental compliance incentives, and even location-based tax credits. These credits and incentives act as strategic tools, enabling chemical companies to navigate the complex tax landscape more efficiently, minimize their tax liabilities, and enhance their overall financial performance. By strategically leveraging these opportunities, chemical firms can achieve substantial cost savings and invest in research, innovation, and sustainable practices, bolstering their competitiveness within the sector.
- **Pollution Control Exemptions:** Pollution control exemptions offer a significant advantage to companies operating in the chemical industry. These exemptions provide a valuable opportunity to alleviate the tax burden associated with stringent environmental compliance efforts. In an industry where environmental responsibility is paramount, such exemptions play a pivotal role in promoting sustainable practices. Pollution control exemptions act as a financial relief mechanism, allowing chemical companies to recoup a portion of their investments dedicated to pollution control. By alleviating the tax liability associated with these investments, these exemptions further incentivize companies to implement and maintain environmentally responsible practices.
- **Benchmarking:** Benchmarking emerges as a powerful and indispensable tool within the chemical industry's arsenal. This practice enables chemical companies to assess their performance and financial metrics in relation to industry standards, offering a holistic approach that leads to significantly improved tax efficiency. Moreover, benchmarking promotes a culture of continuous improvement and innovation within the industry. It encourages companies to stay attuned to industry trends, adopt best practices, and implement cutting-edge technologies and strategies. These proactive measures lead to sustainable growth and a stronger competitive edge, benefiting the bottom line.



### **Key Indicators for Tax Reduction Opportunities:**

- Price volatility and reduced market demand
- Assets operating at less than full capacity
- Current and/or pending governmental regulation
- Substantial yearly shifts in output
- Global competition

**National Presence. Local Expertise. Industry Focus.**

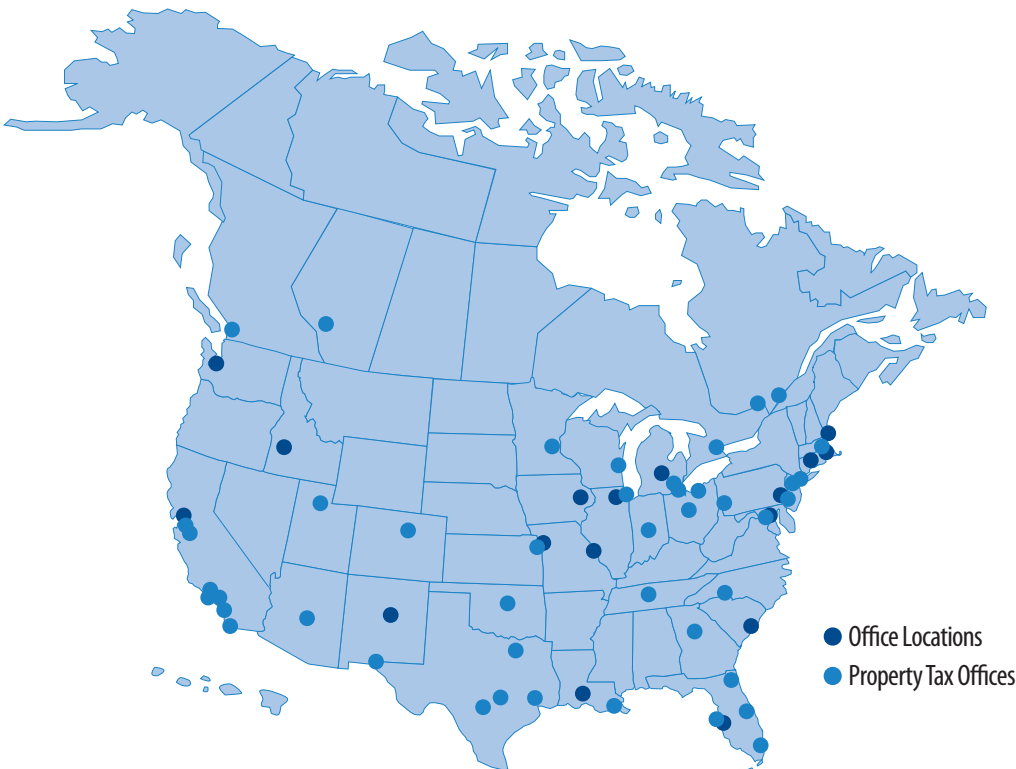
**Our Strength Is Our People**

As the largest property tax practice in North America, our seasoned experts manage trillions of dollars of our clients' real and personal property, with an emphasis on complex industrial property and commercial real estate. Ryan's business property tax compliance processes and controls ensure complete and accurate reporting in accordance with property tax regulations and tax law.

Our client services teams provide North American coverage backed by local knowledge and relationships, supported by specialized chemical industry expertise. Our professionals are the most respected in the industry, having earned Certified Member of the Institute (CMI), Accredited Senior Appraiser (ASA), and Member of the Appraisal Institute (MAI) designations backed by many years of experience as former assessors, attorneys, appraisers, economists, engineers, and more.

**The Ryan Advantage**

Ryan clients benefit from a single point of contact, transparent and responsive communication, and web-based technology for 24/7 access to information. Our rigorous internal operating procedures ensure work quality and uniformity to help our clients manage and mitigate risk while achieving maximum tax savings.



**Award-Winning Tax Services**

For additional information  
**1.855.RYAN.TAX**  
[ryan.com](https://ryan.com)