Services / 1031 Tax Deferred

Metro National Exchange Services Inc.

Recognized as the industry leader in this area. We provide the most knowledgeable, creative, and trusted staff in the country. Each exchange is given the same professional attention regardless of the size or complexity and each client receives timely notifications regarding time frame requirements of their exchange.

From the straightforward "one-for-one exchange" to the most complicated "reverse" and "construction build-out" exchanges, you will receive the type of assistance and documentation necessary from an accommodator to ensure your transaction meets IRS guidelines.

Have questions regarding an exchange? Just "Ask Al" and receive a timely response to your concern.

Tax deferred exchanging is an investment strategy that should be considered by anyone who owns investment real estate. Anyone involved with advising or counseling real estate investors, including real estate agent, lawyers, accountants, financial planners, enrolled agents, tax advisors, escrow and closing agents, and lenders, should know about tax deferred exchanging.

What is a Tax Deferred Exchange?

A tax deferred exchange is simply a method by which a property owner trades one property for another without having to pay any federal income taxes on the transaction. In an ordinary sale transaction, the property owners are taxed on any gain realized by the sale of the property. But in an exchange, the tax on the transaction is deferred until some time in the future, usually when the newly acquired property is sold.

These exchanges are sometimes called "tax free exchanges," because the exchange transaction itself is not taxed.

Tax deferred exchanges are authorized by Section 1031 of the Internal Revenue Code. The requirements of Section 1031 and other sections must be carefully met, but when an exchange is done properly, the tax on the transaction may be deferred.

In an exchange, a property owner simply disposes of one property and acquires another property. The transaction must be structured in such a way that is in fact an exchange of one property for another, rather than the sale of one property and the purchase of another.

Today, a sale and a reinvestment in a replacement property is converted into an exchange by means of an exchange agreement and the services of a qualified intermediary - a fourth party who helps to ensure that the exchange is structured properly.

The IRS's new regulations make exchanging easy, inexpensive, and safe.

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