

Rental Property Information

Please complete and send in with your 2023 Individual Tax Return checklist

CLIENT NAME:		CLIENT SIGNATURE:	X
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PROPERTY DETAILS

Address of Rental Property:			
Date Property Purchased:		Date Property First Earned Rental Income:	
Number of Weeks Available For Rent:		Number of Weeks Used for Your Own Private Purpose:	
Ownership Details:	<input type="checkbox"/> In Your Name <input type="checkbox"/> In Joint Names (Your share ____ % Name other owner: _____)		

INCOME – 1 July 2022 to 30 June 2023

Gross Rent:	\$
Other Rental Income:	\$

EXPENSES INCURRED – 1 July 2022 to 30 June 2023

Advertising for Tenants:	\$	Body Corporate Fees:	\$
Borrowing Expenses:	\$	Cleaning:	\$
Council Rates:	\$	Gardening / Lawn mowing:	\$
Insurance:	\$	Interest:	\$
Land Tax:	\$	Legal Fees:	\$
Pest Control:	\$	Property Management Fees/Commission:	\$
Repairs and Maintenance:	\$	Stationery, Telephone and Postage:	\$
Other:	\$	Water Charges:	\$
Other: _____	\$	Other: _____	\$

NEW DEPRECIABLE ITEMS (Second hand items not eligible) – 1 July 2022 to 30 June 2023

ITEM	DATE PURCHASED	COST
		\$
		\$
		\$

IMPROVEMENTS / CONSTRUCTION COSTS – 1 July 2022 to 30 June 2023

Please email, fax or post to our office a copy of your tax depreciation schedule prepared by third party (if you haven't already)

ITEM	DATE	COST
		\$
		\$
		\$

IMPORTANT: This is not advice. Clients should not act solely on the information contained within. Items herein are general comments only and do not constitute or convey advice per se. Also changes in legislation may occur quickly. We therefore recommend that our formal advice be sought before acting. This information is issued as a helpful guide to clients and for their private information. Therefore it should be regarded as confidential and not be made available to any person without our prior approval. © AVANCE, Chartered Accountants, photocopying of this document is only at the approval of its Directors. Issue Date: 12/07/2023

Rental Property Information

For first year rental property claims we require date of purchase, purchase price, legal costs, stamp duty, any additional costs, any furniture or fittings included in the property purchase and a copy of the settlement statement and contract.

1. Body corporate fees must be split into general maintenance and administration and sinking fund. Payments to a sinking fund usually cover the cost of capital improvements or capital repairs and are therefore not deductible. If body corporate fees cover expenses that can be shown elsewhere on the worksheet, for example, gardening, insurance on the building, please add to the appropriate expense item.
2. Borrowing expenses are directly incurred in taking out a loan for the property and include establishment fees, stamp duty charged on registration of a mortgage, title search fees and costs for preparing and filing mortgage documents. They also include other costs that the lender requires you to incur as a condition of lending you the money for the property, such as the costs of obtaining a valuation or lenders mortgage insurance. If your total for these items is greater than \$100 please also indicate dates of each cost.
3. If you took out a loan to purchase your rental property or to finance the cost of repairs or renovations to your rental property, you may claim the interest on that loan as a deduction for the period during the year the property was used or held for income-producing purposes (for example, when it is rented or available for rent or undergoing repair or renovation for the purpose of making it available for rent). If you cease to use the property for income-producing purposes, the interest on the loan will no longer be deductible. If only part of your loan was for your rental property, you can only claim the interest on that part.

Do not include the following in this category:

- Interest on loans taken out to purchase depreciating assets (for example, a refrigerator for your rental property – include this interest at other expenses); and
 - Borrowing expenses that are directly incurred in taking out a loan for the property (refer note 3 above and include at *Borrowing Costs*).
4. Repairs must relate to wear and tear or other damage that occurred as a result of renting the property. The costs of improving, adding to or altering a rental property are of a capital nature and are not deductible. You may be able to claim a deduction for these costs as part of your capital works deductions. List these capital items at *Improvements / Construction Costs* and we will calculate your deduction entitlement.

OTHER IMPORTANT NOTES:

- You may find most of the required worksheet information on the Annual Rental Property Statement sent to you by your property manager / real estate agent.
- Any repair to the property that is an improvement to the original condition of the property, such as carport, pergola, re-wiring of home is classed as a capital improvement and may be depreciated at lower rates over a number of years. Please also list these items at *Capital Expenditure/Improvement* and we will determine appropriate action and calculate depreciation if appropriate.
- Travel to residential rental properties is no longer deductible from 1st July 2017.
- If you have acquired the property during the year, you may need to consider obtaining information in relation to Capital Works Deductions (Building Write-Off) from the previous owner or from a Quantity Surveyor.
- If you require further clarification, please don't hesitate to contact our office on 1300 620 345.

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The following checklist summarises the more common expenses associated with a residential rental property and whether they are **generally** deductible or non-deductible.

ITEM	DEDUCTIBLE	NON DEDUCTIBLE
Adjustments for rates / land tax (in favour of vendor) related to purchase	✓	
Advertising expenses looking for a tenant	✓	
Agent fees / commission paid for managing the property and collecting rents	✓	
Bank charges for accounts used to deposit rent receipts and to meet deductible outgoings (including interest expenses)	✓	
Body corporate fees – administration or general purpose sinking fund contributions – for general maintenance and repairs	✓	
Body corporate fees – special purpose levy contributions for improvements and initial repairs		✓
Borrowing expenses – search fees, valuation fees, registration fees, stamp duty, broker’s commission	✓	
Buildings and structural improvements – an annual write off may be available for the cost of constructing – a rental property building; an extension, alteration or improvement to a rental property building or a structural improvement such as a sealed driveway or fence. <i>Construction must commence after 17/07/1985 for residential buildings or after 26/02/1992 for structural improvements</i>	✓	
Deposit bond fees		✓
Depreciation – New assets (second hand assets not eligible) that qualify as plant or depreciable assets (eg. carpets, blinds, hot water service, air conditioning etc)	✓	
Gardening / lawn mowing	✓	
Initial repairs – repairs to problems that existed at the time the property was purchased		✓
Insurance premiums – building, fire, burglary, public liability, loss of rent	✓	
Insurance premiums – life and trauma		✓
Interest expenses on loans – to the extent that the loan is used: <ul style="list-style-type: none"> To purchase rental property To buy plant for a rental property For repairs or renovations to a rental property For paying other rental related expenses 	✓	
Interest on a loan to buy land or build rental property (not yet rented)		✓
Land tax	✓	
Lease preparation, registration and stamping	✓	
Legal costs for recovering unpaid rent, seeking damages for breach of agency agreement, reviewing credit worthiness of proposed tenants	✓	
Legal costs to buy or sell the property, to defend title to the property		✓
Mortgage discharge expenses	✓	
Pest control	✓	
Postage, Telephone and Stationery (relating to rental property)	✓	
Rates – council and water	✓	
Travel expenses – <ul style="list-style-type: none"> To prepare property for incoming tenant To collect rent To inspect the property during, or at the conclusion of tenancy 		✓

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