
2013 Rental Property Tax Schedules Information Required

Income

Please ensure that rental income from all sources is accurately recorded in your income summaries.

This will include rental income for the period 1 July to the 30 June from:

- Real estate agent summaries
- Rental income summaries if property is managed by you
- Outgoings paid to you directly by the tenant for water rates or repairs
- Insurance recoveries
- Rental bond board payments made to you
- Amounts received on sale of rental property furniture

Audit Risk

The tax office continues to be concerned about the increase in rental property expenses and will be targeting the following expenses this year:

- Travel where private activities were also undertaken
- Interest where part of the loan has been used for private purposes
- Repairs on newly purchased properties

Depreciation

Expenses

Check that you have recorded all your rental property expenses as this will reduce your taxable income, reducing the amount of tax you have to pay.

Make sure that expenses made by cheque, credit card, cash or barter card are all recorded in your expense summaries.

Expenses that you can claim include:

- Advertising for tenants
- Bank fees and charges
- Borrowing costs to establish loans
- Building write-off allowance
- Cleaning and gardening
- Council rates
- Depreciation on new items of furniture
- Insurance – building and landlords
- Interest (interest only and not the monthly repayments)
- Pest Control
- Real estate agent commission
- Repairs and maintenance
- Telephone and postage
- Travel to inspect property
- Strata Levies
- Water rates

Make the most of
your tax deductions

Other Information

This additional information is required to ensure that the rental schedule is prepared as accurately and efficiently as possible.

This will minimise the chance of adjustments in the event of a tax office audit and will also ensure the schedule can be prepared as per our standard fee.

This additional information may include:

- Real estate annual summary for the year ended 30 June. These summaries are available from your real estate agent and record all income and expenses received and paid by them.
- Bank loan statement as at 30 June, as these usually advise on the total amount of interest paid on the loan during the year.
- A copy of the "Contract for the Sale of Land" if you have sold or purchased any real estate in the year
- The initial bank and/or loan statements if you have taken out or transferred a loan during the year. These will usually show the fees and charges to establish the loan.
- Building write-off schedule from a quantity surveyor if the property was purchased during the year and was constructed after 17 July 1985.

There are substantial tax benefits available for investment properties in claiming depreciation. This will assist in maximising the after tax return on your property investment. Remember this not only applies to new properties, as older properties can also be depreciated. Please consult an accountant at our office to ensure you are maximising your claim for depreciation on your investment property.