



CGH & ASSOCIATES
CHARTERED ACCOUNTANTS

Rental Properties

Tax Checklist

If you own property that you are receiving rental income from, then you can claim certain expenses relating to that property. If the rental property is vacant for some time but available for rent, the expenses can still be claimed.

Expenses could include:

- advertising for tenants
- bank charges
- body corporate fees and charges
- borrowing expenses
- capital works
- cleaning
- council rates
- decline in value of depreciating assets
- gardening and lawn mowing
- insurance
- interest expenses on loans
- land tax
- legal expenses
- lease costs – preparation, registration, stamp duty
- mortgage discharge expenses
- pest control
- phone
- property agent fees and commissions
- quantity surveyor fees
- repairs and maintenance
- secretarial and bookkeeping fees
- security patrol fees
- stationery and postage
- travel undertaken to inspect or maintain the property or to collect the rent
- water charges

If only part of your property is used to earn rent, then you need to apportion these expenses – commonly done on a floor-area basis.

Depreciable plant, etc, costing \$300 or less

Rental property owners will generally be entitled to an immediate deduction if certain income-producing assets costing \$300 or less are purchased before 1 July 2016.

Consider prepaying your expenses:

If you prepay one (or more) of your rental property expenses that covers a period of 12 months or less, and the period ends on or before 30 June next year, you can claim the full amount this year. If the prepayment doesn't meet the criteria and is \$1,000 or more, it may have to be spread out over two or more years. Consider prepaying:

- ◆ interest;
- ◆ strata levies; and
- ◆ insurance.

If uncertain whether an expense can be claimed, call us on 9543 5217.



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