

TAX CHECKLIST FOR Rental Property Owners

Owning a rental property can provide significant tax benefits. To ensure you're receiving the full benefit in your next tax return, Hoffman Kelly Chartered Accountants have prepared this checklist of information you will require when submitting your tax records relating to the property, as well as additional documents necessary if you have purchased or sold a rental property in the current year.

While the checklist is generally relevant to most rental property owners and has been developed to ensure claims are maximised, you should seek advice specific to your own circumstances to ensure you meet your taxation obligations.

Hoffman Kelly Chartered Accountants prepare tax returns for clients with rental properties and other investments. Our focus on extensive technical training and development for all our professional staff will ensure you get the best tax return possible. Should you wish to discuss your taxation circumstances with one of our staff please feel free to phone us on 07 3394 2311.

GENERAL RENTAL PROPERTY INFORMATION

Attached

1. Annual statement of income and expenses (from your real estate manager)
2. Details of all expenses not included on annual statements – this may include:
 - Advertising expenses
 - Body corporate fees
 - Cleaning fees
 - Council rates
 - Gardening expenses
 - Insurance
 - Interest (provide loan statements)
 - Loan establishment fees expenses on new or re-financed loans
 - Land tax
 - Bank Fees
 - Pest control
 - Repairs & Maintenance
 - Electricity expenses
 - New asset purchases including description, date and cost of each item e.g. carpets, ovens etc.
 - Capital works or renovations including description, date and cost eg bathroom renovation

NEW PURCHASE

If you have purchased your property in the current tax year, you will need the following additional documents:

1. Settlement Statement (many settlement adjustments are claimable)
2. Depreciation Schedule (Building write-off available if constructed after 1985)
3. Initial loan documentation and bank statements (Borrowing costs such as loan application fees and stamp duty on mortgages are claimable over 5 years)

SALE OF PROPERTY

If you have sold a property that you had previously rented, you will most likely need to declare a capital gain. The following documents will be required:

1. Settlement Statement from sale
2. Settlement Statement from purchase
3. Legal costs for purchase and sale (including stamp duty) and the cost of building inspections
4. Receipts for building additions since purchase
5. Receipts for initial repairs or other non-deductible items through ownership period
6. Property history and timeline if property ever used as your main residence during ownership period