RENTAL PROPERTY INCOME TAX RETURN CHECKLIST

For the latest Update go to ATO link: **www.ato.gov.au/individuals-and-families/investments-and-assets/residential-rental-properties**

Please complete this checklist and return to us with all relevant information concerning your rental property/(ies) so that you can get squared away & prepare your tax return in a timely manner.

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01.	**Settlement Sheet (re property acquisitions or disposals)**	This is provided by your Solicitor or Conveyancer on settlement of your property purchase. It will show the following: > Purchase price and date of purchase > Adjustments for rates, strata fees and other tax-deductible expenditure > The source of funding for the purchase	Y	N
02.	**Bank Loan Statements**	Detailing initial draw down for the property purchase (if new), interest paid and other charges. Note: If you have more than one loan on the property (e.g. a stand-alone mortgage for 80% of the purchase price and the balance from a line of credit account), we will need clear details of what loan(s) relate to what properties. *You should ensure that "mixed purpose" or "multiple property" loans are avoided, where possible, or at least that the percentage mix remains the same and that no private redraws are made on these loans. You should contact us before you ever refinance loans or before redrawing on your investment loans.*	Y	N
03.	**Real Estate Agents Rental Statements**	Generally we will only require the Annual Rental Statement for each property. This will show gross rent for the year and allowable deductions paid by the Agent on your behalf such as management fees, repairs, etc.	Y	N
04.	**Additional expenses incurred**	Details of any additional expenses which you have paid directly and which are not included in the Agents summary (e.g. repairs, insurances, land tax, rates, strata levies, gardening costs and cleaning).	Y	N
05.	**Improvements**	Details of any improvements to the property for depreciation purposes (e.g. furniture, white goods, curtains and blinds or structural additions such as pergolas).	Y	N

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06.	**Building and Depreciation Schedules**	You are entitled to claim a tax deduction for depreciation of fixtures and fittings (eg. floor coverings, curtains, blinds, etc.,) and a tax deduction for the Building Allowance on the construction costs of a new investment property. ***Note:*** *To be eligible to claim these deductions, you need to obtain and provide a Building Allowance and Depreciation Schedule (Rental Property Tax Depreciation Schedule) prepared by a Quantity Surveyor. If a new property, this may be available directly from the property developer so we recommend you check this with the agent you purchased the property through. Alternatively, we can refer you to a Quantity Surveyor. Presently, the fees charged by a Quantity Surveyor for this service is around $550.*	**Y**	**N**
07.	**Borrowing Costs**	You are entitled to claim a tax deduction for borrowing costs incurred in establishing or refinancing your investment loan on a pro-rata basis over a period of 5 years. These will include bank and solicitor fees and will generally be listed on bank loan statements, other supporting documentation issued by the bank or bank's solicitor and on your solicitor's settlement statement and include bank loan establishment fees, stamp duty on mortgage and legal fees re mortgage.	**Y**	**N**
08.	**Insurances**	There are a range of insurances you may have on your investment property all of which are tax deductible: > Building > Contents > Landlord Protection	**Y**	**N**
09.	**Land Tax**	Have you registered the property for Land Tax with the Office of State Revenue? If not, you should complete a "Land Tax Registration Form (Initial Return)" for the first investment property and a "Land Tax - Variation Return" for any subsequent investment property purchased. We will need a copy of any Land Tax Assessment issued and paid for year.	**Y**	**N**
10.	**Other Deductions**	Other deductions may include: > Telephone calls to your property manager, tax agent or financial planner; > Bank charges incurred on rental property-related bank accounts; > Quantity Surveyor fees; > Property Investment magazines or books;	**Y**	**N**

Please note this checklist is prepared as a general guide only and your individual circumstances should be discussed at your meeting.

We look forward to assisting you in maximising the tax refund available to you on your rental property.

Get all squared away for tax time. After all, the'tax credits' are better in your pocket than the ATO's! Getting organized early avoids any last-minute panic for your accountant. Don't have an accountant yet?

All good! Capital Properties can provide contact details for a specialist property investor accountant.

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