



Rental Property Summary Schedule

Property Details:

Property Address		Date Purchased	
Type of property		Weeks used privately by you or associates	
Your ownership %		Date property first earned rental income	
Joint Owners Name (if applicable)		Weeks available for rent during the year	

Summary of Rent Income and Expenses: for the year 1 July to 30 June

And/or provide copies of agent statements, investment property loan statements and invoices.

Rent Received	
Other rental related income	

Expenses:

Advertising for tenants		Legal fees	
Body corporate fees		Pest control	
Borrowing costs		Property agent fees/commission	
Cleaning		Repairs, maintenance	
Council rates		Stationery/phone/postage	
Gardening/lawn mowing		Travel expenses	
Insurance		Water charges	
Interest on loan		Sundry rental expenses	
Land tax		Other (describe below)	

Detail improvements and repairs which are improvements made during the year 1 July to 30 June

Describe any capital items purchased during the year (e.g. a stove)	Date	Cost \$

Rental deductions checklist for landlords

To assist landlords in reducing the audit risk associated with claiming rental property expense deductions, the following checklist summarises the more common residential rental property expenses, and whether these expenses are generally deductible/non-deductible.

Deductions are only available to the extent to which a property is either rented to tenants or genuinely available for rent (i.e., where active and bona fide efforts are made to let the property).

Item	Deductions	Non-Deductible
Accountant's fees – tax return preparation or lodgement costs, and tax advice	✓	
Adjustments for rates/land tax (in favour of vendor) – related to purchase of property	✓	
Advertising expenses – looking for a tenant	✓	
Agent fees/commission – for managing the property and collecting rent	✓	
Bank charges – for accounts used to deposit rent receipts and to meet deductible outgoings (including interest expenses)	✓	
Body corporate fees: <ul style="list-style-type: none"> • Administration or general purpose sinking fund contributions for general maintenance, repairs, etc. • Special purpose levy contributions for improvements, initial repairs, etc. 	✓	✓
Borrowing expenses – e.g., search fees, valuation fees, survey and registration fees, stamp duty, broker's commission, mortgage insurance, etc.	✓	
Buildings and structural improvements – an annual write-off may be available for the cost of constructing: <ul style="list-style-type: none"> • a rental property building; • an extension, alteration or improvement to a rental property building; or • a structural improvement (e.g., a sealed driveway or a fence). Basically, construction must commence after 17/07/1985 (for residential buildings) or after 26/02/1992 (for structural improvements).	<ul style="list-style-type: none"> ✓ ✓ ✓ 	
Deposit bond fees		✓

Depreciation – only for assets that qualify as ‘plant ‘or ‘depreciable assets’ (e.g., carpets, blinds, hot water service, air-conditioning, oven, etc.)	✓	
Gardening/lawn mowing	✓	
Initial repairs (i.e., repairs to problems that existed at the time the property was purchased)		✓
Insurance premiums: <ul style="list-style-type: none"> • sickness/accident, building, fire, burglary, public liability, loss of rent • life and trauma 	✓	✓
Interest expenses on loan, to the extent the loan is used: <ul style="list-style-type: none"> • to purchase a rental property • to buy land to build a rental property • to buy plant for a rental property • for repairs to a rental property • for renovations to a rental property • for paying other rental-related expenses 	✓ ✓ ✓ ✓ ✓ ✓	
Land tax	✓	
Lease preparation, registration, stamping	✓	
Legal costs for: <ul style="list-style-type: none"> • recovering unpaid rent, seeking damages for breach of agency agreement, reviewing credit worthiness of proposed tenant • to buy or sell the property, to defend title to the property, to oppose a neighbour’s building application 	✓	✓
Mortgage discharge expenses	✓	
Mortgage insurance – treated as borrowing expense (refer above)	✓	
Penalty interest on early loan repayment	✓	
Pest control	✓	
Postage and stationery	✓	
Quantity surveyor report (cost estimate) - for Division 40 or Division 43 purposes	✓	
Rates (council and water)	✓	
Repairs and maintenance (excluding initial repairs)	✓	
Telephone calls and rental – related to dealing with real estate agents, tenants, lumbers, and other rental property matters	✓	
Travel expenses: <ul style="list-style-type: none"> • to prepare property for incoming tenants • to collect rent • to inspect the property during, or after, a tenancy • to maintain/undertake repairs to property • to inspect property prior to purchase • to inspect property prior to settlement • to purchase property • to undertake improvements to property 	✓ ✓ ✓ ✓	✓ ✓ ✓ ✓

Negative Gearing

A rental property is negatively geared when it is purchased with the assistance of borrowed funds and its expenses exceed the rental income and a loss is incurred. Losses incurred can then be offset against other assessable income (e.g. salary, wages, or business income) - this enables either a reduction in tax payable or a larger tax refund. The largest part of the deduction is the interest portion of the mortgage. You can, however, claim Property Management fees, rates, loan costs and maintenance and repairs.

Negative gearing deductions are most beneficial to people in high income brackets where they are in the high marginal tax rate. This allows larger deductions when you borrow bigger amounts as you will pay more interest which is 100% tax deductible.