

From our Property Management Team



REMINDER Appointment Times

If you need to speak with a member of the property management team at our office regarding your property or tenants, please ensure that you arrange an appointment time. We are often out of the office on routine appointments and we know there is nothing more annoying than having to wait to be seen.

Monthly Statements

We can now email your monthly rental statements and invoices direct to your inbox.

Please email:

alisha@hillrealestate.com.au
to request this FREE service

Are you maximising the tax depreciation and capital allowance benefits available?

All types of income producing properties have substantial taxation benefits available to be claimed as a tax credit. Many property investors are missing out on thousands of dollars in tax depreciation deductions. Both new and old properties will attract some depreciation benefit that the owner is able to claim as a tax credit. A common myth is that older properties will attract no claim. Therefore it is worth making an enquiry about any property. When a property owner has not been claiming deductions for tax depreciation, previous financial year tax returns can be amended. The Australian Taxation Office (ATO) allows for up to the

previous two year returns to be amended, in some instances the ATO may have to pay you money back! The maximisation of a depreciation claim on any building requires a combination of construction costing skills and an excellent knowledge of Tax legislation. This rare combination of skills has resulted in a select number of quantity surveying firms specializing in property depreciation. Quantity surveyors are recognised by the Australian Taxation Office to be appropriately qualified to estimate building costs for the purpose of depreciation.

P.T.O

IMPORTANT: This is not advice. Clients should not act solely on the basis of the material contained in this newsletter. Items herein are general comments only and do not constitute or convey advice per se. The newsletter is issued as a helpful guide to clients and is for their private information. Every effort is made to ensure the contents are accurate at the time of publication. We take no responsibility for any subsequent action that may arise from the use of this newsletter. If your property is currently listed with another agent, please disregard this communication.

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Your accountant should recommend a specialist to complete such a report, to maximise the depreciation benefits from your property.

Depreciation: An Investor Profile

The depreciation benefit to every investor will vary. The following example has been provided as an approximate guide, using the diminishing value of depreciation.

Property:

A two bedroom unit purchased for \$400,000

Income:

Rented for \$385 per week

Total income of approx \$20,000 per yr

Expenses:

Interest, rates and management expenses \$36,000 per year

Scenario 1 – No depreciation claim:

Pre tax cash flow

Taxation loss \$16,000 = \$308 per week

Post tax cash flow (tax rate of 38%)

Tax refund \$6,080

Net cash outlay \$9,920 = \$190 per week

Scenario 2 – With depreciation claim:

Pre tax cash flow

Tax depreciation \$12,000

Cash flow position - \$16,000

Total deduction \$28,000

Post tax cash flow (top tax rate of 38%)

Tax refund \$10,640

Net cash outlay \$5,360 = \$103 per week

This investor has \$87 extra a week by obtaining a depreciation report.

Hill Real Estate has negotiated discounted fees for our landlords – please contact Hill Real Estate to take advantage of this special offer for our valued landlords.

Article Provided by BMT Tax Depreciation Bradley Beer (B. Con. Mgt) is a Director of BMT Tax Depreciation Quantity Surveyors. www.bmtqs.com.au

CALL OUR OFFICE TODAY FOR A COMPLIMENTARY, NO- OBLIGATION SALE APPRAISAL.



 **9800 0700**
Wantirna



 **9707 3322**
Berwick

Properties recently rented

Keeping you updated on the local rental market

HOUSES

Coolong Avenue, Berwick \$300 pw

3 beds, 1 living, 2 bath

Georgian Gardens, Wantirna \$360 pw

3 beds, 1 bath, 2 carport

Allister Avenue, Knoxfield \$360 pw

3 beds, 2 bath, 1 living

Alrene Court, Vermont South \$380 pw

3 beds, 2 bath, 2 living

Banyalla Road, Rowville \$440 pw

4 beds, 2 bath, 2 living

TOWNHOUSES

Marlborough Road, Heathmont \$410 pw

3 beds, study, 2 bath, 2 garage

UNITS

Scoresby Road, Boronia \$250 pw

1 bed, 1 living, 1 carport

Miller Road, Boronia \$280 pw

2 beds, 1 bath, 1 garage

Rutland Rd, Berwick \$300 pw

2 beds, 1 bath, 1 garage

Bunnett Road, Knoxfield \$335 pw

3 beds, 1 bath, 2 carport

