

Rental Property Worksheet

Please complete a separate schedule for each property Year 201___

Address _____
of property _____

Date Property Purchased ___/___/___ Date property first earned rental income ___/___/___

Purchase Price _____ Weeks available for rent _____

Any private use this year Y / N Weeks rented _____

Date property sold ___/___/___

If sold, sale price \$ _____

Income	Private Use %
Gross rental income	
Other rental income	
Gross rent	

Expenses	Private Use %
Advertising	
Body Corporate	
Borrowing fees	
Cleaning	
Council Rates	
Capital Allowances	refer to your tax agent
Gardening	
Insurance	
Loan Interest	
Land Tax	

	Private Use %
Legal fees	
Pest control	
Property agent fees	
Repairs and maintenance	
Capital works deductions	refer to your tax agent
Stationery/phone/postage	
Motor vehicle expenses	use kms below
Other travel expenses	
Water charges	
Sundry rental expenses	

Total expenses _____

Net Rental Income _____

Please also calculate the number of kilometres you drove, in managing the property - whether calculating the rent, doing repairs, taking rubbish to the tip, or attending the flat to show through prospective tenants.

_____ km

List any new items of plant - eg, refrigerator, curtains, stove, washing machine, carpets, hot water system - and **attach the receipts to this summary.**

Date of purchase	Purchase Price	New Item of Plant - details

Bring the (bank) statements for all loans used to buy the property. Make sure you have the statements for the whole of the tax year. Or, obtain a certificate of total interest paid, from the lender.

List of repairs undertaken - eg, replace broken handbasin, replace taps, repair plaster on walls - and **attach the receipts with this summary.**

Date of repair	Cost of Repair	Details of repair(s)

I/We confirm that I/we have receipts or other documentary evidence to support all amounts shown in the above lists.

First Owner's Name _____ Second Owner's Name _____

Signature(s) _____
[First Owner] [Second Owner]

Date of Signature ___/___/201___ _____/___/201___ Version: 23 June 2014

Quick guide to rental properties – adapted from ATO rental publication for 2014

www.ato.gov.au search for "1729" rental properties with the current financial year

Keep comprehensive records

www.ato.gov.au/NAT1729

Comprehensive records need to be maintained upon purchase and sale of an investment property and for all rental income and expenses. These records will assist you to claim the appropriate deductions and to calculate future capital gains or capital losses.

To get the necessary worksheets to track the capital costs separately from the annual income & expenses

- a. Call us on (03) 6265-3558 and we'll mail it out
- b. Email us at solutions@ctcaccounting.com.au and we'll email it back to you
- c. Visit our website at www.ctcaccounting.com.au/resources to locate the Capital Gains worksheet

The records retained must be in English, or be readily translatable into English, and include the :

- ◆ the name of the supplier
- ◆ the nature of the goods or services
- ◆ amount of the expense
- ◆ date the expense was incurred
- ◆ date of the document

If a document does not show the payment date, one can use independent evidence, such as a bank statement, to show the date the expense was incurred.

Records of rental income and expenses must be kept for 5 years from the date of lodging the tax return.

Rental income

The full amount of rent earned must be included in the tax return, even if it is paid to your real estate agent.

All other rental related income you are entitled to retain **MUST** be reported in the tax return. For example, rental bond money where the tenant defaulted on the rent or other costs eg recoupment of rental expenditure (water rate

Co-ownership of rental property

If the investment property or several investment properties are co-owned, the rental income and expenditures must be declared in the respective tax returns in accordance with the legal interest in the property.

The title deed for the property will show the relevant legal interests - as a joint tenant or a tenant in common.

Note: interest on money borrowed by only one of the co-owners which is exclusively used to acquire that person's interest in the rental property does not need to be divided between all of the co-owners.

Apportionment of rental expenses

There may be situations where not all of the expenses are deductible and one needs to work out what percentage of expenses are claimable. This includes when:

- the property is available for rent for only part of the year
- only part of the property is used to earn rent
- rent of the property at non-commercial rates, or
- an expense contains a private component. For example, taking out a loan to buy both a rental property and a private car, only that portion of the interest expense related to the rental property is deductible.

Expenses which can be claimed immediately

Expenses for which an immediate deduction can be claimed include:

- advertising for tenants, council rates, insurance
- bank charges, loan interest, land tax
- cleaning, gardening, lawn mowing
- stationary, postage, property agent's fees and commission, and
- travel (if not incurred prior to purchasing the rental property).

Body corporate fees are deductible when they relate to the day-to-day administration and maintenance of the property. Repairs and maintenance are deductible unless they are associated with repairing damage, deterioration or defects that existed at the time the property was acquired.

Expenses deductible over a number of years

refer Capital Gains worksheet at www.ctcaccounting.com.au/resources

Expenses that are deductible over a number of income years include:

- borrowing expenses - such as, lender's mortgage insurance, title search fees, stamp duty on mortgage, costs related to mortgage documents, property valuations
- amounts for decline in value of depreciating assets, and
- capital works deductions (including building write off - if conditions are met).

Expenses which are NOT allowable in a general tax return

refer Capital Gains worksheet at www.ctcaccounting.com.au/resources

- acquisition and disposal costs, although they may form part of the cost base of the property for capital gains tax purposes
- expenses not actually incurred by the property owner, such as water charges borne by the tenants
- expenses related to own-use of a holiday home which is rented out for part of the year, and
- most legal expenses.

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