

CAPITAL GAINS TAX BOUGHT / SOLD PROPERTY CHECKLIST

Use this list as a reminder of what to bring to your appointment.

Please Indicate whether information is applicable (please tick); Y = Yes OR N = No		Y or N
Questions	What to bring	
Shares/ or Managed Funds		
Did you acquire or sell shares or units in a managed fund? NOTE: Dividend re-investments are also purchases	Purchase/ Sale contract and documents showing: <ul style="list-style-type: none"> ▪ Date ▪ Quantity ▪ Price per share/unit ▪ Brokerage 	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Investment property		
• Purchase Details	Documents showing: <ul style="list-style-type: none"> • Date of purchase* • Purchase price • Stamp duty • Legal/conveyancing fees 	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
• Sale Details	Documents showing: <ul style="list-style-type: none"> ▪ Date of sale* ▪ Sale price ▪ Real Estate Agents fees ▪ Legal/conveyancing fees 	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
• Ownership	Documents showing : <ul style="list-style-type: none"> ▪ Confirm ownership ▪ Joint ownership ▪ Tenants in common – what percentages? 	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
Principal Residence		
• Was the property your principal place of residence for the whole ownership period?		<input type="checkbox"/> <input type="checkbox"/>
Yes – Exemption from Capital Gains Tax may apply	No – Was the property rented out for any period? If so, provide a summary of periods when the property was rented	
• Did you operate a business from the property?		<input type="checkbox"/> <input type="checkbox"/>
No Then if also <u>NOT</u> rented, exemption from Capital Gains tax may apply	Yes <ul style="list-style-type: none"> ▪ What period was the property used for business? ▪ What area of the property, expressed as a percentage, did the business occupy? ▪ Did you ever claim interest on the mortgage, council rates or insurance? What percentage did you claim? 	 % <input type="checkbox"/> <input type="checkbox"/> %

*Exchange date and settlement date are important when the property is owned for less than 12 months.

20 July 2020

HOW TO BE AUDIT READY

The Tax Office is getting serious about substantiation and the correlation (or nexus) between the expense incurred and the income earned.

In addition to our regular checklists that you can find on our website we have prepared this overview to assist you when compiling your documentation for completion of your income tax return.

WORK RELATED CAR EXPENSES:

- The use of your private vehicle for work purposes would normally be required for use during working hours.
 - Travelling to work and from work are outside working hours and therefore considered to be for private use not for work use. (Travel to attend work related study may be an exception to travelling outside work hours).
 - It is possible to have more than one regular place of work but if travel is from home to that regular place of work it is still considered private.
- Is it part of your work duty to travel to various locations during working time? Have you been requested to make the journey? Would your employer support your claim?
- Choosing the cents per kilometre method means you don't need to keep receipts for any car expenses however you do need to keep records of how you worked out your kilometres. Estimates will not be accepted. Entries in a diary will do but you should also note in the diary how far each trip was and for what purpose.
- Remember the cents per kilometre method is capped at a maximum 5,000 kilometres per car per year.
- Choosing the logbook method requires receipts to be kept for all expenses with the exception of fuel where it can be based on the fuel efficiency of the car and the average price for fuel in that year.

Using the logbook method still requires:

- The logbook to be a valid logbook set out as per the guidelines. Refer to our website for further details.
- You are still required to note your odometer reading at the start and end of each financial year.
- A logbook is only required to be renewed every 5 years unless your travel circumstances change significantly.

WORK RELATED UNIFORM, OCCUPATION SPECIFIC OR PROTECTIVE CLOTHING:

- Expenses to buy, wash or dry clean conventional clothing, even if required by your employer are not tax deductible.
- A work related uniform that is not occupation specific or protective clothing must have the employers logo permanently attached.
- If laundry expenses are less than \$150 then no substantiation is required however the Tax Office considers a work related uniform, occupation specific or protective clothing would cost \$1 per load if washed separately or 50c per load if washed with other garments. This could mean 3 to 6 washes per week if you were claiming the full \$150.
- Purchasing and dry cleaning require receipts.

OTHER WORK RELATED EXPENSES:

- Substantiation of expenses is required where the total claim is over \$300. (The \$300 does not include car and meal allowance, award transport payments allowance or travel allowance expenses).
- The \$300 is not a blanket tax deduction for all individuals. You will still be required to explain what you purchased and how it is connected to your work.
- There must be a nexus between the expenditure and your work duties.

❖ Please [click here](#) for relevant templates or contact us if you have any further questions.