

RENTAL PROPERTY CHECKLIST

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

Please Indicate which information is applicable (please tick); Y = Yes OR N = No		Y or N
Questions	What to bring	
Did you borrow for the property?	Loan bank statements showing interest and fees for full financial year	<input type="checkbox"/> <input type="checkbox"/>
Did you do any renovations?	Summary of receipts showing amounts, brief description and dates for capital expenses	<input type="checkbox"/> <input type="checkbox"/>
Did you do any repairs/cleaning/maintenance?	Summary of receipts and brief description for expenses for full financial year	<input type="checkbox"/> <input type="checkbox"/>
Other costs?	<ul style="list-style-type: none"> ▪ Commission statements from agent showing gross rent less deductions for expenses 	<input type="checkbox"/> <input type="checkbox"/>
	<ul style="list-style-type: none"> ▪ Advertising for tenants 	<input type="checkbox"/> <input type="checkbox"/>
	<ul style="list-style-type: none"> ▪ Body corporate fees and charges 	<input type="checkbox"/> <input type="checkbox"/>
	<ul style="list-style-type: none"> ▪ Council rates, water charges and land tax 	<input type="checkbox"/> <input type="checkbox"/>
	<ul style="list-style-type: none"> ▪ Electricity and gas 	<input type="checkbox"/> <input type="checkbox"/>
	<ul style="list-style-type: none"> ▪ Gardening/lawn mowing 	<input type="checkbox"/> <input type="checkbox"/>
	<ul style="list-style-type: none"> ▪ Insurance –building/contents/ public liability 	<input type="checkbox"/> <input type="checkbox"/>
	<ul style="list-style-type: none"> ▪ Lease document preparation /registration/stamp duty 	<input type="checkbox"/> <input type="checkbox"/>
	<ul style="list-style-type: none"> ▪ Pest control 	<input type="checkbox"/> <input type="checkbox"/>
	<ul style="list-style-type: none"> ▪ Quantity surveyors fees 	<input type="checkbox"/> <input type="checkbox"/>
	<ul style="list-style-type: none"> ▪ Secretarial and bookkeeping fees 	<input type="checkbox"/> <input type="checkbox"/>
	<ul style="list-style-type: none"> ▪ Security patrol fees 	<input type="checkbox"/> <input type="checkbox"/>
	<ul style="list-style-type: none"> ▪ Stationery and postage 	<input type="checkbox"/> <input type="checkbox"/>
<ul style="list-style-type: none"> ▪ Telephone calls and rental 	<input type="checkbox"/> <input type="checkbox"/>	
Do you have any depreciation schedules?	Depreciation schedule or Quantity Surveyor's Reports	<input type="checkbox"/> <input type="checkbox"/>
Did you buy a rental property during the year?	Settlement statement from Conveyancer or evidence of purchase price, stamp duty and legal fees	<input type="checkbox"/> <input type="checkbox"/>
Did you sell a rental property during the year?	Refer to our Capital Gains Checklist	<input type="checkbox"/> <input type="checkbox"/>
New Property – Borrowing costs such as loan establishment fees are claimed over 5 years	Summary of borrowing costs paid to the lending bank for establishing the loan (Including any brokerage costs to 3 rd party facilitators).	<input type="checkbox"/> <input type="checkbox"/>

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.