

Tax Depreciation Schedule Information

What is a Tax Depreciation Schedule and why do I need one?

If you own an investment property and want to deduct depreciation allowances against your taxable income, you need to arrange for the preparation of a tax depreciation report by a qualified quantity surveyor.

Capital expenditure on buildings, plant and equipment used for investment or commercial purposes are deductible as building allowances under the Income Tax Assessment Act. In order to claim for these allowances on your tax return an assessment of the cost of these items at the time of construction must be carried out and certified by a quantity surveyor. If your property was constructed before 1987, not all the building allowance and depreciation benefits apply. We will discuss that with you during the inquiry process to ensure getting a depreciation schedule prepared makes sense for your property.

The tax depreciation schedule included in our report will provide a schedule of the building costs (which can be written off at a rate of 2.5% per year) and a schedule of sundry depreciable items which include carpets, kitchen appliances, blinds, and various other items which can be written-off over varying periods of time depending on the item. Your tax accountant will use this information to calculate your deductible depreciation allowances on your income tax return. **A tax depreciation schedule will translate into significant income tax savings for you on an annual basis.**

What is included if I decide to have Jeffress Associates prepare a tax depreciation schedule for my property?

Our services in completing a tax depreciation report include:

- Obtaining a copy of the property plans from the relevant Council,
- Performing a physical site inspection of your investment property,
- Identifying depreciable building and sundry item costs associated with your investment,
- Preparing a formal report scheduling out this information that can be used by your tax accountant in preparing your annual income tax return,
- Being available for any questions your tax accountant may have when using the information to prepare your tax return.

What do I need to do to have Jeffress Associates prepare my tax depreciation schedule?

1. Provide us with the details of your investment property. You can do this by filling in our "On-Line Inquiry Form", using the attached Quote Form (Page 2), or you can simply give us a call.
2. Once you have a quote and you decide to proceed. Fill in, and sign the attached Confirmation Form (Page 3) and the Authorisation Form (Page 4), which will allow us to obtain plans and other relevant details from the relevant Council.
3. Coordinate with your property manager and/or tenant to provide Jeffress Associates access to your investment property for the site inspection.
4. Make yourself available, by telephone, as required by the quantity surveyor to answer questions during the preparation of the report.

JEFFRESS

ASSOCIATES

PROJECT MANAGERS - QUANTITY SURVEYORS - COST CONSULTANTS

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Tax Depreciation Schedule Quote Form

Customer Details:*

Name(s): _____ Contact Phone: _____

Address: Street/PO Box: _____

City: _____ State: _____ Post Code: _____ E-mail Address: _____

Property Details:

This property is owned by a(n): Individual(s) Super Fund Trust Business

Property Type: (Circle one) House Unit/Villa/Townhome High Rise Commercial/Industrial

Property Address: Street: _____

City: _____ Post Code: _____ Floor & Unit No.: _____ Furnished? _____

(Note: Only respond, yes to furnished, if you own the furnishings and you would like us to include them in our report. This situation is applicable to serviced apartments, holiday rentals, etc. Furnishings include things like beds, linens, cookery, sofas.... Additional fees apply to this item.)

When was your property constructed approximately? _____ **Have you ever lived in this property:** _____

Are you the first owner of this property? ___ No ___ Yes, I purchased it new. ___ Yes, I built it or had it built.

What was the purchase price of the property? \$ _____ **Purchase Date:** _____

Currently is your property? Rented Vacant Owner-Occup **If rented, Date of first rental:** _____

Has the property been renovated since its original construction? Yes or No (circle one)

If, Yes, briefly describe: _____

(We will fill in this section and return the form to you)

Fee Quote: \$ _____, plus GST + Council Fees for obtaining plans. Terms of sale as per attached Confirmation of Request Form.

Trevor Jeffress, Director