

INDIVIDUAL INCOME TAX RETURN 2011 – MAIL-IN FOR RENTAL PROPERTY OWNER

- ~ Each member of a couple needs to complete their own copy of this form and sign the letter of Engagement
- ~ If you have more than one Rental Property, additional Schedules are available under the heading Additional Forms just below where you obtained this form on the mail-ins page.
- ~ For Taxpayers who are in business you will need to complete a Business Schedule which is available under the heading additional forms just below where you obtained this form on the mail-ins page. Generally there will be additional charges for a business; we will contact you once we have looked at the work involved.

Self Assessment Obligations

Please be aware that under Australian Taxation Office self assessing system, if you are called upon to attend a desk audit, you may be required to provide receipts or other records to substantiate any claims made in your return; please refer to the Substantiation note at the end for help. Records are required to be held for 5 years from the date of lodgment of your return.

How to Mail-In Your Tax Return

Post this completed form and all attachments to our Tenterfield office: **98 High Street, Tenterfield NSW 2372**

Cost

The standard price for a basic wage earner return is only \$150

The standard price for each Rental Property Schedule is \$99. If the rental property is jointly owned, you will only be charged this once.

Please note payment is required at the time of receiving your work.

If your return is more complex and will result in a higher fee than this, we will ring you before we start.

Payment Methods

Cheque

Cheques made out to: LG Tax & Accounting Solutions
Posted to: 98 High Street, Tenterfield NSW 2372

Or Electronic Payment

BSB: 062-605
Account Number: 10109509

Enquires

Ring: Robyn or Kelly on 02 6736 5383
Email: robyn@bantacs.com.au
kelly@bantacs.com.au

Our objective is to simplify your tax return process not complicate it through long detailed questions. This form sticks to the basics. When we ring you we can discuss any tax issues you may have that are outside the ordinary.

Please use this form as a guide and feel free to add information or comment when you are not sure how to address the question. We will be in contact with you personally when your tax return is being prepared so do not worry if you don't understand something, we can discuss it when we ring. Please provide both your phone number for this purpose and your e-mail address so we can send you an e-mail if we cannot reach you by phone.

Preferred contact number: _____ Best contact time: morning | afternoon | evening

E-mail address: _____

How many rental Property's do you own? _____

Have you completed a Rental Property Schedule for each property? YES

CLIENT LETTER OF ENGAGEMENT - INDIVIDUAL

This document sets out the terms of your engagement of BAN TACS at Tenterfield trading as LG Tax & Accounting Solutions' as your Accountant/Tax Agent. Any changes to the scope of engagement as set out below shall only be made by agreement between both parties.

In acting as your Tax Agent LG Tax & Accounting Solutions will:

- (a) analyse, discuss and make recommendations regarding your Individual Tax return; and
- (b) prepare and lodge your tax returns

In addition to the basic financial information required to complete these tax returns, it is expected that clients will make source documentation available upon request.

Clients are responsible for ensuring compliance with the substantiation provisions of the Income Tax Assessment Act. LG Tax and Accounting Solutions will not be responsible for any errors brought about by the clients failure to provide information or documentation or failure to provide material that is later found to be material to the client's tax affairs.

Clients are responsible for the timely provision of information. LG Tax and Accounting Solutions will not be responsible for any late lodgement or other fees and fines brought about by your failure act in a timely manner.

Any estimate of a refund you may be owed is only an estimate and LG Tax & Accounting Solutions will not be responsible nor will we accept liability if the Australian Taxation Office determines your liability to be different than that lodged by us.

Professional Fees and Payments

Unless other terms have been agreed to, we will require payment on completion of your work and prior to lodgement with the ATO. We will provide you with an itemised account of all fees, costs and disbursements upon request.

LG Tax & Accounting Solutions utilizes the EasyTrust system which enables your refund to be deposited to a trust account, your fees are then deducted and the balance of your refund deposited directly to your nominated bank account. EasyTrust will apply an Administration Fee of \$11.00 for each transaction processed through this service.

To access this service you must complete a fee from refund application prior to lodgement of your return.

Notice of Assessment

Unless otherwise agreed your Notice of Assessment will be mailed directly to your nominated postal address. It is your responsibility to provide LG Tax & Accounting Solutions with current and correct contact details.

If you do not receive your Notice of Assessment within 28 days of lodgement you should contact this office to enable us to track your return with the ATO.

As this is an important Tax Record and you may need it for identification purposes in the future. It is important that you retain it for the specified period of time (usually 5 years). LG Tax & Accounting Solutions will not have a copy on file and it may take up to 28 days to request a replacement.

Acknowledgement and Confirmation

I (Taxpayer) hereby acknowledge and accept the terms of this engagement as have been provided. I shall be personally liable for all fees for services performed in accordance with such agreement.

Effective from the date below I appoint LG Tax & Accounting Solutions as my tax agent and authorise them to act as my representative to the Australian Taxation Office in relation to my taxation affairs.

Client Signature

Date

PERSONAL DETAILS

Your Name: Mr | Mrs | Ms | Miss _____ DOB: ____ / ____ / ____

Was this the name used on your last tax return? YES NO

Details if no: _____

Existing clients need only provide details of changes that have occurred since you lodged your last income tax return

Tax File Number: _____ Occupation: _____

Residential Address: _____

Postal Address: _____

Has your postal address changed since lodging a tax return? YES NO

Telephone: (W) _____ (H) _____ (M) _____

Are you a war veteran or widow/widower of a war veteran yet under the Aged Pension age? YES NO

Do you operate under an ABN? YES NO

If yes please complete a Business Schedule which is available under the heading Additional Forms just below where you obtained this form on the mai-ins page

Family Details **Note**, this includes same sex couples

Spouse's Name: Mr | Mrs | Ms | Miss _____ DOB: ____ / ____ / ____

Was this their name used on your last tax return? YES NO

Details if no: _____

Spouse's TFN: _____ Spouse's Occupation: _____

If married / de facto in 2010/2011, what date did this occur: ____ / ____ / ____

Do you have any dependent children? YES NO If yes, please complete the follow details regarding dependants

~ please provide DOB for each dependant child: Child 1: ____ / ____ / ____ Child 2: ____ / ____ / ____

Child 3: ____ / ____ / ____ Child 4: ____ / ____ / ____

~ As of January, how many of these children are in: High school? _____ Primary school? _____

~ If you share care for your own children, please advise the % of care allocated to you by the Family Assistance Office: _____ %

TAX AGENT DETAILS

Attach a copy of your previous return if this is the first time using this mail-in service

Did an accountant prepare your last Income Tax Return? YES NO

If yes please provide contact details of previous accountant: _____

Will you be using our Fee from Refund Service? YES NO (\$11.00 Admin Charge Applies)

Bank Account Details for Direct Deposit of Refunds BSB: _____ ACCT NO.: _____

Acct Name: _____

Do you have a will? YES NO

Do you have an Enduring Power of Attorney? YES NO

Do you feel comfortable that your financial affairs are under control? YES NO

If not would you like to discuss any of the areas listed below with us, or one of our affiliated service providers?

Income Protection Insurance Life Insurance Superannuation Rollup Financial Planning Strategies

INCOME

Did you receive income from Salary or Wages **YES** **NO**

Did you receive any allowances, directors' fees, bonuses, cents per kilometre, reimbursements and tips etc. **YES** **NO**

DESCRIPTION OF ALLOWANCE:

Please attach copies of payment summaries from all employers

If amounts are not included on your payment summaries please provide details below.

AMOUNT:

Did you receive an Employment termination payments **YES** **NO**

Did you receive an Aust Gov't allowances or payments e.g. Newstart, Youth Allowance, or Sickness Benefit? **YES** **NO**

Did you receive an Aust. Government pension or other similar benefits **YES** **NO**

Did you receive income from Australian Annuities or Superannuation income streams? **YES** **NO**

Did you receive any Australian super lump sum payments? **YES** **NO**

Did you receive Interest from bank accounts or investments? **YES** **NO**

ACCOUNT DETAILS:

Please attach ETP Summary

Please attach Copies of Payment Summary from relevant Department eg. Centrelink

Please attach Copies of Payment Summary from relevant Department eg. Centrelink

Please attach payment summary received from super fund or life insurance company or friendly society.

NB: see payment summary- superannuation lump sum received from super fund.

Please provide details of Bank Accounts and Interest received

AMOUNT:

Did you receive any Dividend income? **YES** **NO**

Did you receive income from partnerships and/or trusts? **YES** **NO**

Did you receive any business income? **YES** **NO**

Is your business Subcontracting? Did you earn the majority of your income from one contract? **YES** **NO**

Have you made deposits to or withdrawals from a farm managed deposit? **YES** **NO**

Did you have any Capital Gains or losses during the financial year? **YES** **NO**

Did you receive any income from overseas sources? **YES** **NO**

DESCRIPTION OF INCOME

Please attach all dividend and investment Tax Statements

If yes we will need to discuss with you what additional information may be required

If yes please complete a Business Schedule available under Additional Forms where you obtained this form on the mail-ins page

If yes you will need to complete an additional Business Schedule: bantacs.com.au/tools.php

Please attach bank statements for your Farm Management Account

If yes please complete a CGT Schedule, available under Additional Forms where you obtained this form on the mail-ins page

Please provide details below

AMOUNT

Did you receive any bonuses from life assurance or friendly society policies? **YES** **NO**

Did you receive income from forestry managed investments? **YES** **NO**

Have your received any other income such as discounts or share rights through an employee share scheme, royalties, scholarships, jury duty etc. **YES** **NO**

Description of Income

Please attach statements showing amounts received

Please attach paperwork

Please attach any supporting documents showing type of income & any tax paid

Amount

DEDUCTIONS – Please see Substantiation notes at the end of this document to help with deductions

Do you use your vehicle for work purposes? **YES** **NO** **If yes please provide car details below**

Car 1 Make and Model _____ Car 2 Make and Model _____

Car 1 Number Plate _____ Car 2 Number Plate _____

Car 1 Engine Capacity in Litres (cubic capacity) 1.6 litres or less over 1.6 up to 2.6litres over 2.6 litres

Car 2 Engine Capacity in Litres (cubic capacity) 1.6 litres or less over 1.6 up to 2.6litres over 2.6 litres

If yes to previous question, do you keep a log book for your car? **YES** **NO** **If yes, please enclose the log book and all the receipts for expenses. If no, use the kms method; see next.**

To use the kms method, a detailed reasonable estimate of the kms travelled for work is required; eg, a diary for one month which is representative of the whole year or, if spasmodic, a list for each trip. Please provide the total kms for the year here. A car provided by your employer, even if salary sacrificed cannot be claimed here.

Kilometres travelled in car 1 for work _____ kms Kms travelled in car 2 for work _____ kms

Do you have any other work related expenses for travel? **YES** **NO** **If yes please provide details below or as an attachment.**

DESCRIPTION (eg, parking tolls or taxi's)	AMOUNT
_____	_____
_____	_____

Do you have a travel diary/itinerary and accommodation receipts? **YES** **NO** **If not please provide details below or as an attachment.**

DESCRIPTION	AMOUNT
_____	_____
_____	_____

Do you have work related uniform and other clothing expenses **YES** **NO** **If yes please provide details below**

DESCRIPTION	AMOUNT
Protective Clothing: _____	_____
Occupation Specific Clothing: _____	_____
Non Compulsory Uniform: _____	_____
Conventional Clothing : _____	_____
Dry Cleaning: _____	_____
Laundry (we need the number of loads per week) _____	Full loads _____ mixed loads _____

Education: Did you attend any

Work related courses at an educational institution? **YES** **NO**

Or any seminars and courses? **YES** **NO** **If yes please provide details below**

DESCRIPTION	AMOUNT
Student Union Fees (only for educational institution): _____	_____
Course Fees (excluding HELP): _____	_____
Text Books: _____	_____
Stationery: _____	_____
Parking: _____	_____
Other: _____	_____
Travel (see below)	_____

You can claim the travel from home to your place of education or from work to your place of education but you cannot claim for the trip from the place of education to your home if you went to work first. So if you travel from home to the place of education and back home again or for that matter anywhere other than work then you are entitled to claim both legs of the journey.

Car 1 Make and Model _____ Car 2 Make and Model _____

Car 1 Number Plate _____ Car 2 Number Plate _____

Car 1 Engine Capacity in Litres (cubic capacity) 1.6 litres or less over 1.6 up to 2.6litres over 2.6 litres

Car 2 Engine Capacity in Litres (cubic capacity) 1.6 litres or less over 1.6 up to 2.6litres over 2.6 litres

To use the kms method, a detailed reasonable estimate of the kms travelled for work is required; eg, a diary for one month which is representative of the whole year or, if spasmodic, a list for each trip. Please provide the total kms for the year here. A car provided by your employer, even if salary sacrificed cannot be claimed here.

Kilometres travelled in car 1 for work education _____ kms Kms travelled in car 2 for work education _____ kms

Did you incur any expenses in order to work from your home? YES NO

If yes please complete the following using the information in the Substantiation section to help you.

AMOUNT

Electricity - can be recorded on an hourly basis: _____

Internet access - apportioned: _____

Stationary: _____

Telephone calls for work: _____

Printer cartridges: _____

Computer depreciation: _____

Is there a room set aside that you use apart from the rest of the family? YES NO

Keep a diary for one month showing how many hours you spend working in that room
If yes please provide details below

Did you purchase and tools and equipment for work? YES NO

DESCRIPTION (please see substantiation notes)

AMOUNT

Subscriptions, union fees or professional body fees YES NO

If yes please provide details below

DESCRIPTION

AMOUNT

Journals/periodicals YES NO

If yes please provide details below

DESCRIPTION

AMOUNT

AMOUNT

Sun protection YES NO

Any other work deductions YES NO

If yes please provide details below

DESCRIPTION

AMOUNT

Gifts and donations YES NO

If yes please provide details below

NAME OF DONATION RECIPIENT

AMOUNT

AMOUNT

Cost of managing tax affairs (e.g. tax agent fees): _____

Number of kms travelled to have tax return completed last year: _____

KMs

Have you made any personal superannuation contributions in excess of those made for you by your employer? YES NO

If yes please provide details below

How/When were contributions made: _____

Name of Fund : _____

Amount (if not on PAYG Summary)

Policy Number: _____

Did you make any Superannuation contributions on behalf of spouse YES NO

If yes please provide details below

How/When were contributions made: _____

Amount (if not on PAYG Summary)

Name of Fund & Policy Number: _____

Forestry Management Investment Scheme Deduction YES NO

Do you have Income Protection Insurance? YES NO

Name of Fund & Policy Number: _____

Amount _____

TAX OFFSETS

Do you have a dependant spouse (without child), child-housekeeper or housekeeper?

YES NO

If yes please provide a copy of the Annual Tax Statement issued by your fund.

Do you have Private Health Insurance?

YES NO

Does your private health insurance cover all children including ones living with you that are not yours and your children who do not live with you?

YES NO

Have you incurred any educational expenses for your school aged children? Eg. Computer hardware, software, books, internet connection. **Excludes** school fees, excursions, tutoring costs, library fees, uniforms & subject levy.

YES NO

If yes please provide details below

DESCRIPTION

AMOUNT

DESCRIPTION	AMOUNT
_____	_____
_____	_____
_____	_____

During the financial year did you live in a remote zone or have you served overseas with the Defence Force?

YES NO

If yes please provide details below.

LOCATION, INCLUDE POSTCODE IF IN AUSTRALIA

NUMBER OF DAYS IF LESS THAN 183

LOCATION, INCLUDE POSTCODE IF IN AUSTRALIA	NUMBER OF DAYS IF LESS THAN 183
_____	_____
_____	_____

Do you have net medical expenses over \$2000 for 2010/2011? Note this does not include cosmetic procedures or alternative therapies that were not referred by a medical practitioner

YES NO

If yes please provide details below. ONLY for medical expenses that have not been reimbursed. See Substantiation notes below.

DESCRIPTION

AMOUNT

DESCRIPTION	AMOUNT
Hospital: _____	_____
General Medical: _____	_____
Pharmacy: _____	_____
Other: _____	_____

Did you maintain a parent, parent-in-law or invalid relative?

YES NO

OTHER

Are you aware of an entitlement to the Medicare exemption/reduction? For example because you were covered by the Defence Force or you received notification from Centrelink that your benefit included an exemption from Medicare

YES NO

Did you become a tax resident of Australia during the financial year?

YES NO

Date: / /

Did you stop being a tax resident of Australia during the financial year?

YES NO

Date: / /

Has the ATO notified you that you have been selected for an audit or other type of review?

YES NO

If yes please provide a copy of ATO correspondence

Do you owe any money to any government department (e.g. Child Support, HELP, Family Tax Benefit debts)?

YES NO

To Whom:

Did you receive any capital returns on any listed company shares?

YES NO

If yes please provide details

Did you participate in any share buyback scheme?

YES NO

If yes please provide details

SUBSTANTIATION

Usually a receipt is required showing the item purchased, the amount, the date and the name of the supplier is required to claim a tax deduction for a work related expense. Private use may need to be apportioned. For more information refer our wage earners booklet in the Freebies section of the web site.

Laundry – You can claim 50 cents per mixed load and \$1 per full load of qualifying uniforms or protective clothing, up to \$150 per year. Simply take your average loads per week and multiply it by the number of weeks you worked.

Less Than \$300 – If you claim less than \$300 in work related expenses such as self education, tools, uniforms, protective items, stationery, union fees etc you do not need to substantiate your claim with receipts. Any claim you make for motor vehicle expenses or travel costs (includes tolls and parking) is not counted towards the \$300 limit.

Less Than \$10 – If each individual expense is less than \$10 and the total of all such expenses does not exceed \$200 you do not need to keep a receipt but must have a diary entry showing the name of the supplier, date, amount and a description of the purchase. This also applies when you can't get a receipt such as parking meters.

Allowances – Each year the ATO produces a list of what it considers reasonable travel allowances. If your employer pays you an allowance and you do not claim more than the amount listed by the ATO as reasonable you do not have to substantiate with receipts the amount you incurred. But you do have to have incurred the expense. A diary entry of your food expenses is sufficient. If you are away from home for more than 5 nights you will need to keep a travel diary of what you did each day. You can still claim up to the ATO reasonable amount even if your employer paid you less as long as it was a bona fide allowance (ie not just \$5 per night but sufficient to live off)

The ATO also releases what it considers a reasonable overtime meal allowance each year. Again you can claim up to this amount even if your employer pays you less but you must be paid the allowance under an award.

Electricity – The ATO allows you 26 cents per hour for every hour you are working at home in an office separate from the rest of the family. This covers electricity and maintenance on the room. Keep the diary for 1 month.

Motor Vehicle – By keeping a diary for one month each year you can claim up to 5,000 kilometres per vehicle you own. If you own a car together with another person and it is only their name on the registration papers they can complete a declaration of joint ownership so you can claim it. You are also considered to be the owner of a car even if it is registered in the name of another family member but you are the one who pays all the expenses relating to it.

Telephone – To claim STD and mobile calls from your home phone go through one month's itemised account and work out the numbers that are work related. This percentage of work related calls can be applied to the mobile and STD calls in the other months. Local calls can be apportioned by keeping a diary for one month noting the ratio of private to work related local calls. Line rental can also be apportioned.

Mobile Phones – Analyse one month's statement and apply its ratio of work to private calls to the rest of the year.

Commissioner's Discretion – If you have sufficient evidence that you have incurred the expense and would be have been entitled to a deduction if you had a receipt then the ATO must still allow you the deduction but it needs to be beyond doubt that you incurred the expense.

Work related Travel – Wage earners can claim their motor vehicle expenses when they meet the substantiation requirements and they travel as follows:

1) Bulky Equipment – Home to work travel is claimable if there is no safe storage at work and as a result you transport bulky equipment between home and work. Safe storage is defined as similar to your own personal locker. Therefore a container on a building site to which all and sundry has a key is not safe storage. Case S29 prescribed more than 20kg was bulky. Taxpack gives the example of a ladder and drum kit not because they weigh more than 20kg but because they fulfill the difficulty to carry side of bulky.

2) Abnormal workplace, this is defined in Taxpack as:

From your normal workplace to an alternative workplace – for example, a client's premises – while still on duty and back to your normal workplace or directly home. From your home to an alternative workplace for work purposes and then to your normal workplace or directly home.

This includes being sent to another branch or shop to relieve providing you were not employed predominantly to relieve. It covers seminars and visits to customers. It also includes work related tasks performed on the way home or to work but, note MT 2027, the task cannot be insignificant such as dropping off the mail. But if you have to travel out of your way to drop off the mail you can claim for this extra distance you. For more refer TD 96/42 & TD 96/43.

3) Between Jobs – note this includes travel from home when home is the base of operations or work begins there. Home can be considered a base of employment if employment related duties have begun before leaving there, providing those employment related duties did not begin merely for the convenience of the taxpayer.

4) Itinerant work – Your job involves travelling to more than one place or work each day.

For more information refer our Claiming a Motor Vehicle Booklet which is in the Freebies section of the web site

Unusual medical expenses that qualify for the tax offset – As you collate you paper work for your tax return consider your medical expenses. For the 2010/11 financial year they have to exceed \$2,000 before you start to qualify for the offset. The offset is 20 cents for every dollar in excess of the \$2,000 threshold. The whole family's medical expenses can be added together to meet this threshold.

In case Q21 84 ATC 77 an allergy to cow's milk was considered an illness. Accordingly, because the milk substitute was prescribed by a doctor and purchased from a chemist it qualified towards the medical expense tax offset. But make sure the milk substitute is purchased from a chemist and the doctor makes a file note that it is recommended (IT 2146)!

Therapeutic treatment also qualifies if it is prescribed by a doctor. The doctor must name the therapeutic practitioner and specify the treatment. Examples of this would be chiropractors, osteopaths, masseurs, speech therapist and dieticians.



Looking for a way to collate your rental property taxation information in a way that will minimize your accounting fees? Visit the Shopping section of the BAN TACS website for our Property Tax Return Worksheet

RENTAL PROPERTY SCHEDULE 2011

Client Name: _____

Fill Out a Separate Schedule for Each Rental Property

New clients should complete all items below. Returning clients need only provide those items not previously disclosed to your accountant

Property Details (Property History)	SUPPORTING DOCS	ATTACHED
Property Address (must include Post Code)* _____		
Name(s) of other owner(s)* _____		
Percentage of ownership allocated to you* _____ %	Purchase Contract	<input type="checkbox"/>
Date the property was purchased* _____ / _____ / _____		
Purchase price of the property* \$ _____	Quantity Surveyors Report	<input type="checkbox"/>
Date the property was rented out for the first time* _____ / _____ / _____		
Was this property built OR improved after 17th July, 1985?* Yes No		
<p>If yes you are entitled to claim depreciation on the building. To do this you are required to have a copy of the original building or improvement cost or a Quantity Surveyor's report estimating these costs. Please enclose this if this is the first year you are claiming the building or you are unable to provide the depreciation schedule from last year's tax return.</p>		
Did you still own the property as at 30th June? Yes No		
If not please provide date of sale _____ / _____ / _____	Contract of Sale	<input type="checkbox"/>
And the sale price \$ _____		
Number of weeks the property was rented out during the financial year _____		wks
Number of weeks property was available for rent during to financial year _____		wks
* This information may be available from your last tax return		

Property Finance Details - USE THE FULL AMOUNT OF INCOME THE PROPERTY EARNED AND THE FULL AMOUNT OF EXPENSES INCURRED ON THE PROPERTY EVEN IF YOU DON'T FULLY OWN THE PROPERTY AS OUR SOFTWARE WILL DO THE APPORTIONING

Supporting Docs

Attached

NR Denotes copies are not required by your accountant, original documents should still be maintained by you. Please take care to ensure there is **no double counting in the following**, for example:

- The Total Rent Income Amount should be the actual amount paid by the tenants NOT the net amount you receive from the Real Estate Agent. The agent's fees etc are deducted later under expenses.
- If your records are so limited that you only know the net amount received from the Real Estate Agent it is OK to include that as rent income but do NOT enter anything in the Agent's Fees Expense.
- If you are entering the net amount you actually received from the Real Estate Agent and the agent paid other costs such as repairs, insurance rates etc, these amounts should NOT be entered as expenses.

Is the property mortgaged?	Yes No		
With whom	_____	Initial Loan Document if loan is less than 5 years old (showing cost of establishment)	<input type="checkbox"/>
Date the loan commenced	____ / ____ / ____		
Amount of original loan	\$ _____		
Percentage of loan relating to this property	_____ %		
Have you made any personal redraws on the loan?	Yes No	Loan statements showing redraw amounts	<input type="checkbox"/>
Have you refinanced the mortgage since purchasing the property?	Yes No	Statements showing loan closure. Initial loan documents for new loan showing reestablishment costs.	<input type="checkbox"/>
If yes, Date of refinancing	____ / ____ / ____		<input type="checkbox"/>

PROPERTY INCOME – NO NEED TO COMPLETE IF YOU HAVE USED THE BAN TACS PROPERTY TAX RETURN WORKSHEET

Total rent income received for this property	\$ _____	Rental Rcpt Book or Agent Statements	<input type="checkbox"/>
Other income	\$ _____	Eg. Bond kept to recoup damages	<input type="checkbox"/>

PROPERTY EXPENSES – NO NEED TO COMPLETE IF YOU HAVE USED THE BAN TACS PROPERTY TAX RETURN WORKSHEET

D.	Advertising	\$ _____	Invoices/Receipts	NR
E.	Body Corp Fees	_____	Invoices/Receipts	NR
G.	Cleaning	\$ _____	Invoices/Receipts	NR
H.	Council Rates	\$ _____	Invoices/Receipts	NR
J.	Lawn Mowing and Gardening	\$ _____	Invoices/Receipts	NR
K.	Insurance	\$ _____	Invoices/Receipts	NR
L.	Interest paid on loan where the money borrowed was used to purchase the property (It doesn't matter where the loan is secured just what it was used for)	\$ _____	Bank Statements	<input type="checkbox"/>
M.	Land Tax	\$ _____	Invoices/Receipts	NR
N.	Legal Costs (in relation to tenants not purchase of property)	\$ _____	Invoices/Receipts	NR
O.	Pest Control	\$ _____	Invoices/Receipts	NR
P.	Property Agents Fees/Commissions (including their mailing and sundries fee)	\$ _____	Agent Statements	<input type="checkbox"/>
	Water Rates	\$ _____	Invoices/Receipts	NR
	Sundry Expenses	\$ _____	Invoices/Receipts	<input type="checkbox"/>
	Bank Fees	\$ _____	Bank Statements	<input type="checkbox"/>

Plant and Equipment Depreciation

If this is the first year we have prepared your income tax return please make sure you send us a copy of your depreciation schedule from last year's tax return. If this is the first year you have held this property as a rental we will need to contact you and discuss the value of the plant and equipment held in the property. It is not necessary to have a quantity surveyors report to do this but if you obtain a quantity surveyors report for the building depreciation it will also include the plant and equipment. If you have previously lived in the property and this is the first year you have rented it out you should keep any information you have on the whole property's market value for future CGT purposes and photos. To claim plant and equipment you will have to estimate their values when you first purchased the house and we will amortise the depreciation from back then. If you have had the plant and equipment for over 10 years it is probably not worth the paper work. We will also need the date for when you either purchased the house or each piece of plant and equipment; whichever is the most recent.

Plant and EQUIPMENT

Items such as carpets, stoves, hot water systems, air conditioners, some light fittings, fans, curtains etc.

REPAIRS & MAINTENANCE AND IMPROVEMENTS

Repairs & Maintenance, not improvements are deductible. For example if the house needed painting when you bought it then painting it would be an improvement, therefore not deductible. On the other hand if during the time of your ownership the paint starts to peel and you repaint, the expense would be a deduction. No deduction is available for your own labour. Take care to perform repairs only when the premises are tenanted or in a period where the property will be tenanted before and after with no private use in the middle (IT180). IT 180 states that to claim, the repair needs to be made during a financial year that rent is received.

If a property is used only as a rental property during the whole year then a repair would be fully deductible even though some of the damage may have been done in previous years when the property was used for private purposes (TR97/23). Note this does not apply if the damage was done in a period you did not own the property. If the state of disrepair the property was in at the time you purchased it is directly responsible for further damage when you own it, all the repairs relating to that damage are considered improvements (Law Shipping Co. UK). A repair can become an improvement if it does not restore things to their original state (case M60) i.e. replacing a metal roof with tiles. The whole cost of the tiled roof would be an improvement and no deduction would be available for what it would have cost you to put up another metal roof. But a change is not always an improvement. In ID 2002/330 the ATO states that the cost of removing carpets and polishing the existing floorboards is deductible. Yet in ID 2001/30 underpinning due to subsidence was considered by the ATO to be an improvement not a repair. It is not necessary to use the original materials to restore the thing or structure to its original state. Modern materials can be used even when these might be a slight improvement because they are more efficient. As long as the benefit is only minor or incidental it can still be considered a repair.

Work that replaces the whole thing or structure is an improvement not a repair. So don't pull down all of the old fence and replace it just replace the damaged area. TR 97/23 recognises that eventually the whole thing or structure may be replaced in a progression of repairs. These repairs are still deductible providing each repair is on a small scale, the progression is over a long period of time and that it is not just in reality a replacement done over time but individual repairs.

Tree removal is claimable if the trees have become diseased or infested during the time of ownership. Removal is also claimable if the tree is causing damage such as roots interfering with pipes and the damage was not present when you purchased the property. If a tree is removed because it may cause damage in the future or you are fed up with the leaf litter that has always happened since you bought the property, then you are making an improvement which is not deductible.

Note improvements can increase your cost base for CGT purposes so it is still important to keep the receipt.

Q&R. Plant & Equipment, Repairs, Improvements – only items purchased financial year					INVOICE ATTACHED
PURCHASE DATE	DESCRIPTION OF ITEM PURCHASED	PLANT & EQUIPMENT	REPAIRS	IMPROVEMENT	
/ /		\$	\$	\$	<input type="checkbox"/>
/ /		\$	\$	\$	<input type="checkbox"/>
/ /		\$	\$	\$	<input type="checkbox"/>
/ /		\$	\$	\$	<input type="checkbox"/>
/ /		\$	\$	\$	<input type="checkbox"/>
/ /		\$	\$	\$	<input type="checkbox"/>
/ /		\$	\$	\$	<input type="checkbox"/>
/ /		\$	\$	\$	<input type="checkbox"/>

S. ITEMS: STATIONARY, POSTAGE, PHONE AND OTHER ITEMS NOT LISTED ANYWHERE ABOVE

ITEM DESCRIPTION	AMOUNT	DATE OF PAYMENT	EVIDENCE
	\$	/ /	<input type="checkbox"/>
	\$	/ /	<input type="checkbox"/>
	\$	/ /	<input type="checkbox"/>
	\$	/ /	<input type="checkbox"/>
	\$	/ /	<input type="checkbox"/>
	\$	/ /	<input type="checkbox"/>
	\$	/ /	<input type="checkbox"/>
	\$	/ /	<input type="checkbox"/>

T. TRAVEL CLAIMS

SUPPORTING DOCS

ATTACHED

Travel costs can certainly be legitimate deductions, they include motor vehicle and airfares, if you sleep away from home accommodation and food costs are included. When the travel involves staying away from home it is important to keep a diary so you can show what portion of your time was spent on the property and that it wasn't really a holiday. If you stay away for **more than 5 nights then a diary is compulsory**. Where there was also a holiday motive then your costs will need to be apportioned. You of course, also need to keep receipts, though if you can't get a receipt (ie vending machines) just write it in the diary.

If Claiming Air Fares, days should add up to your total days away.

If you are working on the rental property all week the weekend is not considered private days, so include those days in regard to the rental property.

Air fares to visit rental property (Do not include travel in relation to purchasing the property) \$ _____	Travel Diary	<input type="checkbox"/>
How many days of the trip were private _____ days		
Days regarding rental property _____ days		
Accommodation and food costs (Only for days you were travelling in regard to the rental property) \$ _____	Copies of Invoices	<input type="checkbox"/>
Other Travel Expenses (eg Parking, taxis & tolls) \$ _____		

CAR CLAIMS – a car provided by your employer, even if salary sacrificed cannot be claimed here

A detailed reasonable estimate of the kms travelled for the rental property is required; eg, a diary for one month which is representative of the whole year or, if spasmodic, a list for each trip.

Car 1 Make and Model _____

Car 2 Make and Model _____

Car 1 Number Plate _____

Car 2 Number Plate _____

Car 1 Engine Capacity in Litres
(cubic capacity) 1.6 litres or less
 over 1.6 up to 2.6litres
 over 2.6 litres

Car 2 Engine Capacity in Litres
(cubic capacity) 1.6 litres or less
 over 1.6 up to 2.6litres
 over 2.6 litres

Kilometres travelled in car 1 in regard to the property
(Do not include travel in relation to purchasing the property) _____ kms

Kilometres travelled in car 2 in regard to the property
(Do not include travel in relation to purchasing the property) _____ kms