

# QS Corner

TIP #25

Welcome to QS Corner!  
This month I'll try and save you  
money – faster!

When buying things for an investment property, I always abide by this guiding principle: "A dollar today is worth more than a dollar tomorrow" ... so deduct items as quickly as possible.



Generally speaking, it pays to have a little bit of tax knowledge, that's why it's worth remembering that Individual items under \$300 can be written off immediately.

Even if your portion of a more expensive item is under \$300, you can still write it off.

For instance, say an electric motor to the garage door cost an apartment block \$2000. If there are 50 units in the block, your portion is \$40.

You can claim that \$40 outright - as your portion is under \$300.

More importantly – if buying a microwave for your property – buy one for \$295 as opposed to \$305.

By doing this you'll be able to claim \$295 as an immediate tax deduction, opposed to depreciating it at the Prime Cost rate of 10% per annum – where you can only claim around \$30 in the first year.

That's an increase of close to 1000%!!!



Tyron Hyde is a director of quantity surveying firm Washington Brown. For more QS Corner tips and information on property depreciation including a FREE online tax depreciation calculator, visit [www.washingtonbrown.com.au](http://www.washingtonbrown.com.au)



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