

QS Corner

TIP #38

Welcome to QS Corner!
This month we learn why
depreciation is the icing on
the cake...

This may sound strange coming from a Quantity Surveyor who's business involves selling depreciation schedules... BUT, when you are buying an investment property, your initial focus should not be on property depreciation.



It should be on future infrastructure, potential rental yield, vacancy rates and how you can improve the property.

Think of tax depreciation as the icing on the cake. Depreciation reduces your taxable income and can have a positive impact on increasing your cash flow.

Unlike other deductions, where you fork out the cash first and then claim back the deduction, depreciation is in-built in the property at the time of purchase.

You don't have to pay money out to get money back.

The key is working out how much you can claim.

You can use the free depreciation calculator on our website for a quick estimate or give us a call and we will provide you with a free no-obligation quote.

And remember, you can backdate your tax return if you haven't been claiming your full entitlements but speak with your accountant first



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 washingtonbrown.com.au



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