QS Corner

TIP #54

In this month's QS Corner it's all about playing it safe....

We all know that when it comes to maximising your tax deductions, keeping records is very important. Without them, you leave yourself exposed and vulnerable in the event of an audit by the Australian Taxation Office (ATO).

When it comes to claiming deductions and maximising the depreciation benefits associated with your investment property, it is necessary to supply a record of each individual expense. In accordance with ATO requirements, all records relating to rental property expenses must be easily legible and must contain the following information: name of supplier, amount of the expense, nature of the goods or services, date when the expense was incurred, and the date of the document. This is particularly relevant when renovations are being carried out.

There may be instances where a document does not indicate the date of payment. In this case, you may use other supporting but independent evidence, like a bank statement which shows the date when the expense was incurred.

Ultimately, keeping accurate and complete records means that your tax submission will stand up to scrutiny from the ATO and ensures that you achieve the best possible financial outcome.

In the case where records are not able to be provided – for legitimate reasons – an estimate by a Quantity Surveyor will be accepted by the ATO.

FREE STUFF

For free property depreciation and construction cost calculators, visit:
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