

QS Corner

In this month's QS Corner –
It's about time I had a rant!

Many, many moons ago all Quantity Surveyors interpreted the Tax Act differently when preparing depreciation reports. For example, some of us would say that kitchens were part of the building and others considered them to be Plant & Equipment (P&E).



Generally speaking it's better to have an item considered P&E because you can claim it at an accelerated rate of depreciation.

The ATO saw the discrepancies and finally published a definitive list that we could all use.

Rant starts now: *But they went too far.* You see, they classified items such as kitchen cupboards, shower screens, vanity cupboards and many other items into the building allowance which means they have to be claimed over *40 years*.

I don't know about you - but I don't want a shower surrounded by a 39 year-old shower screen, do you? Eeeww.

I see more & more properties that are 20 years old and have needed a serious makeover in order to get a tenant.

TIP: Don't let the ATO get away with it - if you do remove things from your property consider a Scrapping Schedule.

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