



The Property Depreciation Experts

Sample Depreciation Report - Brand New Apartment



Washington Brown

THE PROPERTY DEPRECIATION EXPERTS



25-Feb-19

Mr. J. Smith
Delivered via Email
FILE NO: 96068-NewUnit

Dear John,

1/123 Sample Street, Sydney NSW 2000

Thank you for choosing Washington Brown to prepare your depreciation report.

Enclosed is our assessment of depreciation for the above property based upon the Diminishing Value method and the Prime Cost method.

You will need to choose which method of depreciation you would like to claim. Factors which may impact on your decision include:

1. Whether you have ever lived in the property.
2. The length of time you intend to own the property.

Generally speaking, if the property has been an investment from the settlement date - property investors tend to choose the Diminishing Value method. This method enables you to claim the depreciation faster.

However, if you have lived in the property at any time, you may wish to consider the Prime Cost method as it slows down the depreciation in the earlier years.

We recommend you always confirm with your accountant or financial advisor the method that best suits your individual circumstances.

Further information about these two different methods has been provided to you in the following pages.

Once you choose your method of claim, you cannot alternate between the two options.



The year-end summary pages of this Schedule contain essential information that summarises the amount you can claim annually.

Washington Brown Depreciation Pty. Ltd. does not accept any contractual, tortious or other form of liability for any consequences, loss or damage which may arise as a result of any other person acting upon or using this valuation.

Regards,

Washington Brown Depreciation Pty Ltd

Washington Brown Depreciation Pty Ltd
Registered Tax Agent 26956002

SAMPLE

Thanks for choosing Washington Brown



Powered by process

Consistency comes down to process. It's not sexy but it's what gets the job done right every time.

That's why we've built our offering around TAXMAX500™—our digitally powered quality assurance process that evaluates every single property across over 500 variables.

Constantly updated as ATO policies change, it ensures our more than 20 years of property depreciation expertise is put to work for every one of our clients.

It's how we can guarantee maximum depreciation every time—and if you're in our game, that's really sexy.



Global made local

Australians with investment properties overseas usually have much more complex tax structures.

So if that's you, then it makes sense to choose the only property depreciation consultants in Australia with a global network—having worked across 22 countries on five continents and growing.

That gives us the ability to inspect and calculate costs overseas, which means maximum returns on your overseas investments within the Australian taxation system.

And that's a difference that makes those complex structures a lot simpler—and a lot more lucrative.



Award-winning

It's not vanity that makes us call ourselves depreciation consultants instead of quantity surveyors. It's because we truly offer so much more.

That's not hot air either—we're the only multi award-winning Quantity Surveyor in Australia, including the Smart Property Investor Quantity Surveyor of the year 2015.

It's why we're trusted to provide the estimates for industry leaders like RP Data/Core Logic, Meriton Apartments, Finbar International and Knight Frank. So if you're unsure, don't take our word for it, take theirs.



Upside only

It's usually not easy understanding the value in property depreciation schedules—but that's what we've achieved by simply taking risk off the table.

Our unique 'Washington Brown - Return on Investment Screening' process asks the questions that matter up front, ensuring we'll deliver a minimum of twice our fee in deductions within the first 12 months after settlement, or the report is free.

Coupled with the fact our depreciation schedules are for up to 40 years, compared with as little as five from some competitors, and it's clear that with Washington Brown there really is only upside.



Depreciation Schedule Fact Sheet

What is a depreciation schedule?

A depreciation schedule is a report supplied by a quantity surveyor after inspection of an investment property. This report itemises fixtures and fittings that can be depreciated and estimates their value. It also estimates construction costs if these are not otherwise known.

What has the report been based upon?

We have based our assessment upon the information as provided, together with the property inspection and our estimate of probable construction costs.

What is this report used for?

This depreciation schedule has been prepared for the sole purpose of depreciation claims to reduce investment owner's taxable income and may not be used for any other purpose. This report will become void if you sell this property. Future owners should contact this office to discuss any future claims.

What is a depreciating asset?

A depreciating asset as defined in the Income Tax Assessment Act (ITAA) 1997 sect. 40-30(1), is an asset that has a limited effective life and can reasonably be expected to decline in value over the time it is used.

The calculation of the amount of a deduction allowed with respect to a depreciating asset in part depends upon the cost of that asset. The cost has been determined by the amount you have paid for the depreciating asset.

What is the Diminishing Value method of Depreciation

This method depreciates items more quickly up front. This method recognises the fact that most Plant and Equipment items tend to lose a higher portion of their value early on.



What is the Prime Cost method of depreciation?

This method evenly spreads out the depreciation you can claim on Plant and Equipment items.

What is the Building or Capital Works allowance?

This deduction relates to the construction costs of the building itself (concrete and brickwork etc.). This allowance is calculated at either 2.5% or 4% per annum based upon the original construction cost.

What is Plant and Equipment?

Plant and Equipment refers to items within a building, such as ovens, dishwashers, carpets and blinds. The Plant and Equipment allowances comprise of a number of categories which are claimed at different percentages over their effective life.

What is effective life?

Also known as useful life, effective life is the length of the life of an item of Plant and Equipment in an investment property as deemed by the tax office. Each item can be depreciated over a period of its effective life.

When does the \$300 immediate write off apply?

You can claim immediate deductions (i.e. 100% of the cost price) for items costing \$300 or less.

What is a Low Value Pool Item?

Items which cost more than \$300 but less than \$1000 can be allocated to a low value pool and are depreciated at a 37.5% per year under the Diminishing Value Method.

What are design and professional fees?

These fees include architect fees, engineering costs and any other design fees involved in creating a property.



What are builder's preliminaries?

These costs relate to items such as scaffolding, materials, handling insurances and labour costs.

What are owner inclusions?

This relates to the work or additions that you made to your property after settlement of the property.

What if I co-own my property?

Where depreciating assets are co-owned, the individual's interest (share) in the asset is applicable. Each co-owner therefore must treat their depreciating asset (their interest in the underlying asset) in accordance with their own tax profile.



Your Property Details

Property Address	1/123 Sample Street, Sydney NSW 2000
Purchase Price Of Property	\$850,000
Settlement Date	January 1, 2019
Contract Exchange Date	November 15, 2018
Year Of Construction	2019



CERTIFICATE OF DEPRECIATION

We hereby certify that the following costs in our opinion relate to the Plant and Equipment as included within the Purchase Contract between the relevant parties. This certification is in accordance with Division 40 of the Income Tax Assessment Act 1997.

We hereby certify that the following costs in our opinion relate to the Capital Works Allowance as included within the Purchase Contract between the relevant parties. This certification is in accordance with Division 43 of the Income Tax Assessment Act 1997.

The depreciation of the Plant and Equipment in this depreciation schedule has been determined in accordance with the relevant legislation at the time of writing this report.



DEPRECIATION SCHEDULE
BASED UPON
THE DIMINISHING VALUE METHOD

This method depreciates items at a greater rate in the beginning. This method recognises the fact that most plant and equipment items tend to lose a higher portion of their value to begin with.



CONSTRUCTION SUMMARY - DIMINISHING VALUE METHOD		
<p>DEPRECIATION & BUILDING ALLOWANCES BASED ON THE DIMINISHING VALUE METHOD AS OUTLINED IN THE NEW BUSINESS TAX SYSTEM (CAPITAL ALLOWANCES) ACT1999. AMENDMENTS TO INCOME TAX ASSESSMENT ACT 1997 BY NEW BUSINESS TAX SYSTEM (CAPITAL ALLOWANCES) ACT 1999 (ACT 164 of 1999, ROYAL ASSENT 10 DECEMBER 1999).</p>		
PROJECT: 1/123 Sample Street, Sydney NSW 2000		DATE: 25-Feb-19
CLIENT: John Smith		JOB: 96068
DESCRIPTION	VALUE	CALCULATIONS
PURCHASE PRICE	\$850,000	
BUILDING COST	\$335,330	
ADD BUILDERS PRELIMINARIES	\$55,564	
ADD PROFESSIONAL FEES	\$23,909	
ADD OWNERS INCLUSIONS	\$1,409	
TOTAL CONSTRUCTION COSTS	\$416,212	\$416,212
LESS TOTAL INSTALLED COST OF PLANT & EQUIPMENT	\$45,518	
LESS ALLOWANCE FOR ITEMS NOT ELIGIBLE FOR DEPRECIATION:	\$2,430	
LESS TOTAL VALUE OF LOW POOL ITEMS	\$7,436	
SUB TOTAL	\$55,384	-\$55,384
BUILDING ALLOWANCE – SECTION 43 (INITIAL STRUCTURE)		\$360,828

SCHEDULE OF DEPRECIABLE ITEMS BASED UPON THE DIMINISHING VALUE METHOD

PROJECT: 1/123 Sample Street, Sydney NSW 2000

DATE: 25-Feb-19

CLIENT: John Smith

JOB: 96068-NewUnit

Category : ASSETS GENERALLY (16 items)

Depreciable Item	Cost	Effective Life (DV)	Diminishing Value	Opening WDV
Air Conditioning - Chillers	\$ 2,879	20	10%	\$ 2,879
Air Conditioning - Controls	\$ 3,063	10	20%	\$ 3,063
Air Conditioning - Dampers	\$ 1,623	10	20%	\$ 1,623
Air Conditioning - Fans, coils & filters	\$ 2,328	15	13.34%	\$ 2,328
Door closers	\$ 369	<= \$300**	100%	\$ 369
Floor coverings - Carpet	\$ 1,966	10	20%	\$ 1,966
Floor coverings - Floating timber	\$ 4,872	15	13.34%	\$ 4,872
Gym assets - Cardiovascular	\$ 278	<= \$300**	100%	\$ 278
Gym assets - Resistance	\$ 244	<= \$300**	100%	\$ 244
Hot water systems (excluding piping)	\$ 1,986	12	16.66%	\$ 1,986
Lifts including hydraulic & traction lifts	\$ 13,090	30	6.66%	\$ 13,090
Lights - Fittings (excluding hardwired)	\$ 2,178	<= \$300**	100%	\$ 2,178
Lights - Fittings (excluding hardwired) (common)	\$ 441	<= \$300**	100%	\$ 441
Master antenna television (MATV) assets	\$ 255	<= \$300**	100%	\$ 255
Ventilation fans	\$ 1,871	20	10%	\$ 1,871
Window blinds, internal (1/03/2019)	\$ 494	<= \$300**	100%	\$ 494



Category : BATHROOM ASSETS (1 item)

Depreciable Item	Cost	Effective Life (DV)	Diminishing Value	Opening WDV
Exhaust fans (including light-heating)	\$ 536	<= \$300**	100%	\$ 536

Category : FIRE CONTROL ASSETS (2 items)

Depreciable Item	Cost	Effective Life (DV)	Diminishing Value	Opening WDV
Detector - Alarm bells	\$ 167	<= \$300**	100%	\$ 167
Extinguishers	\$ 153	<= \$300**	100%	\$ 153

Category : KITCHEN ASSETS (3 items)

Depreciable Item	Cost	Effective Life (DV)	Diminishing Value	Opening WDV
Cook top	\$ 1,128	12	16.66%	\$ 1,128
Dishwasher	\$ 1,684	10	20%	\$ 1,684
Oven	\$ 1,902	12	16.66%	\$ 1,902



Category : LAUNDRY ASSETS (1 item)

Depreciable Item	Cost	Effective Life (DV)	Diminishing Value	Opening WDV
Exhaust fans	\$ 268	<= \$300**	100%	\$ 268

Category : OUTDOOR ASSETS (4 items)

Depreciable Item	Cost	Effective Life (DV)	Diminishing Value	Opening WDV
Automatic garage doors - Motors	\$ 84	<= \$300**	100%	\$ 84
Spas - Fixed: Chlorinators & filtration (including pumps)	\$ 102	<= \$300**	100%	\$ 102
Swimming pool assets - Chlorinators & filtration (including pumps)	\$ 111	<= \$300**	100%	\$ 111
Swimming pool assets - Cleaning assets	\$ 78	<= \$300**	100%	\$ 78

Category : SECURITY & MONITORING ASSETS (1 item)

Depreciable Item	Cost	Effective Life (DV)	Diminishing Value	Opening WDV
Access control systems - Code pads & door controllers	\$ 1,369	5	40%	\$ 1,369

VALUE OF PLANT ITEMS	\$ 45,518	\$ 45,518
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** Indicates items that are less than or equal to \$300.00.

Category : LOW VALUE POOL ITEMS (13 items)

Depreciable Item	Cost	Effective Life (DV)	Diminishing Value	Opening WDV
Air Conditioning - Condensing set	\$ 551	Low Pool*	18.75%	\$ 551
Air Conditioning - Pumps	\$ 613	Low Pool*	18.75%	\$ 613
Floor coverings - Carpet (common)	\$ 402	Low Pool*	18.75%	\$ 402
Water pumps	\$ 683	Low Pool*	18.75%	\$ 683
Window blinds, internal - <\$1000 (1/03/2019)	\$ 915	Low Pool*	18.75%	\$ 915
Detector - Detectors	\$ 514	Low Pool*	18.75%	\$ 514
Detector - Fire indicator panels	\$ 429	Low Pool*	18.75%	\$ 429
Emergency Warning & Intercommunication Systems (EWIS)	\$ 641	Low Pool*	18.75%	\$ 641
Hoses & nozzles	\$ 329	Low Pool*	18.75%	\$ 329
Pumps (including diesel & electric)	\$ 348	Low Pool*	18.75%	\$ 348
Range hood	\$ 947	Low Pool*	18.75%	\$ 947
Clothes dryer	\$ 612	Low Pool*	18.75%	\$ 612
Access control systems - Readers (Proximity)	\$ 452	Low Pool*	18.75%	\$ 452

VALUE OF LOW POOL ITEMS	\$ 7,436	\$ 7,436
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* Indicates items allocated to Low Pool Category. These items must be calculated using Diminishing Value Method. Low Pool items are depreciated at

18.75% in the year of acquisition. In the following year the opening tax value of the pool is written down using the Diminishing Value rate of 37.5% p.

Category : BUILDING ALLOWANCE (Capital Works)

Depreciable Item	Cost	Effective Life (PC)	Prime Cost	Opening WDV
Building allowance	\$ 360,828	40	2.50%	\$ 360,828

VALUE OF BUILDING ALLOWANCE	\$ 360,828	\$ 360,828
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DIMINISHING VALUE - YEAR END SUMMARY				
1/123 Sample Street, Sydney NSW 2000				
FINANCIAL YEAR END	DEPRECIATION PLANT & EQUIPMENT	LOW VALUE POOL ITEMS	CAPITAL WORKS DEDUCTIONS**	AMOUNT CLAIMABLE
2018 / 2019*	\$8,415	\$1,394	\$4,473	\$14,283
2019 / 2020	\$4,899	\$2,266	\$9,021	\$16,185
2020 / 2021	\$4,074	\$1,416	\$9,021	\$14,511
2021 / 2022	\$3,425	\$885	\$9,021	\$13,331
2022 / 2023	\$2,906	\$553	\$9,021	\$12,480
2023 / 2024	\$2,484	\$346	\$9,021	\$11,850
2024 / 2025	\$2,137	\$216	\$9,021	\$11,373
2025 / 2026	\$1,848	\$135	\$9,021	\$11,004
2026 / 2027	\$1,607	\$84	\$9,021	\$10,712
2027 / 2028	\$1,403	\$53	\$9,021	\$10,477
2028 / 2029	\$1,230	\$33	\$9,021	\$10,284
2029 / 2030	\$1,083	\$21	\$9,021	\$10,124
2030 / 2031	\$956	\$13	\$9,021	\$9,990
2031 / 2032	\$847	\$8	\$9,021	\$9,876
2032 / 2033	\$753	\$5	\$9,021	\$9,779
2033 / 2034	\$671	\$3	\$9,021	\$9,695
2034 / 2035	\$600	\$2	\$9,021	\$9,623
2035 / 2036	\$538	\$1	\$9,021	\$9,560
2036 / 2037	\$484	\$1	\$9,021	\$9,505
2037 / 2038	\$436	\$0	\$9,021	\$9,457
2038 / 2039	\$393	\$0	\$9,021	\$9,414
2039 / 2040	\$356	\$0	\$9,021	\$9,377
2040 / 2041	\$323	\$0	\$9,021	\$9,343
2041 / 2042	\$293	\$0	\$9,021	\$9,314
2042 / 2043	\$267	\$0	\$9,021	\$9,287
2043 / 2044	\$243	\$0	\$9,021	\$9,264
2044 / 2045	\$222	\$0	\$9,021	\$9,242
2045 / 2046	\$203	\$0	\$9,021	\$9,223
2046 / 2047	\$185	\$0	\$9,021	\$9,206
2047 / 2048	\$170	\$0	\$9,021	\$9,191
2048 / 2049	\$156	\$0	\$9,021	\$9,177
2049 / 2050	\$143	\$0	\$9,021	\$9,164
2050 / 2051	\$132	\$0	\$9,021	\$9,152
2051 / 2052	\$121	\$0	\$9,021	\$9,142
2052 / 2053	\$111	\$0	\$9,021	\$9,132
2053 / 2054	\$103	\$0	\$9,021	\$9,123
2054 / 2055	\$95	\$0	\$9,021	\$9,115
2055 / 2056	\$87	\$0	\$9,021	\$9,108
2056 / 2057	\$81	\$0	\$9,021	\$9,101
2057 / 2058	\$75	\$0	\$9,021	\$9,095
2058 / 2059	\$69	\$0	\$4,547	\$4,616

*The claimable amounts for this financial year have been pro-rated based on the date the property was first available for income-producing purposes.

**Capital Works Deductions are calculated at the Prime Cost rate of 2.5% per annum, regardless of which depreciation method is chosen for the plant and equipment allowances.



DEPRECIATION SCHEDULE
BASED UPON
THE PRIME COST METHOD

This method evenly spreads out the depreciation you can claim on Plant and Equipment items.



CONSTRUCTION SUMMARY - PRIME COST METHOD		
<p>DEPRECIATION & BUILDING ALLOWANCES BASED ON THE PRIME COST METHOD AS OUTLINED IN THE NEW BUSINESS TAX SYSTEM (CAPITAL ALLOWANCES) ACT1999. AMENDMENTS TO INCOME TAX ASSESSMENT ACT 1997 BY NEW BUSINESS TAX SYSTEM (CAPITAL ALLOWANCES) ACT 1999 (ACT 164 of 1999, ROYAL ASSENT 10 DECEMBER 1999).</p>		
PROJECT: 1/123 Sample Street, Sydney NSW 2000		DATE: 25-Feb-19
CLIENT: John Smith		JOB: 96068
DESCRIPTION	VALUE	CALCULATIONS
PURCHASE PRICE	\$850,000	
BUILDING COST	\$335,330	
ADD		
BUILDERS PRELIMINARIES	\$55,564	
ADD		
PROFESSIONAL FEES	\$23,909	
ADD		
OWNERS INCLUSIONS	\$1,409	
TOTAL CONSTRUCTION COSTS	\$416,212	\$416,212
LESS		
TOTAL INSTALLED COST OF PLANT & EQUIPMENT	\$52,954	
LESS		
ALLOWANCE FOR ITEMS NOT ELIGIBLE FOR DEPRECIATION:	\$2,430	
SUB TOTAL	\$55,384	-\$55,384
BUILDING ALLOWANCE – SECTION 43 (INITIAL STRUCTURE)		\$360,828

SCHEDULE OF DEPRECIABLE ITEMS BASED UPON THE PRIME COST METHOD

PROJECT: 1/123 Sample Street, Sydney NSW 2000

DATE: 25-Feb-19

CLIENT: John Smith

JOB: 96068-NewUnit

Category : ASSETS GENERALLY (21 items)

Depreciable Item	Cost	Effective Life (PC)	Prime Cost	Opening WDV
Air Conditioning - Chillers	\$ 2,879	20	5%	\$ 2,879
Air Conditioning - Condensing set	\$ 551	15	6.67%	\$ 551
Air Conditioning - Controls	\$ 3,063	10	10%	\$ 3,063
Air Conditioning - Dampers	\$ 1,623	10	10%	\$ 1,623
Air Conditioning - Fans, coils & filters	\$ 2,328	15	6.67%	\$ 2,328
Air Conditioning - Pumps	\$ 613	20	5%	\$ 613
Door closers	\$ 369	10	10%	\$ 369
Floor coverings - Carpet	\$ 1,966	10	10%	\$ 1,966
Floor coverings - Carpet (common)	\$ 402	10	10%	\$ 402
Floor coverings - Floating timber	\$ 4,872	15	6.67%	\$ 4,872
Gym assets - Cardiovascular	\$ 278	5	20%	\$ 278
Gym assets - Resistance	\$ 244	10	10%	\$ 244
Hot water systems (excluding piping)	\$ 1,986	12	8.33%	\$ 1,986
Lifts including hydraulic & traction lifts	\$ 13,090	30	3.33%	\$ 13,090
Lights - Fittings (excluding hardwired)	\$ 2,178	5	20%	\$ 2,178
Lights - Fittings (excluding hardwired) (common)	\$ 441	5	20%	\$ 441
Master antenna television (MATV) assets	\$ 255	10	10%	\$ 255
Ventilation fans	\$ 1,871	20	5%	\$ 1,871
Water pumps	\$ 683	20	5%	\$ 683
Window blinds, internal (1/03/2019)	\$ 494	10	10%	\$ 494
Window blinds, internal - <\$1000 (1/03/2019)	\$ 915	10	10%	\$ 915

Category : BATHROOM ASSETS (1 item)

Depreciable Item	Cost	Effective Life (PC)	Prime Cost	Opening WDV
Exhaust fans (including light-heating)	\$ 536	10	10%	\$ 536

Category : FIRE CONTROL ASSETS (7 items)

Depreciable Item	Cost	Effective Life (PC)	Prime Cost	Opening WDV
Detector - Alarm bells	\$ 167	12	8.33%	\$ 167
Detector - Detectors	\$ 514	20	5%	\$ 514
Detector - Fire indicator panels	\$ 429	12	8.33%	\$ 429
Emergency Warning & Intercommunication Systems (EWIS)	\$ 641	12	8.33%	\$ 641
Extinguishers	\$ 153	15	6.67%	\$ 153
Hoses & nozzles	\$ 329	10	10%	\$ 329
Pumps (including diesel & electric)	\$ 348	25	4%	\$ 348

Category : KITCHEN ASSETS (4 items)

Depreciable Item	Cost	Effective Life (PC)	Prime Cost	Opening WDV
Cook top	\$ 1,128	12	8.33%	\$ 1,128
Dishwasher	\$ 1,684	10	10%	\$ 1,684
Oven	\$ 1,902	12	8.33%	\$ 1,902
Range hood	\$ 947	12	8.33%	\$ 947

Category : LAUNDRY ASSETS (2 items)

Depreciable Item	Cost	Effective Life (PC)	Prime Cost	Opening WDV
Clothes dryer	\$ 612	10	10%	\$ 612
Exhaust fans	\$ 268	10	10%	\$ 268



Category : OUTDOOR ASSETS (4 items)

Depreciable Item	Cost	Effective Life (PC)	Prime Cost	Opening WDV
Automatic garage doors - Motors	\$ 84	10	10%	\$ 84
Spas - Fixed: Chlorinators & filtration (including pumps)	\$ 102	12	8.33%	\$ 102
Swimming pool assets - Chlorinators & filtration (including pumps)	\$ 111	12	8.33%	\$ 111
Swimming pool assets - Cleaning assets	\$ 78	7	14.29%	\$ 78

Category : SECURITY & MONITORING ASSETS (2 items)

Depreciable Item	Cost	Effective Life (PC)	Prime Cost	Opening WDV
Access control systems - Code pads & door controllers	\$ 1,369	5	20%	\$ 1,369
Access control systems - Readers (Proximity)	\$ 452	7	14.29%	\$ 452

VALUE OF PLANT ITEMS	\$ 52,954	\$ 52,954
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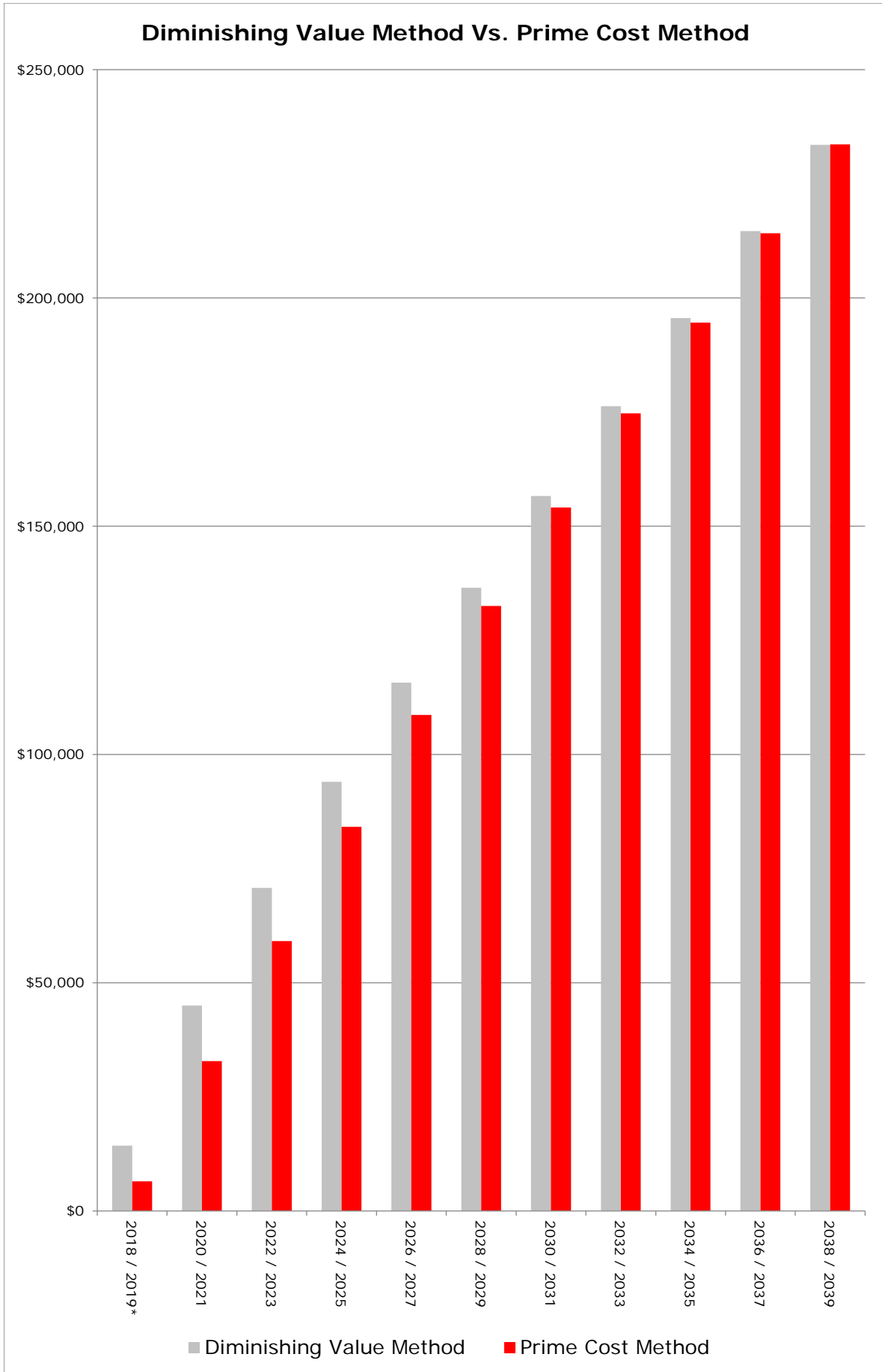
Category : BUILDING ALLOWANCE (Capital Works)

Depreciable Item	Cost	Effective Life (PC)	Prime Cost	Opening WDV
Building allowance	\$ 360,828	40	2.50%	\$ 360,828

VALUE OF BUILDING ALLOWANCE	\$ 360,828	\$ 360,828
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PRIME COST - YEAR END SUMMARY			
1/123 Sample Street, Sydney NSW 2000			
FINANCIAL YEAR END	DEPRECIATION PLANT & EQUIPMENT	CAPITAL WORKS DEDUCTIONS	AMOUNT CLAIMABLE
2018 / 2019*	\$2,028	\$4,473	\$6,501
2019 / 2020	\$4,136	\$9,021	\$13,156
2020 / 2021	\$4,136	\$9,021	\$13,156
2021 / 2022	\$4,136	\$9,021	\$13,156
2022 / 2023	\$4,136	\$9,021	\$13,156
2023 / 2024	\$3,713	\$9,021	\$12,733
2024 / 2025	\$3,283	\$9,021	\$12,303
2025 / 2026	\$3,245	\$9,021	\$12,266
2026 / 2027	\$3,207	\$9,021	\$12,228
2027 / 2028	\$3,207	\$9,021	\$12,228
2028 / 2029	\$2,593	\$9,021	\$11,613
2029 / 2030	\$1,922	\$9,021	\$10,943
2030 / 2031	\$1,616	\$9,021	\$10,637
2031 / 2032	\$1,305	\$9,021	\$10,326
2032 / 2033	\$1,305	\$9,021	\$10,326
2033 / 2034	\$1,044	\$9,021	\$10,064
2034 / 2035	\$778	\$9,021	\$9,798
2035 / 2036	\$778	\$9,021	\$9,798
2036 / 2037	\$778	\$9,021	\$9,798
2037 / 2038	\$778	\$9,021	\$9,798
2038 / 2039	\$615	\$9,021	\$9,636
2039 / 2040	\$450	\$9,021	\$9,471
2040 / 2041	\$450	\$9,021	\$9,471
2041 / 2042	\$450	\$9,021	\$9,471
2042 / 2043	\$450	\$9,021	\$9,471
2043 / 2044	\$443	\$9,021	\$9,464
2044 / 2045	\$436	\$9,021	\$9,457
2045 / 2046	\$436	\$9,021	\$9,457
2046 / 2047	\$436	\$9,021	\$9,457
2047 / 2048	\$436	\$9,021	\$9,457
2048 / 2049	\$220	\$9,021	\$9,240
2049 / 2050	\$0	\$9,021	\$9,021
2050 / 2051	\$0	\$9,021	\$9,021
2051 / 2052	\$0	\$9,021	\$9,021
2052 / 2053	\$0	\$9,021	\$9,021
2053 / 2054	\$0	\$9,021	\$9,021
2054 / 2055	\$0	\$9,021	\$9,021
2055 / 2056	\$0	\$9,021	\$9,021
2056 / 2057	\$0	\$9,021	\$9,021
2057 / 2058	\$0	\$9,021	\$9,021
2058 / 2059	\$0	\$4,547	\$4,547

*The claimable amounts for this financial year have been pro-rated based on the date the property was first available for income-producing purposes.





Washington Brown
THE PROPERTY DEPRECIATION EXPERTS

APPENDIX:

Your Washington Brown Building Allowance Maximiser Report

What is a Building Allowance Report?

A building allowance deduction is a tax deduction available to property investors. This yearly deduction is a result of the 'wear and tear' of the actual structure of the property. Typically, the building allowance covers structural elements, such as concrete, brickwork, and roofing etc.

Washington Brown's Building Allowance Maximiser Report (BAM report) details your building allowance deductions by splitting the total allowance into individual categories, rather than lumping it all together as it has been traditionally been done.

As a lump sum, all capital works items are treated as having the same 40 year effective life set out by the Government. However, our research shows, that investors tend to update areas like kitchens and bathrooms every 20 years. By knowing the detailed costs, you will be able to maximise your 'scrapping' claim if you renovate the property.



How is the Building Allowance Maximiser different?

Our patent-pending report, splits your building allowance into individual categories that, based upon our own research, wear and tear more quickly. Using our report, when you remove or renovate any of these items (say the kitchen benchtop and cabinets), you may be able to claim the undeducted, residual value as an immediate tax deduction.



Washington Brown
THE PROPERTY DEPRECIATION EXPERTS

Office Locations:

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How can a Building Allowance Maximiser from Washington Brown help me save money?

Let's say you bought a property 20 years ago, with kitchen cupboards that cost \$10,000 to build. Because the kitchen is half-way through its 40-year life, you would only have claimed 50%, totalling \$5,000 to date.

But that's just the cabinets, when you add the splashback, the bench tops, the sink, the tiling, ceilings, flooring, plumbing & electrical - these items could quickly add up to \$25,000 left on the table in unclaimed deductions.

If you remove these items today, using Washington Brown's Building Allowance Maximiser report you'll know the residual value of each of these items, and can claim the remaining \$25,000 as an immediate income tax deduction.

When should I use the BAM report?

Tax deductions can be made using this report when you remove or update any capital works items within the property.

This will typically be when renovating particular rooms of the house, the entirety of the house, or updating single items (like the kitchen benchtop for example).



Washington Brown
BUILDING ALLOWANCE MAXIMISER

Why the Washington Brown Building Allowance Maximiser Report is better

- Only Washington Brown breaks down your building allowance. Reports from other quantity surveyors will provide just a lump sum total.
- We double your money or you pay nothing. For properties built after 1987, we guarantee twice our fee in deductions within the first 12 months after settlement or there is no charge..
- Trusted - We are trusted by banks, listed property companies and Australia's richest man, Harry Triguboff, to prepare depreciation reports on their behalf.
- Longevity - Washington Brown celebrates our 40th anniversary this year. You can count on us to be around for another 40 years!





APPENDIX A: Building Allowance Maximiser Report

PROJECT: 1/123 Sample Street, Sydney NSW 2000

CLIENT: John Smith

IMPORTANT: The following items are not to be claimed in addition to the deductions in the main report, as outlined in the BAM explanatory notes.

Category : BUILDING ALLOWANCE (38 items)

Depreciable Item	Cost	Opening WDV
CARPENTRY -	\$ 3,751	\$ 3,751
Carpentry - Built in Robes	\$ 1,984	\$ 1,984
Carpentry - Door hardware, internal to apartment	\$ 721	\$ 721
Carpentry - Doors, internal to apartment	\$ 1,912	\$ 1,912
Carpentry - Laundry fitout	\$ 1,218	\$ 1,218
CEILING FINISHES	\$ 8,945	\$ 8,945
CONCRETE WORKS	\$ 84,361	\$ 84,361
ELECTRICAL SERVICES -	\$ 17,781	\$ 17,781
EXTERNAL WORKS -	\$ 21,676	\$ 21,676
FIRE SERVICES -	\$ 4,349	\$ 4,349
FIXTURES AND FITTINGS -	\$ -	N/A
Fixtures and Fittings - Bath	\$ 1,334	\$ 1,334
Fixtures and Fittings - Bathroom accessories	\$ 1,479	\$ 1,479
Fixtures and Fittings - Bathroom tapware	\$ 1,082	\$ 1,082
Fixtures and Fittings - Kitchen cupboards and bench top	\$ 15,509	\$ 15,509
Fixtures and Fittings - Kitchen sink	\$ 613	\$ 613
Fixtures and Fittings - Kitchen tapware	\$ 252	\$ 252
Fixtures and Fittings - Laundry tub	\$ 649	\$ 649
Fixtures and Fittings - Mirror /Cabinet	\$ 938	\$ 938
Fixtures and Fittings - Shower screen	\$ 1,803	\$ 1,803
Fixtures and Fittings - Vanity basin	\$ 1,515	\$ 1,515
Fixtures and Fittings - WC Suite	\$ 1,031	\$ 1,031
FLOOR FINISHES -	\$ 4,905	\$ 4,905



Floor Finishes - Kitchen	\$ 1,385	\$ 1,385
Floor Finishes - Living areas	\$ 4,761	\$ 4,761
Floor Finishes - Wet areas	\$ 2,056	\$ 2,056
GLAZING	\$ 28,421	\$ 28,421
HYDRAULIC SERVICES -	\$ 25,752	\$ 25,752
MECHANICAL SERVICES	\$ 4,436	\$ 4,436
METALWORK -	\$ 13,850	\$ 13,850
PAINTING	\$ 10,820	\$ 10,820
ROOFING	\$ 4,508	\$ 4,508
SHORING/ PILING -	\$ 10,532	\$ 10,532
WALL FINISHES -	\$ 20,378	\$ 20,378
Wall Finishes - Splash backs	\$ 1,154	\$ 1,154
Wall Finishes - Wet areas	\$ 4,833	\$ 4,833
WALLING - STRUCTURAL	\$ 45,805	\$ 45,805
WATERPROOFING -	\$ 4,328	\$ 4,328

VALUE OF BUILDING ALLOWANCE

\$ 360,828

\$ 360,828