



27 Critical Tax Deductions for your Rental Property



If you have any questions about any of the items on this page and how your tax is affected, please contact TSI Accounting at Orion Springfield Town Centre

Do you know how many expenses you can claim if you own a rental property? Many people are unaware of the full range of deductions available to them – and they miss out on a bigger tax refund. To ensure you are making a correct claim on your next tax return, we've listed 27 items for you to check before the end of the year:

1. Advertising for tenants
2. Bank charges
3. Body corporate fees
4. Cleaning
5. Council rates
6. Electricity and gas
7. Gardening and lawn mowing
8. In-house audio/video service charges
9. Insurance - building, contents, public liability
10. Interest on loans
11. Land tax
12. Legal expenses
13. Lease costs - preparation, registration, stamp duty
14. Mortgage discharge expenses
15. Pest control
16. Property agent's fees and commissions
17. Capital Works
18. Quantity surveyor's fees
19. Repairs and maintenance
20. Secretarial and bookkeeping fees
21. Security patrol fees
22. Servicing costs e.g. servicing a water system
23. Stationery and postage
24. Telephone calls and rental
25. Tax-related expenses
26. Travel and car expenses - rent collection, inspection of property, maintenance of property
27. Water charges

How does it work?

If you own a rental property that you receive an income from, you can claim any expense associated with earning that income. For example, if you pay insurance on your rental property, this is considered an expense you incur to earn income from the property. If you did not own the property you would not incur the expense.

If you prepay a rental property expense, such as insurance, that covers a period of 12 months or less, and the period ends on or before June 30, you can claim an immediate deduction. A prepayment that does not meet these two criteria and is \$1,000 or more may have to be spread out over two or more years.

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