

Tax Depreciation Report

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1 SMITH STREET

SYDNEY NSW 2000

T99902 L999

for

ABCDE TRUST



Leary & Partners Pty Ltd

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Registered Tax Agent 53798007

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TAXATION DEPRECIATION SCHEDULE SUMMARY

Report on: 1 SMITH STREET

Deductions based on the client's use of the property, commencing 1/7/2015

Tax Deductions with Division 40 depreciation calculated using the Diminishing Value Method

For tax year	Div 40 (D.V.)	Div 43	Total
2015-2016	\$12,647.34	\$35,183.58	\$47,830.92
2016-2017	\$10,694.45	\$35,088.84	\$45,783.29
2017-2018	\$9,082.51	\$35,088.84	\$44,171.35
2018-2019	\$7,745.38	\$35,088.84	\$42,834.22
2019-2020	\$6,630.91	\$35,088.84	\$41,719.75
2020-2021	\$5,697.56	\$35,088.84	\$40,786.40
2021-2022	\$4,912.38	\$35,088.84	\$40,001.22
2022-2023	\$4,248.90	\$35,088.84	\$39,337.74
2023-2024	\$3,685.90	\$35,088.84	\$38,774.74
2024-2025	\$3,206.21	\$35,088.84	\$38,295.05

Tax Deductions with Division 40 depreciation calculated using the Prime Cost Method

For tax year	Div 40 (P.C.)	Div 43	Total
2015-2016	\$6,324.57	\$35,183.58	\$41,508.15
2016-2017	\$6,324.57	\$35,088.84	\$41,413.41
2017-2018	\$6,324.57	\$35,088.84	\$41,413.41
2018-2019	\$6,324.57	\$35,088.84	\$41,413.41
2019-2020	\$6,324.57	\$35,088.84	\$41,413.41
2020-2021	\$6,324.57	\$35,088.84	\$41,413.41
2021-2022	\$6,324.57	\$35,088.84	\$41,413.41
2022-2023	\$6,324.57	\$35,088.84	\$41,413.41
2023-2024	\$5,289.95	\$35,088.84	\$40,378.79
2024-2025	\$5,289.95	\$35,088.84	\$40,378.79

Please Note:

The deductions in this schedule are based on the assumption that you derived (or tried to derive) income for the full period of the year for which you owned the property. If this is not the case, you may need to proportion the report deductions to reflect the period the property was available for income producing use.

The deductions for future tax years are shown in italics and are indicative only. They are based on the tax system and property details at the time this report was prepared. It is not possible for us to determine if, or how, future changes to either the tax system or the subject property may affect the deductions you are entitled to claim in the future. Before claiming a capital works or depreciation deduction in any future year you should satisfy yourself that the claim is consistent with the tax system and property details at that time. Leary & Partners accepts no responsibility for any consequences resulting from the use of the indicative deductions contained in this report.

For more information about how the deductions shown on this page were calculated please refer to the 'Information about this Report' section.

This depreciation report is for the use only of the party to whom it is addressed and for no other purpose without Leary and Partners Pty Ltd's written consent. No responsibility is accepted for any third party who may use the whole or any part of the contents of this report.

Information about this Report

The following information is only intended to act as a general guide to assist you to read and use this report. If you have any questions about how we have calculated the depreciation deductions for your property please contact us.

Leary & Partners is a firm of Quantity Surveyors and as such are not qualified to give specialist advice about issues other than the preparation of Division 40 and 43 depreciation reports. If you have questions about how the tax law or tax systems apply to your personal circumstances we recommend that you contact the ATO or your accountant / tax agent.

How to Calculate Your Claim

The Taxation Deduction Summary page summarises the deductions calculated in the detailed Deduction Tables. It shows the total Division 43 capital works deduction you should include in your tax return for each year. It also shows the Division 40 depreciation deduction for each year. You can choose which of the two alternate depreciation methods (Diminishing Value Method or Prime Cost Method) you use to make your claim. Once you start claiming depreciation on an item you cannot change the method you use. You cannot claim the deduction using both Division 40 methods.

In certain circumstances you may need to adjust the deductions shown in this report. The deductions in this schedule are based on the assumption that you derived (or tried to derive) income for the full period of the year for which you owned the property. If this is not the case, you may need to proportion the report deductions to reflect the period the property was available for income producing use. For example, if you live in a property for two months of a tax year and rent (or try to rent) the property for the remaining 10 months, you should claim only 10/12th of the report deduction for that year.

If you purchased or built your property (or any of the individual items in the deduction tables) part way through a tax year, we have taken this into account when calculating your deduction. So for example, if you purchased your property recently, beside the first year shown on the Taxation Deduction Schedule Summary page you may see the words "part year only". This indicates that we have calculated the deduction for that year based on the proportion of the year for which you owned the property. If you sell the property (or any of the individual items in the depreciation tables) part way through a tax year you will need to adjust the deduction you claim to reflect this fact.

If you are uncertain whether you are entitled to claim the full deduction shown for a tax year you should obtain advice from the ATO or your tax advisor.

How to Read the Deduction Tables

The Deduction Tables show the detailed calculations used to calculate the Division 43 and Division 40 deductions for your property. There are two Deduction Tables in this report: the first calculates the Division 40 deduction using the Diminishing Value Method and the second calculates the Division 40 deduction using the alternate Prime Cost Method. In each Deduction Table we list all of the items for which you are entitled to claim either a Division 43 or Division 40 deduction.

For each item in the Deduction Table we show a "Total Initial Value". For Division 43 items this value is always the construction cost of the building work or structural improvement at the date when the building or structural improvement was first used after its completion. This date is shown in the "Initial Value @" column.

* For Division 40 items this value is the cost of the item at the date you acquired it. This date is shown in the "Initial Value @" column.

The "Interest in Item" column shows your interest in (share of) the value of each item. As this schedule is not for a strata title development with shared common property your interest in all the items will be shown as 100%.

The "Client Base Value" column shows the item values at the date from which we have started calculating the deductions for your period of property ownership. The date from which we have started your deductions is shown in the "At Start of Dedn" column. Division 43 calculations start from when the building or structural improvement is first used and you 'inherit' the deduction from any previous owner. Your deduction is not calculated using this amount (it is calculated using the "Client Initial Value"). The "Client Base Value" simply shows how much of the "Client Initial Value" remains at the date you acquired the item. For Division 40 items, the "Client Base Value" is the cost of the item at the time you acquired it. (In your report the "Client Base Value" will normally be identical to the "Client Initial Value" for these items.)

The "Rate Used" column shows you the deduction rate being used to calculate your deduction. Please note: Division 43 and Division 40 deduction rates have changed over time so similar items in your report can have different depreciation rates.

The "DIV" (Decline in Value) columns show the deduction applicable for an item in the stated tax year. It is the total of these amounts that are summarised on the Taxation Summary page.

The "Adj V" (Adjusted Value) columns show the item values remaining after the deductions for the stated year have been claimed.

*Please note: for many properties it is not possible to determine from historic records exactly when the building or structural improvement was first used. Where this is the case, for strata title buildings we will use the date on which the strata title for the scheme was registered as this is the first date on which settlement of the completed strata lots could occur. For non strata properties we will use either the certificate of occupancy date or an estimate of the typical construction period depending on the information available to us.

About Division 40 - Depreciation Deductions

Division 40 of the ITAA 1997 allows you to claim a tax depreciation deduction for certain types of machinery, plant and furniture items. The depreciation deduction is designed to compensate you for the item's loss of value during the period it is used for income producing purposes.

When preparing your report we have relied on Australian Taxation Office rulings and advice to determine which items in your property qualify for the Division 40 deduction. Many standard property fixtures are non depreciable. For example, in standard residential properties all of the following are non depreciable: general bathroom and toilet fixtures (i.e. baths, showers, wc's, toilet roll holders), kitchen cupboards and sinks, laundry tubs, hard floor and wall finishes (i.e. polished timber, tiles, cork or adhered vinyl), light fittings and security / insect screens or doors. Depending on their age, you may be able to claim a deduction for these items using Division 43 instead. You can find a comprehensive list of eligible and ineligible residential items in the ATO publication 'Guide to Rental Properties'.

The depreciation rates applicable to items often change over time. The depreciation rates used in this report are based on the effective lives / rates published in the ATO Taxation Ruling TR2014/4 or its equivalent at the date on which your items were acquired.

About Division 43 - Depreciation Deductions

Division 43 of the ITAA 1997 allows owners of certain buildings and structural improvements to land (such as paths, roads and fences) to claim a capital works deduction. Other construction works such as building alterations and additions may also qualify for this deduction. The capital works deduction is based on the original cost to construct the building, structural improvement, alteration or addition.

Whether or not your property's buildings, structural improvements, alterations or additions qualify for a Division 43 deduction depends on the type of building or structural improvement and when its construction started. This also determines the applicable rate of deduction.

For non-residential buildings the following deduction periods and rates apply.

Rate of deduction per income year where construction commences:

Before 20 July 1982 - None,

20 July 1982 to 21 August 1984 - 2.5% (for 40 years from construction completion),

22 August 1984 to 15 September 1987 - 4% (for 25 years from construction completion),

6 September 1987 to today - 2.5% (for 40 years from construction completion).

All structural improvements for which construction commenced after 26 February 1992 qualify for a 2.5% deduction (for 40 years from construction completion).

The original construction of this building commenced in 2012. The Division 43 capital works deductions for the building are calculated in the Deduction Tables of this report.

Deduction Tables (Diminishing Value)

No.	DESCRIPTION	Total Initial Value	Interest in Item	Client Initial Value	Initial Value at	Client Base Value	At Start of Dedn	Rate Used	DIV 15/16	Adj V @ 30/06/16
Division 43 Private Property										
1	Construction costs	1,286,907.00	100.00%	1,286,907.00	1/2/13	1209425.54	1/7/15	2.50%	32,259.55	1,177,165.99
2	Structural improvements	116,646.57	100.00%	116,646.57	1/2/13	109623.58	1/7/15	2.50%	2,924.03	106,699.55
Division 43 Private Property Sub-total		1,403,553.57		1,403,553.57		1319049.12			35,183.58	1,283,865.54
Division 40 Private Property										
3	Sanitaryware to toilet/washing facilities, incl piping (staff amenities)	23,256.00	100.00%	23,256.00	1/7/15	23256.00	1/7/15	10.00%	2,325.60	20,930.40
4	Wall and floor finishes (staff amenities)	8,235.60	100.00%	8,235.60	1/7/15	8235.60	1/7/15	10.00%	823.56	7,412.04
5	Fittings & fixtures (staff amenities)	11,867.51	100.00%	11,867.51	1/7/15	11867.51	1/7/15	10.00%	1,186.75	10,680.76
6	General plumbing (staff amenities)	3,360.00	100.00%	3,360.00	1/7/15	3360.00	1/7/15	10.00%	336.00	3,024.00
7	Kitchen fitout (staff amenities)	3,387.04	100.00%	3,387.04	1/7/15	3387.04	1/7/15	15.00%	508.06	2,878.98
8	Boiling water unit (staff amenities)	877.50	100.00%	877.50	1/7/15	877.50	1/7/15	16.67%	146.28	731.22
9	Central ducted air conditioning	19,032.30	100.00%	19,032.30	1/7/15	19032.30	1/7/15	13.33%	2,537.01	16,495.29
10	Electric motor to control roller door	937.50	100.00%	937.50	1/7/15	937.50	1/7/15	20.00%	187.50	750.00
11	Dry chemical fire extinguisher	375.00	100.00%	375.00	1/7/15	375.00	1/7/15	13.33%	49.99	325.01
12	Fire hose & nozzles	1,488.00	100.00%	1,488.00	1/7/15	1488.00	1/7/15	20.00%	297.60	1,190.40
13	Smoke detectors	720.00	100.00%	720.00	1/7/15	720.00	1/7/15	10.00%	72.00	648.00
14	Vertical blinds	9,936.00	100.00%	9,936.00	1/7/15	9936.00	1/7/15	20.00%	1,987.20	7,948.80
15	Carpet	8,276.96	100.00%	8,276.96	1/7/15	8276.96	1/7/15	25.00%	2,069.24	6,207.72
16	Hot water system	512.00	100.00%	512.00	1/7/15	512.00	1/7/15	16.67%	85.35	426.65
17	Door closers	176.00	100.00%	176.00	1/7/15	176.00	1/7/15	20.00%	35.20	140.80
Division 40 Private Property Sub-total		92,437.41		92,437.41		92437.41			12,647.34	79,790.07
Grand-total		1,495,990.98		1,495,990.98		1411486.53			47,830.92	1,363,655.61

Deduction Tables (Diminishing Value)

No.	DESCRIPTION	DIV 16/17	Adj V @ 30/06/17	DIV 17/18	Adj V @ 30/06/18	DIV 18/19	Adj V @ 30/06/19	DIV 19/20	Adj V @ 30/06/20
Division 43 Private Property									
1	Construction costs	32,172.68	1,144,993.31	32,172.68	1,112,820.63	32,172.68	1,080,647.95	32,172.68	1,048,475.27
2	Structural improvements	2,916.16	103,783.39	2,916.16	100,867.23	2,916.16	97,951.07	2,916.16	95,034.91
	Division 43 Private Property Sub-total	35,088.84	1,248,776.70	35,088.84	1,213,687.86	35,088.84	1,178,599.02	35,088.84	1,143,510.18
Division 40 Private Property									
3	Sanitaryware to toilet/washing facilities, incl piping (staff amenities)	2,093.04	18,837.36	1,883.74	16,953.62	1,695.36	15,258.26	1,525.83	13,732.43
4	Wall and floor finishes (staff amenities)	741.20	6,670.84	667.08	6,003.76	600.38	5,403.38	540.34	4,863.04
5	Fittings & fixtures (staff amenities)	1,068.08	9,612.68	961.27	8,651.41	865.14	7,786.27	778.63	7,007.64
6	General plumbing (staff amenities)	302.40	2,721.60	272.16	2,449.44	244.94	2,204.50	220.45	1,984.05
7	Kitchen fitout (staff amenities)	431.85	2,447.13	367.07	2,080.06	312.01	1,768.05	265.21	1,502.84
8	Boiling water unit (staff amenities)	121.89	609.33	101.58	507.75	84.64	423.11	70.53	352.58
9	Central ducted air conditioning	2,198.82	14,296.47	1,905.72	12,390.75	1,651.69	10,739.06	1,431.52	9,307.54
10	Electric motor to control roller door	150.00	600.00	120.00	480.00	96.00	384.00	76.80	307.20
11	Dry chemical fire extinguisher	43.32	281.69	37.55	244.14	32.54	211.60	28.21	183.39
12	Fire hose & nozzles	238.08	952.32	190.46	761.86	152.37	609.49	121.90	487.59
13	Smoke detectors	64.80	583.20	58.32	524.88	52.49	472.39	47.24	425.15
14	Vertical blinds	1,589.76	6,359.04	1,271.81	5,087.23	1,017.45	4,069.78	813.96	3,255.82
15	Carpet	1,551.93	4,655.79	1,163.95	3,491.84	872.96	2,618.88	654.72	1,964.16
16	Hot water system	71.12	355.53	59.27	296.26	49.39	246.87	41.15	205.72
17	Door closers	28.16	112.64	22.53	90.11	18.02	72.09	14.42	57.67
	Division 40 Private Property Sub-total	10,694.45	69,095.62	9,082.51	60,013.11	7,745.38	52,267.73	6,630.91	45,636.82
Grand-total		45,783.29	1,317,872.32	44,171.35	1,273,700.97	42,834.22	1,230,866.75	41,719.75	1,189,147.00

Deduction Tables (Diminishing Value)

No.	DESCRIPTION	DIV 20/21	Adj V @ 30/06/21	DIV 21/22	Adj V @ 30/06/22	DIV 22/23	Adj V @ 30/06/23	DIV 23/24	Adj V @ 30/06/24
Division 43 Private Property									
1	Construction costs	32,172.68	1,016,302.59	32,172.68	984,129.91	32,172.68	951,957.23	32,172.68	919,784.55
2	Structural improvements	2,916.16	92,118.75	2,916.16	89,202.59	2,916.16	86,286.43	2,916.16	83,370.27
	Division 43 Private Property Sub-total	35,088.84	1,108,421.34	35,088.84	1,073,332.50	35,088.84	1,038,243.66	35,088.84	1,003,154.82
Division 40 Private Property									
3	Sanitaryware to toilet/washing facilities, incl piping (staff amenities)	1,373.24	12,359.19	1,235.92	11,123.27	1,112.33	10,010.94	1,001.09	9,009.85
4	Wall and floor finishes (staff amenities)	486.30	4,376.74	437.67	3,939.07	393.91	3,545.16	354.52	3,190.64
5	Fittings & fixtures (staff amenities)	700.76	6,306.88	630.69	5,676.19	567.62	5,108.57	510.86	4,597.71
6	General plumbing (staff amenities)	198.40	1,785.65	178.57	1,607.08	160.71	1,446.37	144.64	1,301.73
7	Kitchen fitout (staff amenities)	225.43	1,277.41	191.61	1,085.80	162.87	922.93	138.44	784.49
8	Boiling water unit (staff amenities)	58.78	293.80	48.98	244.82	40.81	204.01	34.01	170.00
9	Central ducted air conditioning	1,240.70	8,066.84	1,075.31	6,991.53	931.97	6,059.56	807.74	5,251.82
10	Electric motor to control roller door	61.44	245.76	49.15	196.61	39.32	157.29	31.46	125.83
11	Dry chemical fire extinguisher	24.45	158.94	21.19	137.75	18.36	119.39	15.91	103.48
12	Fire hose & nozzles	97.52	390.07	78.01	312.06	62.41	249.65	49.93	199.72
13	Smoke detectors	42.52	382.63	38.26	344.37	34.44	309.93	30.99	278.94
14	Vertical blinds	651.16	2,604.66	520.93	2,083.73	416.75	1,666.98	333.40	1,333.58
15	Carpet	491.04	1,473.12	368.28	1,104.84	276.21	828.63	207.16	621.47
16	Hot water system	34.29	171.43	28.58	142.85	23.81	119.04	19.84	99.20
17	Door closers	11.53	46.14	9.23	36.91	7.38	29.53	5.91	23.62
	Division 40 Private Property Sub-total	5,697.56	39,939.26	4,912.38	35,026.88	4,248.90	30,777.98	3,685.90	27,092.08
Grand-total		40,786.40	1,148,360.60	40,001.22	1,108,359.38	39,337.74	1,069,021.64	38,774.74	1,030,246.90

Deduction Tables (Diminishing Value)					
<i>No.</i>	<i>DESCRIPTION</i>	<i>DIV 24/25</i>	<i>Adj V @ 30/06/25</i>	<i>DIV 25/26</i>	<i>Adj V @ 30/06/26</i>
Division 43 Private Property					
1	Construction costs	32,172.68	887,611.87	32,172.68	855,439.19
2	Structural improvements	2,916.16	80,454.11	2,916.16	77,537.95
Division 43 Private Property Sub-total		35,088.84	968,065.98	35,088.84	932,977.14
Division 40 Private Property					
3	Sanitaryware to toilet/washing facilities, incl piping (staff amenities)	900.99	8,108.86	810.89	7,297.97
4	Wall and floor finishes (staff amenities)	319.06	2,871.58	287.16	2,584.42
5	Fittings & fixtures (staff amenities)	459.77	4,137.94	413.79	3,724.15
6	General plumbing (staff amenities)	130.17	1,171.56	117.16	1,054.40
7	Kitchen fitout (staff amenities)	117.67	666.82	100.02	566.80
8	Boiling water unit (staff amenities)	28.34	141.66	23.61	118.05
9	Central ducted air conditioning	700.07	4,551.75	606.75	3,945.00
10	Electric motor to control roller door	25.17	100.66	20.13	80.53
11	Dry chemical fire extinguisher	13.79	89.69	11.96	77.73
12	Fire hose & nozzles	39.94	159.78	31.96	127.82
13	Smoke detectors	27.89	251.05	25.11	225.94
14	Vertical blinds	266.72	1,066.86	213.37	853.49
15	Carpet	155.37	466.10	116.52	349.58
16	Hot water system	16.54	82.66	13.78	68.88
17	Door closers	4.72	18.90	3.78	15.12
Division 40 Private Property Sub-total		3,206.21	23,885.87	2,795.99	21,089.88
Grand-total		38,295.05	991,951.85	37,884.83	954,067.02

Deduction Tables (Prime Cost)

No.	DESCRIPTION	Total Initial Value	Interest in Item	Client Initial Value	Initial Value at	Client Base Value	At Start of Dedn	Rate Used	DIV 15/16	Adj V @ 30/06/16
Division 43 Private Property										
1	Construction costs	1,286,907.00	100.00%	1,286,907.00	1/2/13	1209425.54	1/7/15	2.50%	32,259.55	1,177,165.99
2	Structural improvements	116,646.57	100.00%	116,646.57	1/2/13	109623.58	1/7/15	2.50%	2,924.03	106,699.55
	Division 43 Private Property Sub-total	1,403,553.57		1,403,553.57		1319049.12			35,183.58	1,283,865.54
Division 40 Private Property										
3	Sanitaryware to toilet/washing facilities, incl piping (staff amenities)	23,256.00	100.00%	23,256.00	1/7/15	23256.00	1/7/15	5.00%	1,162.80	22,093.20
4	Wall and floor finishes (staff amenities)	8,235.60	100.00%	8,235.60	1/7/15	8235.60	1/7/15	5.00%	411.78	7,823.82
5	Fittings & fixtures (staff amenities)	11,867.51	100.00%	11,867.51	1/7/15	11867.51	1/7/15	5.00%	593.38	11,274.13
6	General plumbing (staff amenities)	3,360.00	100.00%	3,360.00	1/7/15	3360.00	1/7/15	5.00%	168.00	3,192.00
7	Kitchen fitout (staff amenities)	3,387.04	100.00%	3,387.04	1/7/15	3387.04	1/7/15	7.50%	254.03	3,133.01
8	Boiling water unit (staff amenities)	877.50	100.00%	877.50	1/7/15	877.50	1/7/15	8.33%	73.10	804.40
9	Central ducted air conditioning	19,032.30	100.00%	19,032.30	1/7/15	19032.30	1/7/15	6.67%	1,269.45	17,762.85
10	Electric motor to control roller door	937.50	100.00%	937.50	1/7/15	937.50	1/7/15	10.00%	93.75	843.75
11	Dry chemical fire extinguisher	375.00	100.00%	375.00	1/7/15	375.00	1/7/15	6.67%	25.01	349.99
12	Fire hose & nozzles	1,488.00	100.00%	1,488.00	1/7/15	1488.00	1/7/15	10.00%	148.80	1,339.20
13	Smoke detectors	720.00	100.00%	720.00	1/7/15	720.00	1/7/15	5.00%	36.00	684.00
14	Vertical blinds	9,936.00	100.00%	9,936.00	1/7/15	9936.00	1/7/15	10.00%	993.60	8,942.40
15	Carpet	8,276.96	100.00%	8,276.96	1/7/15	8276.96	1/7/15	12.50%	1,034.62	7,242.34
16	Hot water system	512.00	100.00%	512.00	1/7/15	512.00	1/7/15	8.33%	42.65	469.35
17	Door closers	176.00	100.00%	176.00	1/7/15	176.00	1/7/15	10.00%	17.60	158.40
	Division 40 Private Property Sub-total	92,437.41		92,437.41		92437.41			6,324.57	86,112.84
Grand-total		1,495,990.98		1,495,990.98		1411486.53			41,508.15	1,369,978.38

Deduction Tables (Prime Cost)

No.	DESCRIPTION	DIV 16/17	Adj V @ 30/06/17	DIV 17/18	Adj V @ 30/06/18	DIV 18/19	Adj V @ 30/06/19	DIV 19/20	Adj V @ 30/06/20
Division 43 Private Property									
1	Construction costs	32,172.68	1,144,993.31	32,172.68	1,112,820.63	32,172.68	1,080,647.95	32,172.68	1,048,475.27
2	Structural improvements	2,916.16	103,783.39	2,916.16	100,867.23	2,916.16	97,951.07	2,916.16	95,034.91
	Division 43 Private Property Sub-total	35,088.84	1,248,776.70	35,088.84	1,213,687.86	35,088.84	1,178,599.02	35,088.84	1,143,510.18
Division 40 Private Property									
3	Sanitaryware to toilet/washing facilities, incl piping (staff amenities)	1,162.80	20,930.40	1,162.80	19,767.60	1,162.80	18,604.80	1,162.80	17,442.00
4	Wall and floor finishes (staff amenities)	411.78	7,412.04	411.78	7,000.26	411.78	6,588.48	411.78	6,176.70
5	Fittings & fixtures (staff amenities)	593.38	10,680.75	593.38	10,087.37	593.38	9,493.99	593.38	8,900.61
6	General plumbing (staff amenities)	168.00	3,024.00	168.00	2,856.00	168.00	2,688.00	168.00	2,520.00
7	Kitchen fitout (staff amenities)	254.03	2,878.98	254.03	2,624.95	254.03	2,370.92	254.03	2,116.89
8	Boiling water unit (staff amenities)	73.10	731.30	73.10	658.20	73.10	585.10	73.10	512.00
9	Central ducted air conditioning	1,269.45	16,493.40	1,269.45	15,223.95	1,269.45	13,954.50	1,269.45	12,685.05
10	Electric motor to control roller door	93.75	750.00	93.75	656.25	93.75	562.50	93.75	468.75
11	Dry chemical fire extinguisher	25.01	324.98	25.01	299.97	25.01	274.96	25.01	249.95
12	Fire hose & nozzles	148.80	1,190.40	148.80	1,041.60	148.80	892.80	148.80	744.00
13	Smoke detectors	36.00	648.00	36.00	612.00	36.00	576.00	36.00	540.00
14	Vertical blinds	993.60	7,948.80	993.60	6,955.20	993.60	5,961.60	993.60	4,968.00
15	Carpet	1,034.62	6,207.72	1,034.62	5,173.10	1,034.62	4,138.48	1,034.62	3,103.86
16	Hot water system	42.65	426.70	42.65	384.05	42.65	341.40	42.65	298.75
17	Door closers	17.60	140.80	17.60	123.20	17.60	105.60	17.60	88.00
	Division 40 Private Property Sub-total	6,324.57	79,788.27	6,324.57	73,463.70	6,324.57	67,139.13	6,324.57	60,814.56
Grand-total		41,413.41	1,328,564.97	41,413.41	1,287,151.56	41,413.41	1,245,738.15	41,413.41	1,204,324.74

Deduction Tables (Prime Cost)

No.	DESCRIPTION	DIV 20/21	Adj V @ 30/06/21	DIV 21/22	Adj V @ 30/06/22	DIV 22/23	Adj V @ 30/06/23	DIV 23/24	Adj V @ 30/06/24
Division 43 Private Property									
1	Construction costs	32,172.68	1,016,302.59	32,172.68	984,129.91	32,172.68	951,957.23	32,172.68	919,784.55
2	Structural improvements	2,916.16	92,118.75	2,916.16	89,202.59	2,916.16	86,286.43	2,916.16	83,370.27
	Division 43 Private Property Sub-total	35,088.84	1,108,421.34	35,088.84	1,073,332.50	35,088.84	1,038,243.66	35,088.84	1,003,154.82
Division 40 Private Property									
3	Sanitaryware to toilet/washing facilities, incl piping (staff amenities)	1,162.80	16,279.20	1,162.80	15,116.40	1,162.80	13,953.60	1,162.80	12,790.80
4	Wall and floor finishes (staff amenities)	411.78	5,764.92	411.78	5,353.14	411.78	4,941.36	411.78	4,529.58
5	Fittings & fixtures (staff amenities)	593.38	8,307.23	593.38	7,713.85	593.38	7,120.47	593.38	6,527.09
6	General plumbing (staff amenities)	168.00	2,352.00	168.00	2,184.00	168.00	2,016.00	168.00	1,848.00
7	Kitchen fitout (staff amenities)	254.03	1,862.86	254.03	1,608.83	254.03	1,354.80	254.03	1,100.77
8	Boiling water unit (staff amenities)	73.10	438.90	73.10	365.80	73.10	292.70	73.10	219.60
9	Central ducted air conditioning	1,269.45	11,415.60	1,269.45	10,146.15	1,269.45	8,876.70	1,269.45	7,607.25
10	Electric motor to control roller door	93.75	375.00	93.75	281.25	93.75	187.50	93.75	93.75
11	Dry chemical fire extinguisher	25.01	224.94	25.01	199.93	25.01	174.92	25.01	149.91
12	Fire hose & nozzles	148.80	595.20	148.80	446.40	148.80	297.60	148.80	148.80
13	Smoke detectors	36.00	504.00	36.00	468.00	36.00	432.00	36.00	396.00
14	Vertical blinds	993.60	3,974.40	993.60	2,980.80	993.60	1,987.20	993.60	993.60
15	Carpet	1,034.62	2,069.24	1,034.62	1,034.62	1,034.62	nil		nil
16	Hot water system	42.65	256.10	42.65	213.45	42.65	170.80	42.65	128.15
17	Door closers	17.60	70.40	17.60	52.80	17.60	35.20	17.60	17.60
	Division 40 Private Property Sub-total	6,324.57	54,489.99	6,324.57	48,165.42	6,324.57	41,840.85	5,289.95	36,550.90
Grand-total		41,413.41	1,162,911.33	41,413.41	1,121,497.92	41,413.41	1,080,084.51	40,378.79	1,039,705.72

Deduction Tables (Prime Cost)					
No.	DESCRIPTION	DIV 24/25	Adj V @ 30/06/25	DIV 25/26	Adj V @ 30/06/26
Division 43 Private Property					
1	Construction costs	32,172.68	887,611.87	32,172.68	855,439.19
2	Structural improvements	2,916.16	80,454.11	2,916.16	77,537.95
	Division 43 Private Property Sub-total	35,088.84	968,065.98	35,088.84	932,977.14
Division 40 Private Property					
3	Sanitaryware to toilet/washing facilities, incl piping (staff amenities)	1,162.80	11,628.00	1,162.80	10,465.20
4	Wall and floor finishes (staff amenities)	411.78	4,117.80	411.78	3,706.02
5	Fittings & fixtures (staff amenities)	593.38	5,933.71	593.38	5,340.33
6	General plumbing (staff amenities)	168.00	1,680.00	168.00	1,512.00
7	Kitchen fitout (staff amenities)	254.03	846.74	254.03	592.71
8	Boiling water unit (staff amenities)	73.10	146.50	73.10	73.40
9	Central ducted air conditioning	1,269.45	6,337.80	1,269.45	5,068.35
10	Electric motor to control roller door	93.75	nil		nil
11	Dry chemical fire extinguisher	25.01	124.90	25.01	99.89
12	Fire hose & nozzles	148.80	nil		nil
13	Smoke detectors	36.00	360.00	36.00	324.00
14	Vertical blinds	993.60	nil		nil
15	Carpet		nil		nil
16	Hot water system	42.65	85.50	42.65	42.85
17	Door closers	17.60	nil		nil
	Division 40 Private Property Sub-total	5,289.95	31,260.95	4,036.20	27,224.75
Grand-total		40,378.79	999,326.93	39,125.04	960,201.89

TAXATION DEPRECIATION SCHEDULE FREQUENTLY ASKED QUESTIONS

Why do you show two different depreciation methods in the report?

There are two different methods that can be used to calculate a Division 40 depreciation claim, the Diminishing Value Method and the Prime Cost Method. Both of these methods are set by the Income Tax Assessment Act 1997. This report shows the deductions calculated both ways to allow you to select the method that best suits your circumstances. You should consult your tax adviser for advice about which method is best for you.

Why does the report show the deductions for these 10 years?

The Deduction Summary page and the Deduction Tables show the Division 40 and Division 43 deductions for your property extended over a period of 10 years.

If you bought or built your property in the same tax year in which you commissioned this report, the 10 year period will start in this tax year (the year of commissioning). Otherwise the 10 year period will start with the last completed tax year as many people lodge their tax return well after the end of the financial year. If you require the deductions for years earlier than those shown (and did not previously advise us of this fact) please contact us to arrange for an amendment to your report.

The deductions for future tax years are shown in italics and are indicative only. They are based on the tax system and property details at the time this report was prepared. It is not possible for us to determine if, or how, future changes to either the tax system (such as ATO tax rulings) or the subject property (such as alterations, additions or removals) may affect the deductions you are entitled to claim in the future. Before claiming a capital works or depreciation deduction in any future year you should satisfy yourself that the claim is consistent with the tax system and property details at that time. Leary & Partners accepts no responsibility for any consequences resulting from the use of the indicative deductions contained in this report.

Do the tax deductions end at the end of the 10 year period shown?

Your Division 40 and / or Division 43 deductions may last longer than the 10 year period shown in this report. Either you or your tax adviser can work out the deductions for these further future years using the Adjusted Values (AV) and rates shown in the detailed Deduction Tables.

Can I claim a deduction for previous tax years?

If you owned and used your property for income producing purposes in previous tax years you may be entitled to claim a capital works and / or depreciation deduction for some or all of these years. You cannot claim the deduction for more than one tax year in a single tax return. You can however ask the ATO to amend your previous tax returns to include this deduction. Most taxpayers have a period of two years from when a tax return is assessed in which to lodge the request for an amendment. Deductions associated with tax assessments from earlier periods are not normally claimable.

Why haven't you used accelerated depreciation methods when calculating my deduction?

The Division 40 deductions in this report were calculated using the default Diminishing Value and Prime Cost depreciation rates applicable to standard taxpayers. Some taxpayers may have the option of electing to use higher depreciation rates for some of the items in the deduction table. For example, you may be eligible to fully depreciate certain items worth \$300 or less in the first tax year of ownership. You may also be eligible to use a "Low Value Pool" to write-off other items over a reduced time period. Similarly, taxpayers using the small business entity regime may elect to use the Subdivision 328-D Simplified Depreciation Rules.

Consistent with the Practice Notes, Guidelines for the Preparation of Depreciation Schedules for Investment / Rental Properties issued by the Australian Institute of Quantity Surveyors, we have not automatically calculated your depreciation schedule using elective options. Most elective options have qualification criteria that we could not appropriately assess and / or serious on-going compliance and cash flow implications.

If you wish to calculate your depreciation deduction using one of these optional calculation methods we are happy to provide you with a copy of the depreciation table in spreadsheet form so that you can make the relevant calculation adjustments.

Why isn't all my furniture in the Deduction Tables?

The Deduction Tables will not include loose furniture package items unless you have specifically arranged for us to include them. Unless you can provide us with an individually costed furniture package inventory we generally cannot determine furniture values unless we assess them during a site inspection.