

MEDIA RELEASE

For immediate release

June 2014

Tax Time: Do you depreciate?

Australia's leading tax depreciation specialist, BMT, is encouraging property investors to investigate the additional cash flow that can be generated by a tax depreciation schedule leading into tax time.

"There are thousands of property investors across the country who are not aware of the savings available to them through the use of tax depreciation," said BMT Tax Depreciation managing director, Brad Beer.

"The average BMT Tax Depreciation Schedule saves an investor \$10,100 in the first full financial year and \$73,500 over ten years of ownership, however recent research we conducted revealed that 80 per cent of property investors may not be maximising the depreciation deductions available to them.

"Leading into tax time, and with so many new property investors in the market, it's as important as ever for Australians to familiarise themselves with tax depreciation schedules."

Tax depreciation is based on the concept that as a building gets older the building and its fixtures wear out, or depreciate and decrease in value.

Specialist quantity surveyors are licensed to identify and accurately assess the depreciable value of buildings and their fixtures.

"Specialist quantity surveyors are able to make a comprehensive assessment of all the depreciable assets, not just the more frequently-claimed items such as carpet, hot water systems and light fittings," said Brad Beer.

"Less obvious items such as garbage bins, mechanical exhausts and door closers may seem insignificant by themselves, however cumulatively can make a significant difference to the cash flow generated by an investment property."

According to BMT, if property investors haven't claimed depreciation since they purchased their property, they may also be able to amend the past two years' worth of tax returns to reflect any depreciation they haven't claimed.



Australian tax legislation additionally allows 2.5 per cent of the structural cost of a building to be claimed every year for up to 40 years as a depreciation deduction, and investors who purchase an established property are able to claim the residual value of the building from the date they purchased the property.

“Because depreciation is a non-cash deduction, property investors don’t need to have spent any money to claim depreciation on their property and are able to claim deduction for renovations, even if they were completed by a previous owner,” said Brad Beer.

“Investors are able to easily estimate a depreciation claim for a property using our free online tax depreciation calculator,” concluded Brad Beer.

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About BMT Tax Depreciation

BMT Tax Depreciation (BMT) is a Quantity Surveying company specialising in the provision of tax depreciation schedules for residential and commercial investment properties. Commencing business in 1997, demand from property investors nationally has seen business expand Australia-wide with offices now located in Sydney, Parramatta, Melbourne, Brisbane, Newcastle, Adelaide, Perth, Gold Coast, Cairns, Canberra, Hobart and Darwin.

