

2021 Rental Property / Airbnb Checklist

If you own a rental property that you receive an income from, you can claim expenses associated with earning that income.

It is important to stay on top of your rental property tax deductions and claim them correctly to maximise your tax refund (without getting into hot water with the ATO).

Please bring with you, the following information / documents to your appointment as applicable.

If the property is managed through an agent, please provide us with the Annual Rental Statement for the year. This will usually include details of most of your expenses. If not already shown on the statement, please also bring with you information / documents for the following additional expenses incurred in relation to your rental property.

- Advertising for tenants
- Bank charges
- Body corporate fees
- Cleaning
- Council rates
- Electricity (While rented or available for rent)
- Gas (While rented or available for rent)
- Gardening and lawn mowing
- Insurance – building, contents, landlord
- Interest on loans
- Land tax
- Legal expenses (tenant related)
- Mortgage discharge expenses
- Pest control
- Capital Works (claimed at 2.5% of the cost per year)
- Quantity surveyor's fees
- Repairs and maintenance
- Security fees
- Servicing costs e.g. smoke alarms
- Water charges
- Property related purchases less than \$300. Or *Depreciation of purchases above \$300.

If your property is not managed by an agent, please provide us with a copy of your bank statements or similar to show the income received.

Note for Holiday Homes or Airbnb type arrangements

The ATO has requested information from organisations such as Airbnb in relation to income earned by taxpayers renting out properties and/or rooms under these types of platforms.

Income earned in this manner will need to be included in your tax return and accordingly you are able to claim expenses relating to the costs incurred in earning that income similar to that of a regular rental property arrangement.

The main difference is in relation to the portion of the property and/or portion of time that was not subject to or available for rent. For periods of time for which you, your friends, or family used the property and did not pay market value rent, you are unable to claim any tax deductions. Similarly in relation to renting out part of your home that you currently live in, only a portion of your expenses corresponding with the proportion of the property being rented or available for rent is able to be claimed.

Please also note, that properties that have been used to earn income will need to be assessed for capital gains when sold.