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## **SEVEN OUTDOORS ITEMS YOU DIDN'T KNOW YOU COULD DEPRECIATE**

Australia's leading tax depreciation specialist, BMT Tax Depreciation, believes Australian property investors are unaware of the significant cash flow available to them through the depreciation of unexpected outdoor items.

Owners of income-producing properties can often claim sizable tax deductions for the natural wear and tear that occurs to a building and its fixtures and fittings over time. These deductions are known as property depreciation.

"The ATO lists thousands of items that qualify for depreciation deductions and it can be difficult for investors to ensure they have included every eligible asset in their claim," said BMT Tax Depreciation CEO, Bradley Beer.

"Claiming all available tax deductions at tax time is now more important than ever and property investors should take every opportunity to improve their tax return."

BMT finds that many investors think deductions are only for the building or assets contained inside a property. However, outdoor assets and structures can also attract valuable deductions as well. BMT has revealed a list of surprising outdoor items which have generated additional cash flow for their owners through depreciation.

"A garden shed is a depreciable outdoor asset that is sometimes overlooked. If an investor has a garden shed, their typical deduction in the first financial year would be around \$600 and \$3,000 cumulatively over the first five years," said Bradley Beer.

A pergola is an effective way to spruce up a backyard that can also attract valuable depreciation deductions. "The first-year depreciation claim on a pergola would be around \$500 and there would be cumulative deductions of around \$2,500 over the first five years."

"Rainwater tanks are depreciable outdoor assets that sometimes go unnoticed." According to Bradley Beer, investment properties with rainwater tanks can expect to attract an extra first-year deduction of \$300 and \$1,200 in cumulative deductions over the first five years.

There are also extra deductions available for investment properties with pools. "Not only is a swimming pool itself depreciable, but so are the cleaning assets," said Bradley Beer. "If you put in a swimming pool, pump and filtration system for \$46,000, you could expect to claim a combined amount of \$2,000 in depreciation deductions in the first year and \$8,000 over five years."

Outdoor security systems are also depreciable, even down to the security code pads and digital peep holes. "We find that these assets have a combined average depreciable value of around \$1,600 in the first year and \$4,000 over five years."

Garbage bins and washing lines also often go unnoticed as possible sources of savings for investors. "The depreciable value of these items will usually total \$500 and as these smaller ticket items are often valued less than \$300 each, they could also entitle their owner to claim the full amount as an immediate write-off in the first financial year," said Bradley Beer.

"The deductions for assets found outside an investment property add up and it pays for an investor to understand how depreciation works and which items can be depreciated."

“This is just one of the reasons why investors are recommended to engage the services of a qualified quantity surveyor to physically inspect their property.”

“A qualified quantity surveyor will be able to compile a list of all of the depreciation deductions available on a property,” concluded Bradley Beer.

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**Media contact** - Madeleine Macridis 0422 802 644 or [madeleine.macridis@bmtqs.com.au](mailto:madeleine.macridis@bmtqs.com.au)