



Enterprises Pty Limited



1 February 2017

Mr & Mrs Smith  
Client Street  
Suburb State Postcode

ACCOUNTS USE ONLY	
Checked By Accounts	Approved By Director
X .....	X .....
Date .....	Date .....

## Payment Received

Re: Depreciation Schedule - **18/CORP/20000**  
Sample Street Pyrmont NSW

Thank you for your recent payment for services rendered. This letter serves as confirmation that your Invoice has been paid in full, for the amount of:

**\$ 328.90 including GST**

Please retain your tax invoice and this letter, as costs associated with the preparation of a Tax Depreciation Schedule are fully tax deductible.

We thank you for choosing Corpred Enterprises Pty Ltd for the preparation of your depreciation schedule.

Should you have any queries regarding your report, or any other matter relating to building/construction, please do not hesitate to contact us.

Yours Faithfully

**The Corpred Team**

**Corpred Enterprises Pty Ltd**

Level 26, 44 Market Street **Sydney** NSW 2000  
Level 2, Riverside Quay, 1 Southbank Boulevard Southbank **Melbourne** VIC 3006  
Level 27, Santos Place, 32 Turbot Street **Brisbane** QLD 4000  
Level 30, Westpac House, 91 King William Street **Adelaide** SA 5000  
Level 11, Brookfield Place, 125 St Georges Terrace **Perth** WA 6000

**abn | 32 105 828 466**

P: 1300 854 206 F: 1300 854 207  
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email | [info@corpred.com.au](mailto:info@corpred.com.au)

[www.corpred.com.au](http://www.corpred.com.au)



Enterprises Pty Limited

Mr & Mrs Smith  
Client Street  
Suburb State Postcode

Please note we have commenced work on your tax depreciation schedule. We will finalise your report once payment has been made.

Email payment details to  
accounts@corpred.com.au

# TAX INVOICE

Invoice No: 18/CORP/20000

Terms: **Payment Due Immediately**

Project: **Sample Street Pymont NSW**

Description of Work:	Preparation of a Tax Depreciation Schedule	\$	299.00
	Travel surcharge - properties located outside metro	\$	-
	Printed and bound colour copy of report mailed	\$	-
	<b>Total</b>	\$	<b>299.00</b>
	G.S.T @ 10%	\$	29.90
	<b>Total including G.S.T.</b>	\$	<b>328.90</b>

Please forward payment for the above amount.

abn | 32 105 828 466

Thank you for choosing **Corpred**

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www.corpred.com.au

Invoice Number: 18/CORP/20000  
Project: Sample Street Pymont NSW  
Client Name: Mr & Mrs Smith

Amount Due (inc GST): \$ 328.90  
Date Due: **Payment Due Immediately**

## PAYMENT OPTIONS



Billor Code: 73452  
Customer Ref No: 200008

### Telephone & Internet Banking - BPAY

Log on to internet banking or call your bank to make this payment from your cheque, savings or credit card account.

More info: [www.bpay.com.au](http://www.bpay.com.au)

### Mailing your payment

Detach this section and mail your cheque to the Accounts and Administration Department:

**Corpred Enterprises**

**PO Box 227 Oyster Bay NSW 2225**

Please make your cheque payable to Corpred Enterprises

### Direct Deposit:

Account Name: Corpred Enterprises

BSB: 032 154 - Westpac Banking Corporation

Account No: 114 912

Please quote the invoice number and your surname



### Credit Card

Please call the accounts department

on (02) 9575 7324 to provide your credit card details.





# Corpred

Enterprises Pty Limited

Mr & Mrs Smith  
Client Street  
Suburb State Postcode

**RE: Depreciation Schedule**  
**Sample Street Pyrmont NSW**

18/CORP/20000

As requested, we have prepared estimates of tax depreciation values for the abovementioned property. The schedules are based on the first 40 years of ownership, beginning from the date of first lease. Please note that the estimates have been calculated in accordance with the current depreciation legislation, based on the indicated life expectancy rates. These may change over the course of the 40 years, in accordance with changes to the relevant tax rulings.

The depreciation deductions for the first year have been apportioned in accordance with the period of "ownership/income producing operation", which may be less than 12 months.

Finally, please be aware that endorsement/validation of your tax depreciation schedule will not be recognised by this firm until all accounts have been settled. Corpred Enterprises Pty Ltd will not ratify any claims for depreciation or assist the Australian Taxation Office should an audit be carried out pursuant to your claim, until all monies owed are paid in full.

We thank you for allowing us the opportunity to submit our fee proposal and to subsequently complete your report, and inspection if required. We welcome any further opportunities to be of assistance.

Should you have any queries or wish to discuss any aspect of the above, please do not hesitate to contact us.

Yours Faithfully,  
**The Corpred Team**

**Corpred Enterprises Pty Ltd**

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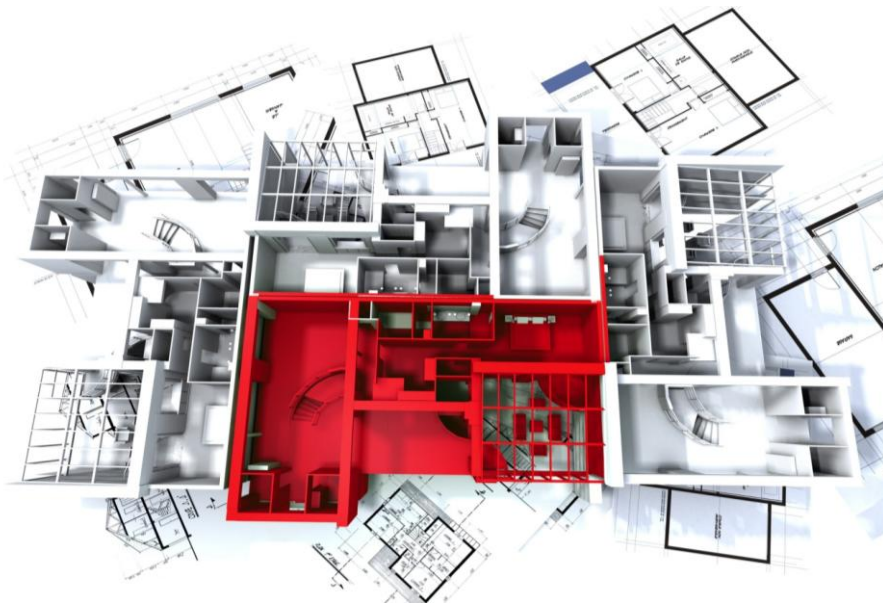
P: 1300 854 206 F: 1300 854 210

Level 11, Brookfield Place, 125 St Georges Terrace **Perth** WA 6000

P: 1300 854 206 F: 1300 854 211



Enterprises Pty Limited



*“The difference we make at tax time is clear”*

# Tax Depreciation Schedule

3 Bedroom Townhouse

at

Sample Street Pyrmont NSW

for

Mr & Mrs Smith

February 2017

18/CORP/20000

**Corpred Enterprises Pty Ltd**

**abn | 32 105 828 466**

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## 1.0 Introduction – Basis of Report

### Basis of Report

This report is based on the following information:

1. Capital cost comprising the following:

(a) Purchase Price	\$	585,000
(b) Improvements – Capital Works	Included	
(c) Stamp Duty (Approx.)	\$	21,835
(d) Legal Costs (Approx.)	\$	1,200
<b>Total Disbursements</b>	<b>\$</b>	<b>608,035</b>
(e) Deduct Land Value	\$	(214,500)
(f) Deduct items not eligible for depreciation (landscaping and site clearance)	\$	(9,850)
(g) Deduct other costs not attributable to Construction Costs	\$	(89,986)
<b>Total Assessed Construction Cost</b>	<b>\$</b>	<b>293,699</b>

- |   |                 |
|---|-----------------|
| 2. Date of Exchange:                          | 13 June 2009    |
| 3. Date of Settlement:                        | 27 July 2009    |
| 4. Date of first lease / schedule start date: | 01 January 2017 |
| 5. Unit Entitlement:                          | -               |

*Note: This report is based on information provided to our firm by the client and is to be used for the purpose of income tax returns only.*

### 2.0 General Notes Relating to the Schedules

- ▶ The estimates are based on the assumption that the property was acquired after September 1999 and therefore the depreciation values have been calculated using the effective life method. In cases where the property has been acquired pre-Sept 1999, the same methodology has been adopted in accordance with the Taxation Ruling IT 2685 and Depreciation and Taxation Ruling TR 2000/18 – Income Tax: Depreciation Effective Life.
- ▶ The estimates for Year 1 have been apportioned in the case that the “ownership/income producing” period is less than a full year for tax purposes. Therefore, the first year claim listed is the amount of depreciation available in the first year between the date of first lease and the end of the financial year.
- ▶ Owners are advised to discuss and confirm that above assumptions with their tax adviser before using this tax depreciation information.
- ▶ For the purpose of this valuation we understand that all items of plant and equipment listed in the schedule are owned by the tax payer.
- ▶ Land apportionment, land improvements and other building costs not eligible for allowances have not been included in this report. Non-eligible items include expenditure on clearing the land prior to construction & landscaping costs.
- ▶ Depreciation has been calculated using both the diminishing value and prime cost methods. We advise that you speak to your financial advisor before deciding which of these methods to use.
- ▶ Qualifying expenditure and depreciation rates have been calculated with the understanding that the property is used for the production of assessable income, excluding short-term traveller’s accommodation or non-residential usage.
- ▶ Items of plant and equipment with an individual value of less than \$300 have been depreciated at 100% in accordance with section 55(2), low cost/short life items.

### 2.0 General Notes Relating to the Schedules (cont.)

- ▶ The diminishing value method of depreciation incorporates writing off low-cost plant (i.e. plant costing less than \$1,000) through a low value pool where applicable. Items of plant and equipment with an individual value of less than \$1000 have been allocated to this "pool". This is effective as at 1 July 2000 and plant in this "pool" is depreciated at a rate of 37.50%, with the rate halved during the first year of depreciation. Depreciation values for items in the "pool" are not required to be apportioned.
- ▶ The basis of depreciation of an item of Plant and Equipment includes its purchase price (ITAA Sect 42-65) and also delivery costs, installation costs (IT 2197) and the cost associated with bringing the plant into full operation (ITAA97 Sect 8-1)
- ▶ Due to the undefined nature of Plant and Articles it is at the owner/s (or their accountants) discretion as to whether or not a claim for any particular item should be made.

#### REGARDING PROPERTIES PURCHASED AFTER 9TH MAY 2017:

As per *"Treasury Laws Amendment (Housing Tax Integrity) Bill 2017: Limiting deductions for plant and equipment in residential premises"*. All properties acquired after 7.30pm on 9 May 2017 cannot deduct amounts under Division 40 for depreciating assets used in gaining or producing assessable income from the use of residential premises for residential accommodation UNLESS

- the entity has held the asset at the first time the asset was first used i.e first came to hold the asset when it was used in a new residential premises which has never been lived in before becoming a rental property as per the definition of new property in GSTR 2003/3. If you have claimed the first owners grant you cannot claim Division 40.
- the entity has purchased the asset from a retailer and has held the asset from the time it was first used or installed – must be able to provide proof of purchase of actual cost.

#### CONVERTING OWNER-OCCUPIED PROPERTIES INTO INVESTMENTS

- A property owner will not be able to claim depreciation on pre-existing plant and equipment assets within properties which have been lived in as a primary place of residence where the owner has first made the property available to rent after 1st July 2017. Plant and equipment assets are considered previously-used under these conditions.



### **Division 40 - plant and equipment**

Division 40 is the legislation that covers the depreciation of 'plant and equipment', i.e. the removable fixtures and fittings within an investment property. Each plant and equipment item has an effective life set by the Australian Taxation Office (ATO) and the depreciation deduction available on that item is calculated using this effective life.

### **Division 43 - Capital Works Allowance**

Division 43 covers the deduction available to owners for the structural elements of a building and the items within the property that are deemed irremovable. It includes the foundations, walls, ceiling, roof and also includes fixed assets like tiles, toilets, built-in cupboards, windows and doors. Properties qualify for this allowance depending on their age and type; either 2.5% or 4% of a property's historical construction cost or estimated cost can be claimed.

### **Structural Improvements**

Structural improvements can be claimed if the improvements were undertaken after 26th February 1992.

## **3.0 Disclaimer**

- ▶ The schedules and values included in this report have been prepared for the sole purpose of claims under the Income Tax Assessment Act and are for the use of the current owners of the premises, or their agents in dealings with tax claims only.
- ▶ Corpred Enterprises Pty Ltd (Corpred) does not accept any contractual, tortious or other form of liability for any consequences, loss or damage, which may arise as a result relying on this document.

### 4.0 Certification

#### Tax Depreciation Schedule

**We hereby certify that in our opinion the capital costs related to:**

1. Depreciable items – as scheduled in accordance with the Income Tax Assessment Act 1997, (ITAA) 1936, Part 3, Division 3A, Sections 54, 55, 56, 60, 61 and 62. The basis of depreciation of an item of plant and equipment includes its purchase price (ITAA Sect 42-65) delivery and installation costs (IT 2197) and the costs associated with bring the plant into full operation (ITAA97 Sect 8-1).
2. Electrical Mains Connection – is in accordance with Division 3A, Section 70(A).
3. Building Allowance – is in accordance with Division 10D, Sections 124ZF-ZH. General Capital Allowances in accordance with the ITTA 1997, Division 40. Capital Allowances in accordance with Division 42 & Capital Works in accordance with Division 43.
4. Structural Improvement Allowance –is in accordance with Division 10D, Section 1234ZFB.
5. This report incorporate changes from the 'Ralph Review of Business Taxation' of 21 September 1999.
6. Addendum to 2000/18
7. Draft Ruling 2004/D3
8. Withdrawal of IT 242
9. Tax Laws Amendment (Personal Tax Reduction and improved Depreciation Arrangements) ACT 2006 (55 of 2006) introduced 11th May 2006 and received Royal Assent on 22nd June 2006
10. Taxation Ruling TR 2013/4 - Income Tax: Effective live of depreciating assets
11. Treasury Laws Amendment (Housing Tax Integrity) Bill 2017: Limiting deductions for plant and equipment in residential premises and travel expenditure for residential rental properties.



**Corpred Enterprises Pty Ltd**

Level 26, 44 Market Street  
Sydney NSW 2000  
Ph: 1300 854 206

### 5.0 Referenced Material

The following publications were used as referenced material for the preparation of this report.

- ▶ An Indicative Guide to the Preparation of QS Reports – Tax Depreciation Schedules for Investment/Rental properties published by the Australian Institute of Quantity Surveyors – January 2002.
- ▶ Rental Properties 2017 – published by the Australian Taxation Office.
- ▶ Guide to Depreciating Assets 2017 published by the Australian Taxation Office.
- ▶ Australian Tax Master Guide 2017 – published by CCH Australia Limited.

Other referenced material includes the following:

- ▶ Rawlinsons Australian Construction Handbook – 2017.
- ▶ Cordells Construction Cost Guide – Quarterly Updates .
- ▶ Australian Institute of Quantity Surveyors Quarterly Cost Updates.

**Appendix A**  
**Tax Depreciation Schedule Summary- Diminishing Value Method**



**Tax Depreciation Schedule**

## Tax Depreciation Schedule Summary

### Sample Street Pyrmont NSW

Financial Year Ended	Plant + Equipment	Pooled Plant + Equipment	Building Allowance	Structural Improvements	Total
1 January 2017 - 30 June 2017 *	\$ 3,739	\$ 2,495	\$ 1,948	\$ 1,400	\$ 9,582
30 June 2018	\$ 791	\$ 4,055	\$ 3,929	\$ 2,823	\$ 11,597
30 June 2019	\$ 678	\$ 2,534	\$ 3,929	\$ 2,823	\$ 9,964
30 June 2020	\$ 390	\$ 1,946	\$ 3,929	\$ 2,823	\$ 9,087
30 June 2021	\$ 349	\$ 1,216	\$ 3,929	\$ 2,823	\$ 8,317
30 June 2022	\$ 312	\$ 760	\$ 3,929	\$ 2,823	\$ 7,824
30 June 2023	\$ 280	\$ 475	\$ 3,929	\$ 2,823	\$ 7,507
30 June 2024	\$ 124	\$ 656	\$ 3,929	\$ 2,823	\$ 7,532
30 June 2025	\$ 116	\$ 410	\$ 3,929	\$ 2,823	\$ 7,278
30 June 2026	\$ 108	\$ 256	\$ 3,929	\$ 2,823	\$ 7,116
30 June 2027	\$ 101	\$ 160	\$ 3,929	\$ 2,823	\$ 7,013
30 June 2028	\$ 94	\$ 100	\$ 3,929	\$ 2,823	\$ 6,946
30 June 2029	\$ 88	\$ 63	\$ 3,929	\$ 2,823	\$ 6,902
30 June 2030	\$ 82	\$ 39	\$ 3,929	\$ 2,823	\$ 6,873
30 June 2031	\$ 77	\$ 24	\$ 3,929	\$ 2,823	\$ 6,853
30 June 2032	\$ 71	\$ 15	\$ 3,929	\$ 2,823	\$ 6,838
30 June 2033	\$ -	\$ 385	\$ 3,929	\$ 2,823	\$ 7,136
30 June 2034	\$ -	\$ 240	\$ 3,929	\$ 2,823	\$ 6,992
30 June 2035	\$ -	\$ 150	\$ 3,929	\$ 2,823	\$ 6,902
30 June 2036	\$ -	\$ 94	\$ 3,929	\$ 2,823	\$ 6,846
<b>TOTAL</b>	<b>\$ 7,399</b>	<b>\$ 16,075</b>	<b>\$ 76,597</b>	<b>\$ 55,034</b>	<b>\$ 155,105</b>

Information current at

February 2017

\*Values for first year are apportioned in line with income producing portion of that year.

Please note that the indicative depreciation and building allowance figures may change in accordance with changes to taxation laws.

**Tax Depreciation Schedule**

## Tax Depreciation Schedule Summary

**Sample Street Pyrmont NSW**

Financial Year	Plant & Equipment	Pooled Plant + Equipment	Building Allowance	Structural Improvements	Total
30 June 2037	\$ -	\$ 59	\$ 3,929	\$ 2,823	\$ 6,810
30 June 2038	\$ -	\$ 37	\$ 3,929	\$ 2,823	\$ 6,788
30 June 2039	\$ -	\$ 23	\$ 3,929	\$ 1,423	\$ 5,375
30 June 2040	\$ -	\$ 14	\$ 3,929	\$ -	\$ 3,943
30 June 2041	\$ -	\$ 9	\$ 3,929	\$ -	\$ 3,938
30 June 2042	\$ -	\$ 6	\$ 3,929	\$ -	\$ 3,934
30 June 2043	\$ -	\$ 3	\$ 3,929	\$ -	\$ 3,932
30 June 2044	\$ -	\$ 2	\$ 3,929	\$ -	\$ 3,931
30 June 2045	\$ -	\$ 1	\$ 3,929	\$ -	\$ 3,930
30 June 2046	\$ -	\$ 1	\$ 3,929	\$ -	\$ 3,930
30 June 2047	\$ -	\$ 1	\$ 1,981	\$ -	\$ 1,981
30 June 2048	\$ -	\$ -	\$ -	\$ -	\$ 0
30 June 2049	\$ -	\$ -	\$ -	\$ -	\$ 0
30 June 2050	\$ -	\$ -	\$ -	\$ -	\$ 0
30 June 2051	\$ -	\$ -	\$ -	\$ -	\$ 0
30 June 2052	\$ -	\$ -	\$ -	\$ -	\$ 0
30 June 2053	\$ -	\$ -	\$ -	\$ -	\$ 0
30 June 2054	\$ -	\$ -	\$ -	\$ -	\$ 0
30 June 2055	\$ -	\$ -	\$ -	\$ -	\$ 0
30 June 2056	\$ -	\$ -	\$ -	\$ -	\$ 0
30 June 2057	\$ -	\$ -	\$ -	\$ -	\$ 0
<b>TOTAL</b>	<b>\$ 7,399</b>	<b>\$ 16,231</b>	<b>\$ 117,866</b>	<b>\$ 62,103</b>	<b>\$ 203,599</b>

Information current at  
February 2017

*Please note that the indicative depreciation and building allowance figures may change in accordance with changes to taxation laws.*

## Tax Depreciation Schedule

### Appendix B

#### Tax Depreciation Schedule Worksheet- Diminishing Value Method



## Sample Street Pyrmont NSW

## Diminishing Value Method

Item	Depreciable Item	Effective Life (yrs)	Dim Value Rate %	Base Installed Cost (\$)	Builders' Preliminaries 13.50% (\$)	Professional Fees 4.50% (\$)	Total Installed Cost (\$)	FINANCIAL YEAR 1 (\$)	FINANCIAL YEAR 2 (\$)	FINANCIAL YEAR 3 (\$)	FINANCIAL YEAR 4 (\$)	FINANCIAL YEAR 5 (\$)	FINANCIAL YEAR 6 (\$)	FINANCIAL YEAR 7 (\$)	FINANCIAL YEAR 8 (\$)	FINANCIAL YEAR 9 (\$)	FINANCIAL YEAR 10 (\$)	FINANCIAL YEARS 11+ (\$)
	<b>Non Pooled Items</b>																	
1	<b>Hydraulic Services</b>																	
a	Hot water system - electric	12.00	16.67	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b	Hot water system - gas (b)	12.00	37.50	777	105	40	922	LVP	-	-	-	-	-	-	-	-	-	-
c	Hot water system - solar	15.00	13.33	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
d	Pumps (b)	20.00	37.50	287	39	15	340	LVP	-	-	-	-	-	-	-	-	-	-
e	Water pumps (b)	20.00	37.50	266	36	14	315	LVP	-	-	-	-	-	-	-	-	-	-
2	<b>Heating/Cooling</b>																	
a	Gas fireplace - ducted central	20.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b	Heating - Gas fire - free standing	15.00	13.33	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
c	AC - Damper motors (Incl VAVs)	10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
d	AC - Mini split systems up to 20KW	10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
e	AC - Room units	10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
f	AC Volumetrics - Air cooled	15.00	13.33	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
g	Condensing sets (b)	15.00	37.50	612	83	31	726	LVP	-	-	-	-	-	-	-	-	-	-
h	Cooling towers	15.00	13.33	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i	Fan coil units (b)	15.00	37.50	515	70	26	611	LVP	-	-	-	-	-	-	-	-	-	-
j	Packaged AC unit	15.00	13.33	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
k	Electric / Gas heaters	15.00	13.33	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
l	Ceiling Fans	5.00	37.50	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
m	Air handling units	20.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
n	AC Chillers - Centrifugal	20.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
o	AC Volumetrics - Water cooled	20.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	<b>Electrical Services</b>																	
a	Intercom (b)	10.00	37.50	412	56	21	489	LVP	-	-	-	-	-	-	-	-	-	-
b	Ducted vacuum system - hoses, motors, wands	10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
c	Security code pads	5.00	40.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
d	Security control panels	5.00	40.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
e	vibration)	5.00	40.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
f	Security GSM units	5.00	40.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
g	Security sirens / bells	5.00	40.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
h	Access control pads	5.00	40.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i	Door controllers (a)	5.00	100.00	146	20	7	173	173	-	-	-	-	-	-	-	-	-	-
j	Proximity card readers (a)	7.00	100.00	116	16	6	138	138	-	-	-	-	-	-	-	-	-	-
k	Swipe card readers	3.00	66.67	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
l	CCTV cameras (a)	4.00	100.00	33	4	2	39	39	-	-	-	-	-	-	-	-	-	-
m	CCTV monitors (a)	4.00	100.00	49	7	3	58	58	-	-	-	-	-	-	-	-	-	-
n	CCTV recorders - digital (a)	4.00	100.00	74	10	4	88	88	-	-	-	-	-	-	-	-	-	-
o	CCTV recorders - time lapse	2.00	100.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
p	CCTV recorders - switching units (a)	5.00	100.00	60	8	3	71	71	-	-	-	-	-	-	-	-	-	-
q	Television antennas - freestanding (b)	5.00	37.50	444	60	23	527	LVP	-	-	-	-	-	-	-	-	-	-
r	Light fittings - free standing	5.00	40.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
s	Solar powered generating system	20.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
t	Generators	20.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
u	MATV - amplifiers (a)	10.00	100.00	170	23	9	202	202	-	-	-	-	-	-	-	-	-	-
v	MATV - Modulators (a)	10.00	100.00	133	18	7	158	158	-	-	-	-	-	-	-	-	-	-
w	MATV - power sources (a)	10.00	100.00	82	11	4	97	97	-	-	-	-	-	-	-	-	-	-
x	PABX	10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Bedroom Assets</b>																	
	Mirrors - freestanding (b)	15.00	37.50	532	72	27	631	LVP	-	-	-	-	-	-	-	-	-	-
	<b>Subtotal</b>			<b>4,708</b>	<b>636</b>	<b>240</b>	<b>5,584</b>	<b>1,024</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

(a) Items valued at less than \$300 installed are written off immediately at a rate of 100% in the first year. These items are not apportioned.

(b) Items valued at less than \$1000 are allocated to the low value pool and depreciated at an accelerated rate of 37.5% per annum. This rate is halved in the first financial year. Pooled items are not apportioned.



Sample Street Pyrmont NSW

Diminishing Value Method

Item	Depreciable Item	Effective Life (yrs)	Dim Value Rate %	Base Installed Cost (\$)	Builders' Preliminaries 13.50% (\$)	Professional Fees 4.50% (\$)	Total Installed Cost (\$)	FINANCIAL YEAR 1 (\$)	FINANCIAL YEAR 2 (\$)	FINANCIAL YEAR 3 (\$)	FINANCIAL YEAR 4 (\$)	FINANCIAL YEAR 5 (\$)	FINANCIAL YEAR 6 (\$)	FINANCIAL YEAR 7 (\$)	FINANCIAL YEAR 8 (\$)	FINANCIAL YEAR 9 (\$)	FINANCIAL YEAR 10 (\$)	FINANCIAL YEARS 11+ (\$)
	<b>Brought Forward</b>			<b>4,708</b>	<b>636</b>	<b>240</b>	<b>5,584</b>	<b>1,024</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>4</b>	<b>Kitchen Appliances</b>																	
a	Cooktops (b)	12.00	37.50	298	40	15	353	LVP	-	-	-	-	-	-	-	-	-	-
b	Freezers	12.00	16.67	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
c	Ovens (b)	12.00	37.50	789	107	40	936	LVP	-	-	-	-	-	-	-	-	-	-
d	Refrigerators	12.00	16.67	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
e	Stove	12.00	16.67	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
f	Microwave ovens	10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
g	Rangehoods (b)	12.00	37.50	298	40	15	353	LVP	-	-	-	-	-	-	-	-	-	-
h	Water filters - electrical	15.00	13.33	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i	Dishwashers (b)	10.00	37.50	657	89	34	779	LVP	-	-	-	-	-	-	-	-	-	-
j	Garbage disposal units	10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>5</b>	<b>Floor Finishes</b>																	
a	Vinyl	10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b	Carpets	10.00	20.00	1,412	191	72	1,675	166	302	241	LVP	-	-	-	-	-	-	-
c	Linoleum	10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
d	Floating Timber Flooring	15.00	13.33	2,040	275	104	2,420	160	301	261	226	196	170	147	LVP	-	-	-
<b>6</b>	<b>Window Coverings</b>																	
a	Blinds (b)	10.00	37.50	2,165	292	111	2,568	LVP	-	-	-	-	-	-	-	-	-	-
b	Curtains	6.00	33.33	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>7</b>	<b>External Equipment</b>																	
a	Operable pergola louvres - controls / motors	15.00	13.33	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b	Swimming pool chlorinators / filtration (incl pumps) (a)	12.00	100.00	139	19	7	165	165	-	-	-	-	-	-	-	-	-	-
c	Swimming pool cleaning devices (a)	7.00	100.00	39	5	2	46	46	-	-	-	-	-	-	-	-	-	-
d	pumps, timing devices	5.00	40.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
e	Garden lights - solar	8.00	25.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
f	Artificial grass & matting	5.00	40.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
g	Automatic garage door controls	5.00	40.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
h	Automatic garage door motors	10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i	Freestanding bbqs	5.00	40.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
j	Garden sheds/ storage cage	15.00	13.33	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
k	Automatic gate door controls (a)	5.00	100.00	122	16	6	145	145	-	-	-	-	-	-	-	-	-	-
l	Automatic gate door motors (a)	10.00	100.00	95	13	5	113	113	-	-	-	-	-	-	-	-	-	-
m	Sauna heating assets (a)	15.00	100.00	33	4	2	39	39	-	-	-	-	-	-	-	-	-	-
n	umpire chairs	3.00	66.67	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
o	Resistance gym equipment (a)	10.00	100.00	69	9	4	82	82	-	-	-	-	-	-	-	-	-	-
p	Cardio vascular gym equipment (a)	5.00	100.00	77	10	4	91	91	-	-	-	-	-	-	-	-	-	-
q	Window shutter controls / motors	10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>8</b>	<b>Bathroom Assets</b>																	
a	Bathroom accessories (freestanding - shower caddies, soap holders, toilet brushes) (b)	5.00	37.50	512	69	26	607	LVP	-	-	-	-	-	-	-	-	-	-
b	Exhaust fans (including lighting / heating) (b)	10.00	37.50	428	58	22	508	LVP	-	-	-	-	-	-	-	-	-	-
c	Heated towel rails - electric	10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
d	Shower curtains	2.00	37.50	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
e	Spa bath pumps / chlorinators/ heaters (a)	20.00	100.00	96	13	5	114	114	-	-	-	-	-	-	-	-	-	-
f	Hand dryers - electrical	10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>9</b>	<b>Laundry Assets</b>																	
a	Washing machines	10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b	Clothes dryer (b)	10.00	37.50	348	47	18	413	LVP	-	-	-	-	-	-	-	-	-	-
	<b>Subtotal</b>			<b>14,325</b>	<b>1,934</b>	<b>732</b>	<b>16,991</b>	<b>2,144</b>	<b>603</b>	<b>502</b>	<b>226</b>	<b>196</b>	<b>170</b>	<b>147</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

(a) Items valued at less than \$300 installed are written off immediately at a rate of 100% in the first year. These items are not apportioned.  
(b) Items valued at less than \$1000 are allocated to the low value pool and depreciated at an accelerated rate of 37.5% per annum. This rate is halved in the first financial year. Pooled items are not apportioned.

# Sample Street Pyrmont NSW

## Diminishing Value Method

Item	Depreciable Item	Effective Life (yrs)	Dim Value Rate %	Base Installed Cost (\$)	Builders' Preliminaries 13.50% (\$)	Professional Fees 4.50% (\$)	Total Installed Cost (\$)	FINANCIAL YEAR 1 (\$)	FINANCIAL YEAR 2 (\$)	FINANCIAL YEAR 3 (\$)	FINANCIAL YEAR 4 (\$)	FINANCIAL YEAR 5 (\$)	FINANCIAL YEAR 6 (\$)	FINANCIAL YEAR 7 (\$)	FINANCIAL YEAR 8 (\$)	FINANCIAL YEAR 9 (\$)	FINANCIAL YEAR 10 (\$)	FINANCIAL YEARS 11+ (\$)
	Brought Forward			14,325	1,934	732	16,991	2,144	603	502	226	196	170	147	0	0	0	0
10	Common Area Property																	
a	Lifts: Electric	30.00	6.67	2,455	331	125	2,912	96	188	175	164	153	142	133	124	116	108	513
b	Lifts: Hydraulic	30.00	6.67	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
c	Escalators (machinery & moving parts)	20.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
d	Stair pressurisation - pressurisation and extraction fans (a)	25.00	100.00	224	30	11	266	266	-	-	-	-	-	-	-	-	-	-
e	Stair pressurisation - AC Variable drives (b)	10.00	37.50	298	40	15	353	LVP	-	-	-	-	-	-	-	-	-	-
f	Stair pressurisation - sensors (a)	10.00	100.00	184	25	9	218	218	-	-	-	-	-	-	-	-	-	-
g	Sewerage treatment motors / controls	8.00	25.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
h	Garbage compacting systems (b)	6.67	37.50	319	43	16	378	LVP	-	-	-	-	-	-	-	-	-	-
i	Ventilation fans	20.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Fire Services																	
a	Hydrant booster pump (a)	25.00	100.00	198	27	10	235	235	-	-	-	-	-	-	-	-	-	-
b	Fire alarm - bell (b)	12.00	37.50	318	43	16	377	LVP	-	-	-	-	-	-	-	-	-	-
c	Fire indicator panel (FIP) (b)	12.00	37.50	388	52	20	460	LVP	-	-	-	-	-	-	-	-	-	-
d	EWIS (master emergency panel, speakers, strobe light, warden intercom phone) (b)	12.00	37.50	269	36	14	319	LVP	-	-	-	-	-	-	-	-	-	-
e	Fire hose reels & nozzles (b)	10.00	37.50	288	39	15	342	LVP	-	-	-	-	-	-	-	-	-	-
f	Fire alarm - heat / smoke (a)	6.00	100.00	228	31	12	270	270	-	-	-	-	-	-	-	-	-	-
g	multi point type & smoke	20.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
h	Fire extinguishers (a)	15.00	100.00	118	16	6	140	140	-	-	-	-	-	-	-	-	-	-
12	Furnishings																	
a	electrical appliances & misc utensils	13.33	15.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b	Garbage bins	10.00	37.50	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
c	Outdoor / Common area furniture - freestanding (a)	5.00	100.00	115	16	6	136	136	-	-	-	-	-	-	-	-	-	-
d	Telephone handsets	10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
e	Clock electric	10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
f	Digital video display (DVD) player	5.00	40.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
g	Linen	5.00	40.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
h	Radios	10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i	Rugs	7.00	28.57	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
j	Stereo system	7.00	28.57	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
k	Surround sound system	10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
l	Cordless phone	4.00	50.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
m	Television set	10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
n	Portable vacuum cleaner	10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
o	Video cassette recorders (VCR)	5.00	40.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
p	Crockery	5.00	40.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
q	Cutlery	5.00	40.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
r	Door stops (free standing) (a)	-	100.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
s	Door closers (a)	-	100.00	196	26	10	232	232	-	-	-	-	-	-	-	-	-	-
t	Chillers - absorption	25.00	8.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Subtotal			19,923	2,690	1,018	23,630	3,739	791	678	390	349	312	280	124	116	108	513

(a) Items valued at less than \$300 installed are written off immediately at a rate of 100% in the first year. These items are not apportioned.

(b) Items valued at less than \$1000 are allocated to the low value pool and depreciated at an accelerated rate of 37.5% per annum. This rate is halved in the first financial year. Pooled items are not apportioned.

Sample Street Pyrmont NSW

Diminishing Value Method

Item	Depreciable Item	Effective Life (yrs)	Dim Value Rate %	Base Installed Cost (\$)	Builders' Preliminaries 13.50% (\$)	Professional Fees 4.50% (\$)	Total Installed Cost (\$)	FINANCIAL YEAR 1 (\$)	FINANCIAL YEAR 2 (\$)	FINANCIAL YEAR 3 (\$)	FINANCIAL YEAR 4 (\$)	FINANCIAL YEAR 5 (\$)	FINANCIAL YEAR 6 (\$)	FINANCIAL YEAR 7 (\$)	FINANCIAL YEAR 8 (\$)	FINANCIAL YEAR 9 (\$)	FINANCIAL YEAR 10 (\$)	FINANCIAL YEARS 11+ (\$)
	Brought Forward			(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
13	Balance of Construction Cost Attributable As an allowance for Residential Building Works (Section 43 Capital Works)	30.00	2.50	132,500	17,888	6,767	157,155	1,948	3,929	3,929	3,929	3,929	3,929	3,929	3,929	3,929	3,929	80,558
14	Structural Improvements/Improvements	22.00	2.50	95,200	12,852	4,862	112,914	1,400	2,823	2,823	2,823	2,823	2,823	2,823	2,823	2,823	2,823	35,297
TOTAL				247,623	33,429	12,647	293,699	7,087	7,542	7,429	7,142	7,100	7,064	7,032	6,876	6,868	6,860	116,368

**Appendix C**  
**Tax Depreciation Schedule Summary- Low Value Pool**



# Sample Street Pyrmont NSW

## Low Value Pool

Item	Depreciable Item	Effective Life (yrs)	Dim Value Rate %	Base Installed Cost (\$)	Builders' Preliminaries 13.50% (\$)	Professional Fees 4.50% (\$)	Total Installed Cost (\$)	FINANCIAL YEAR 1 (\$)	FINANCIAL YEAR 2 (\$)	FINANCIAL YEAR 3 (\$)	FINANCIAL YEAR 4 (\$)	FINANCIAL YEAR 5 (\$)	FINANCIAL YEAR 6 (\$)	FINANCIAL YEAR 7 (\$)	FINANCIAL YEAR 8 (\$)	FINANCIAL YEAR 9 (\$)	FINANCIAL YEAR 10 (\$)	FINANCIAL YEARS 11+ (\$)
	<b>Non Pooled Items</b>																	
1	<b>Hydraulic Services</b>																	
a	Hot water system - electric	12.00	16.67	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b	Hot water system - gas (b)	12.00	37.50	777	105	40	922	173	281	175	110	69	43	27	17	10	7	11
c	Hot water system - solar	15.00	13.33	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
d	Pumps (b)	20.00	37.50	287	39	15	340	64	104	65	41	25	16	10	6	4	2	4
e	Water pumps (b)	20.00	37.50	266	36	14	315	59	96	60	38	23	15	9	6	4	2	4
2	<b>Heating/Cooling</b>																	
a	Gas fireplace - ducted central	20.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b	Heating - Gas fire - free standing	15.00	13.33	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
c	AC - Damper motors (Incl VAVs)	10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
d	AC - Mini split systems up to 20KW	10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
e	AC - Room units	10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
f	AC Volumetrics - Air cooled	15.00	13.33	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
g	Condensing sets (b)	15.00	37.50	612	83	31	726	136	221	138	86	54	34	21	13	8	5	9
h	Cooling towers	15.00	13.33	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i	Fan coil units (b)	15.00	37.50	515	70	26	611	115	186	116	73	45	28	18	11	7	4	7
j	Packaged AC unit	15.00	13.33	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
k	Electric / Gas heaters	15.00	13.33	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
l	Ceiling Fans	5.00	37.50	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
m	Air handling units	20.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
n	AC Chillers - Centrifugal	20.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
o	AC Volumetrics - Water cooled	20.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	<b>Electrical Services</b>																	
a	Intercom (b)	10.00	37.50	412	56	21	489	92	149	93	58	36	23	14	9	6	3	6
b	Ducted vacuum system - hoses, motors, wands	10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
c	Security code pads	5.00	40.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
d	Security control panels	5.00	40.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
e	vibration)	5.00	40.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
f	Security GSM units	5.00	40.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
g	Security sirens / bells	5.00	40.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
h	Access control pads	5.00	40.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i	Door controllers (a)	5.00	100.00	146	20	7	173	-	-	-	-	-	-	-	-	-	-	-
j	Proximity card readers (a)	7.00	100.00	116	16	6	138	-	-	-	-	-	-	-	-	-	-	-
k	Swipe card readers	3.00	66.67	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
l	CCTV cameras (a)	4.00	100.00	33	4	2	39	-	-	-	-	-	-	-	-	-	-	-
m	CCTV monitors (a)	4.00	100.00	49	7	3	58	-	-	-	-	-	-	-	-	-	-	-
n	CCTV recorders - digital (a)	4.00	100.00	74	10	4	88	-	-	-	-	-	-	-	-	-	-	-
o	CCTV recorders - time lapse	2.00	100.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
p	CCTV recorders - switching units (a)	5.00	100.00	60	8	3	71	-	-	-	-	-	-	-	-	-	-	-
q	Television antennas - freestanding (b)	5.00	37.50	444	60	23	527	99	160	100	63	39	24	15	10	6	4	6
r	Light fittings - free standing	5.00	40.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
s	Solar powered generating system	20.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
t	Generators	20.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
u	MATV - amplifiers (a)	10.00	100.00	170	23	9	202	-	-	-	-	-	-	-	-	-	-	-
v	MATV - Modulators (a)	10.00	100.00	133	18	7	158	-	-	-	-	-	-	-	-	-	-	-
w	MATV - power sources (a)	10.00	100.00	82	11	4	97	-	-	-	-	-	-	-	-	-	-	-
x	PABX	10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Bedroom Assets</b>																	
	Mirrors - freestanding (b)	15.00	37.50	532	72	27	631	118	192	120	75	47	29	18	11	7	4	7
	<b>Subtotal</b>			<b>4,708</b>	<b>636</b>	<b>240</b>	<b>5,584</b>	<b>855</b>	<b>1,390</b>	<b>868</b>	<b>543</b>	<b>339</b>	<b>212</b>	<b>133</b>	<b>83</b>	<b>52</b>	<b>32</b>	<b>54</b>

(a) Items valued at less than \$300 installed are written off immediately at a rate of 100% in the first year. These items are not apportioned.

(b) Items valued at less than \$1000 are allocated to the low value pool and depreciated at an accelerated rate of 37.5% per annum. This rate is halved in the first financial year. Pooled items are not apportioned.

# Sample Street Pyrmont NSW

## Low Value Pool

Item	Depreciable Item	Effective Life (yrs)	Dim Value Rate %	Base Installed Cost (\$)	Builders' Preliminaries 13.50% (\$)	Professional Fees 4.50% (\$)	Total Installed Cost (\$)	FINANCIAL YEAR 1 (\$)	FINANCIAL YEAR 2 (\$)	FINANCIAL YEAR 3 (\$)	FINANCIAL YEAR 4 (\$)	FINANCIAL YEAR 5 (\$)	FINANCIAL YEAR 6 (\$)	FINANCIAL YEAR 7 (\$)	FINANCIAL YEAR 8 (\$)	FINANCIAL YEAR 9 (\$)	FINANCIAL YEAR 10 (\$)	FINANCIAL YEARS 11+ (\$)
	<b>Brought Forward</b>			<b>4,708</b>	<b>636</b>	<b>240</b>	<b>5,584</b>	<b>855</b>	<b>1,390</b>	<b>868</b>	<b>543</b>	<b>339</b>	<b>212</b>	<b>133</b>	<b>83</b>	<b>52</b>	<b>32</b>	<b>54</b>
<b>4</b>	<b>Kitchen Appliances</b>																	
a	Cooktops (b)	12.00	37.50	298	40	15	353	66	108	67	42	26	16	10	6	4	3	4
b	Freezers	12.00	16.67	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
c	Ovens (b)	12.00	37.50	789	107	40	936	175	285	178	111	70	44	27	17	11	7	11
d	Refrigerators	12.00	16.67	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
e	Stove	12.00	16.67	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
f	Microwave ovens	10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
g	Rangehoods (b)	12.00	37.50	298	40	15	353	66	108	67	42	26	16	10	6	4	3	4
h	Water filters - electrical	15.00	13.33	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i	Dishwashers (b)	10.00	37.50	657	89	34	779	146	237	148	93	58	36	23	14	9	6	9
j	Garbage disposal units	10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>5</b>	<b>Floor Finishes</b>																	
a	Vinyl	10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b	Carpets	10.00	20.00	1,412	191	72	1,675	-	-	-	362	226	141	88	55	35	22	36
c	Linoeum	10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
d	Floating Timber Flooring	15.00	13.33	2,040	275	104	2,420	-	-	-	-	-	-	-	359	224	140	234
<b>6</b>	<b>Window Coverings</b>																	
a	Blinds (b)	10.00	37.50	2,165	292	111	2,568	481	782	489	306	191	119	75	47	29	18	30
b	Curtains	6.00	33.33	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>7</b>	<b>External Equipment</b>																	
a	Operable pergola louvres - controls / motors	15.00	13.33	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b	Swimming pool chlorinators / filtration (incl pumps)	(a)	12.00	100.00	139	19	165	-	-	-	-	-	-	-	-	-	-	-
c	Swimming pool cleaning devices	(a)	7.00	100.00	39	5	46	-	-	-	-	-	-	-	-	-	-	-
d	pumps, timing devices		5.00	40.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-
e	Garden lights - solar		8.00	25.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-
f	Artificial grass & matting		5.00	40.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-
g	Automatic garage door controls		5.00	40.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-
h	Automatic garage door motors		10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-
i	Freestanding bbqs		5.00	40.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-
j	Garden sheds/ storage cage		15.00	13.33	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-
k	Automatic gate door controls	(a)	5.00	100.00	122	16	145	-	-	-	-	-	-	-	-	-	-	-
l	Automatic gate door motors	(a)	10.00	100.00	95	13	113	-	-	-	-	-	-	-	-	-	-	-
m	Sauna heating assets	(a)	15.00	100.00	33	4	39	-	-	-	-	-	-	-	-	-	-	-
n	rollers, umpire chairs		3.00	66.67	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-
o	Resistance gym equipment	(a)	10.00	100.00	69	9	82	-	-	-	-	-	-	-	-	-	-	-
p	Cardio vascular gym equipment	(a)	5.00	100.00	77	10	91	-	-	-	-	-	-	-	-	-	-	-
q	Window shutter controls / motors		10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	4
<b>8</b>	<b>Bathroom Assets</b>																	
a	caddies, soap holders, toilet brushes)	(b)	5.00	37.50	512	69	607	114	185	116	72	45	28	18	11	7	4	7
b	Exhaust fans (including lighting / heating)	(b)	10.00	37.50	428	58	508	95	155	97	60	38	24	15	9	6	4	6
c	Heated towel rails - electric		10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-
d	Shower curtains		2.00	37.50	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-
e	Spa bath pumps / chlorinators/ heaters	(a)	20.00	100.00	96	13	114	-	-	-	-	-	-	-	-	-	-	-
f	Hand dryers - electrical		10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>9</b>	<b>Laundry Assets</b>																	
a	Washing machines		10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-
b	Clothes dryer (b)	10.00	37.50	348	47	18	413	77	126	79	49	31	19	12	7	5	3	5
	<b>Subtotal</b>			<b>14,325</b>	<b>1,934</b>	<b>732</b>	<b>16,991</b>	<b>2,077</b>	<b>3,375</b>	<b>2,110</b>	<b>1,681</b>	<b>1,050</b>	<b>656</b>	<b>410</b>	<b>616</b>	<b>385</b>	<b>240</b>	<b>405</b>

(a) Items valued at less than \$300 installed are written off immediately at a rate of 100% in the first year. These items are not apportioned.

(b) Items valued at less than \$1000 are allocated to the low value pool and depreciated at an accelerated rate of 37.5% per annum. This rate is halved in the first financial year. Pooled items are not apportioned.

# Sample Street Pyrmont NSW

## Low Value Pool

Item	Depreciable Item	Effective Life (yrs)	Dim Value Rate %	Base Installed Cost (\$)	Builders' Preliminaries 13.50% (\$)	Professional Fees 4.50% (\$)	Total Installed Cost (\$)	FINANCIAL YEAR 1 (\$)	FINANCIAL YEAR 2 (\$)	FINANCIAL YEAR 3 (\$)	FINANCIAL YEAR 4 (\$)	FINANCIAL YEAR 5 (\$)	FINANCIAL YEAR 6 (\$)	FINANCIAL YEAR 7 (\$)	FINANCIAL YEAR 8 (\$)	FINANCIAL YEAR 9 (\$)	FINANCIAL YEAR 10 (\$)	FINANCIAL YEARS 11+ (\$)
	<b>Brought Forward</b>			14,325	1,934	732	16,991	2,077	3,375	2,110	1,681	1,050	656	410	616	385	240	405
<b>10</b>	<b>Common Area Property</b>																	
a	Lifts: Electric	30.00	6.67	2,455	331	125	2,912	-	-	-	-	-	-	-	-	-	-	1000
b	Lifts: Hydraulic	30.00	6.67	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
c	Escalators (machinery & moving parts)	20.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
d	extraction fans (a)	25.00	100.00	224	30	11	266	-	-	-	-	-	-	-	-	-	-	-
e	Stair pressurisation - AC Variable drives (b)	10.00	37.50	298	40	15	353	66	108	67	42	26	16	10	6	4	3	4
f	Stair pressurisation - sensors (a)	10.00	100.00	184	25	9	218	-	-	-	-	-	-	-	-	-	-	-
g	Sewerage treatment motors / controls	8.00	25.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
h	Garbage compacting systems (b)	6.67	37.50	319	43	16	378	71	115	72	45	28	18	11	7	4	3	4
i	Ventilation fans	20.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>11</b>	<b>Fire Services</b>																	
a	Hydrant booster pump (a)	25.00	100.00	198	27	10	235	-	-	-	-	-	-	-	-	-	-	-
b	Fire alarm - bell (b)	12.00	37.50	318	43	16	377	71	115	72	45	28	18	11	7	4	3	4
c	Fire indicator panel (FIP) (b)	12.00	37.50	388	52	20	460	86	140	88	55	34	21	13	8	5	3	5
d	EWIS (master emergency panel, speakers, strobe light, warden intercom phone) (b)	12.00	37.50	269	36	14	319	60	97	61	38	24	15	9	6	4	2	4
e	Fire hose reels & nozzles (b)	10.00	37.50	288	39	15	342	64	104	65	41	25	16	10	6	4	2	4
f	Fire alarm - heat / smoke (a)	6.00	100.00	228	31	12	270	-	-	-	-	-	-	-	-	-	-	-
g	heat, multi point type & smoke	20.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
h	Fire extinguishers (a)	15.00	100.00	118	16	6	140	-	-	-	-	-	-	-	-	-	-	-
<b>12</b>	<b>Furnishings</b>																	
a	electrical appliances & misc utensils	13.33	15.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b	Garbage bins	10.00	37.50	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
c	Outdoor / Common area furniture - freestanding (a)	5.00	100.00	115	16	6	136	-	-	-	-	-	-	-	-	-	-	-
d	Telephone handsets	10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
e	Clock electric	10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
f	Digital video display (DVD) player	5.00	40.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
g	Linen	5.00	40.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
h	Radios	10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i	Rugs	7.00	28.57	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
j	Stereo system	7.00	28.57	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
k	Surround sound system	10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
l	Cordless phone	4.00	50.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
m	Television set	10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
n	Portable vacuum cleaner	10.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
o	Video cassette recorders (VCR)	5.00	40.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
p	Crockery	5.00	40.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
q	Cutlery	5.00	40.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
r	Door stops (free standing) (a)	-	100.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
s	Door closers (a)	-	100.00	196	26	10	232	-	-	-	-	-	-	-	-	-	-	-
t	Chillers - absorption	25.00	8.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Subtotal</b>			19,923	2,690	1,018	23,630	2,495	4,055	2,534	1,946	1,216	760	475	656	410	256	1,431

(a) Items valued at less than \$300 installed are written off immediately at a rate of 100% in the first year. These items are not apportioned.

(b) Items valued at less than \$1000 are allocated to the low value pool and depreciated at an accelerated rate of 37.5% per annum. This rate is halved in the first financial year. Pooled items are not apportioned.

**Appendix D**  
**Tax Depreciation Schedule Summary- Prime Cost Method**





## Tax Depreciation Schedule Summary

### Sample Street Pyrmont NSW

Financial Year Ended	Plant & Equipment	Building Allowance	Structural Improvements	Total
1 January 2017 - 30 June 2017 *	\$ 4,173	\$ 1,948	\$ 1,400	<b>\$ 7,522</b>
30 June 2018	\$ 1,728	\$ 3,929	\$ 2,823	<b>\$ 8,480</b>
30 June 2019	\$ 1,728	\$ 3,929	\$ 2,823	<b>\$ 8,480</b>
30 June 2020	\$ 1,728	\$ 3,929	\$ 2,823	<b>\$ 8,480</b>
30 June 2021	\$ 1,728	\$ 3,929	\$ 2,823	<b>\$ 8,480</b>
30 June 2022	\$ 1,616	\$ 3,929	\$ 2,823	<b>\$ 8,368</b>
30 June 2023	\$ 1,512	\$ 3,929	\$ 2,823	<b>\$ 8,263</b>
30 June 2024	\$ 1,445	\$ 3,929	\$ 2,823	<b>\$ 8,197</b>
30 June 2025	\$ 1,445	\$ 3,929	\$ 2,823	<b>\$ 8,197</b>
30 June 2026	\$ 1,445	\$ 3,929	\$ 2,823	<b>\$ 8,197</b>
30 June 2027	\$ 1,092	\$ 3,929	\$ 2,823	<b>\$ 7,843</b>
30 June 2028	\$ 732	\$ 3,929	\$ 2,823	<b>\$ 7,484</b>
30 June 2029	\$ 579	\$ 3,929	\$ 2,823	<b>\$ 7,330</b>
30 June 2030	\$ 422	\$ 3,929	\$ 2,823	<b>\$ 7,174</b>
30 June 2031	\$ 422	\$ 3,929	\$ 2,823	<b>\$ 7,174</b>
30 June 2032	\$ 277	\$ 3,929	\$ 2,823	<b>\$ 7,029</b>
30 June 2033	\$ 130	\$ 3,929	\$ 2,823	<b>\$ 6,882</b>
30 June 2034	\$ 130	\$ 3,929	\$ 2,823	<b>\$ 6,882</b>
30 June 2035	\$ 130	\$ 3,929	\$ 2,823	<b>\$ 6,882</b>
30 June 2036	\$ 130	\$ 3,929	\$ 2,823	<b>\$ 6,882</b>
<b>TOTAL</b>	<b>\$ 22,594</b>	<b>\$ 76,597</b>	<b>\$ 55,034</b>	<b>\$ 154,225</b>

Information current at  
February 2017

\*Values for year 1 are apportioned in line with income producing period for that year.

Please note that the indicative depreciation and building allowance figures may change in accordance with changes to taxation laws.

## Tax Depreciation Schedule Summary

### Sample Street Pyrmont NSW

Financial Year Ended	Plant & Equipment	Building Allowance	Structural Improvements	Total
30 June 2037	\$ 114	\$ 3,929	\$ 2,823	<b>\$ 6,865</b>
30 June 2038	\$ 97	\$ 3,929	\$ 2,823	<b>\$ 6,849</b>
30 June 2039	\$ 97	\$ 3,929	\$ 1,423	<b>\$ 5,449</b>
30 June 2040	\$ 97	\$ 3,929	\$ -	<b>\$ 4,026</b>
30 June 2041	\$ 97	\$ 3,929	\$ -	<b>\$ 4,026</b>
30 June 2042	\$ 97	\$ 3,929	\$ -	<b>\$ 4,026</b>
30 June 2043	\$ 97	\$ 3,929	\$ -	<b>\$ 4,026</b>
30 June 2044	\$ 97	\$ 3,929	\$ -	<b>\$ 4,026</b>
30 June 2045	\$ 97	\$ 3,929	\$ -	<b>\$ 4,026</b>
30 June 2046	\$ 97	\$ 3,929	\$ -	<b>\$ 4,026</b>
30 June 2047	\$ 49	\$ 1,981	\$ -	<b>\$ 2,030</b>
30 June 2048	\$ -	\$ -	\$ -	<b>\$ -</b>
30 June 2049	\$ -	\$ -	\$ -	<b>\$ -</b>
30 June 2050	\$ -	\$ -	\$ -	<b>\$ -</b>
30 June 2051	\$ -	\$ -	\$ -	<b>\$ -</b>
30 June 2052	\$ -	\$ -	\$ -	<b>\$ -</b>
30 June 2053	\$ -	\$ -	\$ -	<b>\$ -</b>
30 June 2054	\$ -	\$ -	\$ -	<b>\$ -</b>
30 June 2055	\$ -	\$ -	\$ -	<b>\$ -</b>
30 June 2056	\$ -	\$ -	\$ -	<b>\$ -</b>
30 June 2057	\$ -	\$ -	\$ -	<b>\$ -</b>
<b>TOTAL</b>	<b>\$ 23,630</b>	<b>\$ 117,866</b>	<b>\$ 62,103</b>	<b>\$ 203,599</b>

Information current at  
February 2017

*Please note that the indicative depreciation and building allowance figures may change in accordance with changes to taxation laws.*

## **Appendix E**

### **Tax Depreciation Schedule Worksheet- Prime Cost Method**



Sample Street Pyrmont NSW

Prime Cost Method

Item	Depreciable Item	Effective Life (yrs)	Dim Value Rate %	Base Installed Cost (\$)	Builders' Preliminaries 13.50% (\$)	Professional Fees 4.50% (\$)	Total Installed Cost (\$)	FINANCIAL YEAR 1 (\$)	FINANCIAL YEAR 2 (\$)	FINANCIAL YEAR 3 (\$)	FINANCIAL YEAR 4 (\$)	FINANCIAL YEAR 5 (\$)	FINANCIAL YEAR 6 (\$)	FINANCIAL YEAR 7 (\$)	FINANCIAL YEAR 8 (\$)	FINANCIAL YEAR 9 (\$)	FINANCIAL YEAR 10 (\$)	FINANCIAL YEARS 11+ (\$)
	<b>Non Pooled Items</b>																	
1	<b>Hydraulic Services</b>																	
a	Hot water system - electric	12.00	8.33	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b	Hot water system - gas	12.00	8.33	777	105	40	922	38	77	77	77	77	77	77	77	77	77	192
c	Hot water system - solar	15.00	6.67	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
d	Pumps	20.00	5.00	287	39	15	340	8	17	17	17	17	17	17	17	17	17	179
e	Water pumps	20.00	5.00	266	36	14	315	8	16	16	16	16	16	16	16	16	16	166
2	<b>Heating/Cooling</b>																	
a	Gas fireplace - ducted central	20.00	5.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b	Heating - Gas fire - free standing	15.00	6.67	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
c	AC - Damper motors (Incl VAVs)	10.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
d	AC - Mini split systems up to 20KW	10.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
e	AC - Room units	10.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
f	AC Volumetrics - Air cooled	15.00	6.67	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
g	Condensing sets	15.00	6.67	612	83	31	726	24	48	48	48	48	48	48	48	48	48	266
h	Cooling towers	15.00	6.67	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i	Fan coil units	15.00	6.67	515	70	26	611	20	41	41	41	41	41	41	41	41	41	224
j	Packaged AC unit	15.00	6.67	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
k	Electric / Gas heaters	15.00	6.67	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
l	Ceiling Fans	5.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
m	Air handling units	20.00	5.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
n	AC Chillers - Centrifugal	20.00	5.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
o	AC Volumetrics - Water cooled	20.00	5.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	<b>Electrical Services</b>																	
a	Intercom	10.00	10.00	412	56	21	489	24	49	49	49	49	49	49	49	49	49	25
b	Ducted vacuum system - hoses, motors, wands	10.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
c	Security code pads	5.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
d	Security control panels	5.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
e	vibration)	5.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
f	Security GSM units	5.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
g	Security sirens / bells	5.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
h	Access control pads	5.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i	Door controllers	(a) 5.00	100.00	146	20	7	173	173	-	-	-	-	-	-	-	-	-	-
j	Proximity card readers	(a) 7.00	100.00	116	16	6	138	138	-	-	-	-	-	-	-	-	-	-
k	Swipe card readers	3.00	33.33	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
l	CCTV cameras	(a) 4.00	100.00	33	4	2	39	39	-	-	-	-	-	-	-	-	-	-
m	CCTV monitors	(a) 4.00	100.00	49	7	3	58	58	-	-	-	-	-	-	-	-	-	-
n	CCTV recorders - digital	(a) 4.00	100.00	74	10	4	88	88	-	-	-	-	-	-	-	-	-	-
o	CCTV recorders - time lapse	2.00	50.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
p	CCTV recorders - switching units	(a) 5.00	100.00	60	8	3	71	71	-	-	-	-	-	-	-	-	-	-
q	Television antennas - freestanding	5.00	20.00	444	60	23	527	52	105	105	105	105	53	-	-	-	-	-
r	Light fittings - free standing	5.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
s	Solar powered generating system	20.00	5.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
t	Generators	20.00	5.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
u	MATV - amplifiers	(a) 10.00	100.00	170	23	9	202	202	-	-	-	-	-	-	-	-	-	-
v	MATV - Modulators	(a) 10.00	100.00	133	18	7	158	158	-	-	-	-	-	-	-	-	-	-
w	MATV - power sources	(a) 10.00	100.00	82	11	4	97	97	-	-	-	-	-	-	-	-	-	-
x	PABX	10.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Bedroom Assets</b>																	
	Mirrors - freestanding	15.00	6.67	532	72	27	631	21	42	42	42	42	42	42	42	42	42	232
	<b>Subtotal</b>			4,708	636	240	5,584	1,219	395	395	395	395	343	290	290	290	290	1,283

(a) Items valued at less than \$300 installed are written off immediately at a rate of 100% in the first year. These items are not apportioned.

Sample Street Pyrmont NSW

Prime Cost Method

Item	Depreciable Item	Effective Life (yrs)	Dim Value Rate %	Base Installed Cost (\$)	Builders' Preliminaries 13.50% (\$)	Professional Fees 4.50% (\$)	Total Installed Cost (\$)	FINANCIAL YEAR 1 (\$)	FINANCIAL YEAR 2 (\$)	FINANCIAL YEAR 3 (\$)	FINANCIAL YEAR 4 (\$)	FINANCIAL YEAR 5 (\$)	FINANCIAL YEAR 6 (\$)	FINANCIAL YEAR 7 (\$)	FINANCIAL YEAR 8 (\$)	FINANCIAL YEAR 9 (\$)	FINANCIAL YEAR 10 (\$)	FINANCIAL YEARS 11+ (\$)
	Brought Forward			4,708	636	240	5,584	1,219	395	395	395	395	343	290	290	290	290	1,283
4	Kitchen Appliances																	
a	Cooktops	12.00	8.33	298	40	15	353	15	29	29	29	29	29	29	29	29	29	74
b	Freezers	12.00	8.33	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
c	Ovens	12.00	8.33	789	107	40	936	39	78	78	78	78	78	78	78	78	78	195
d	Refrigerators	12.00	8.33	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
e	Stove	12.00	8.33	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
f	Microwave ovens	10.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
g	Rangehoods	12.00	8.33	298	40	15	353	15	29	29	29	29	29	29	29	29	29	74
h	Water filters - electrical	15.00	6.67	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i	Dishwashers	10.00	10.00	657	89	34	779	39	78	78	78	78	78	78	78	78	78	39
j	Garbage disposal units	10.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Floor Finishes																	
a	Vinyl	10.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b	Carpets	10.00	10.00	1,412	191	72	1,675	83	167	167	167	167	167	167	167	167	167	84
c	Linoleum	10.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
d	Floating Timber Flooring	15.00	6.67	2,040	275	104	2,420	80	161	161	161	161	161	161	161	161	161	888
6	Window Coverings																	
a	Blinds	10.00	10.00	2,165	292	111	2,568	127	257	257	257	257	257	257	257	257	257	129
b	Curtains	6.00	16.67	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	External Equipment																	
a	Operable pergola louvres - controls / motors	15.00	6.67	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b	Swimming pool chlorinators / filtration (incl pumps)	(a) 12.00	100.00	139	19	7	165	165	-	-	-	-	-	-	-	-	-	-
c	Swimming pool cleaning devices	(a) 7.00	100.00	39	5	2	46	46	-	-	-	-	-	-	-	-	-	-
d	Garden watering installations - control panels, pumps, timing devices	5.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
e	Garden lights - solar	8.00	12.50	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
f	Artificial grass & matting	5.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
g	Automatic garage door controls	5.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
h	Automatic garage door motors	10.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i	Freestanding bbqs	5.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
j	Garden sheds/ storage cage	15.00	6.67	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
k	Automatic gate door controls	(a) 5.00	100.00	122	16	6	145	145	-	-	-	-	-	-	-	-	-	-
l	Automatic gate door motors	(a) 10.00	100.00	95	13	5	113	113	-	-	-	-	-	-	-	-	-	-
m	Sauna heating assets	(a) 15.00	100.00	33	4	2	39	39	-	-	-	-	-	-	-	-	-	-
n	rollers, umpire chairs	(a) 3.00	33.33	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
o	Resistance gym equipment	(a) 10.00	100.00	69	9	4	82	82	-	-	-	-	-	-	-	-	-	-
p	Cardio vascular gym equipment	(a) 5.00	100.00	77	10	4	91	91	-	-	-	-	-	-	-	-	-	-
q	Window shutter controls / motors	10.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Bathroom Assets																	
	Bathroom accessories (freestanding - shower caddies, soap holders, toilet brushes)	5.00	20.00	512	69	26	607	60	121	121	121	121	61	-	-	-	-	-
b	Exhaust fans (including lighting / heating)	10.00	10.00	428	58	22	508	25	51	51	51	51	51	51	51	51	51	26
c	Heated towel rails - electric	10.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
d	Shower curtains	2.00	50.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
e	Spa bath pumps / chlorinators/ heaters	(a) 20.00	100.00	96	13	5	114	114	-	-	-	-	-	-	-	-	-	-
f	Hand dryers - electrical	10.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Laundry Assets																	
a	Washing machines	10.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b	Clothes dryer	10.00	10.00	348	47	18	413	20	41	41	41	41	41	41	41	41	41	21
	Subtotal			14,325	1,934	732	16,991	2,517	1,409	1,409	1,409	1,409	1,296	1,182	1,182	1,182	1,182	2,814

(a) Items valued at less than \$300 installed are written off immediately at a rate of 100% in the first year. These items are not apportioned.

Sample Street Pyrmont NSW

Prime Cost Method

Item	Depreciable Item	Effective Life (yrs)	Dim Value Rate %	Base Installed Cost (\$)	Builders' Preliminaries 13.50% (\$)	Professional Fees 4.50% (\$)	Total Installed Cost (\$)	FINANCIAL YEAR 1 (\$)	FINANCIAL YEAR 2 (\$)	FINANCIAL YEAR 3 (\$)	FINANCIAL YEAR 4 (\$)	FINANCIAL YEAR 5 (\$)	FINANCIAL YEAR 6 (\$)	FINANCIAL YEAR 7 (\$)	FINANCIAL YEAR 8 (\$)	FINANCIAL YEAR 9 (\$)	FINANCIAL YEAR 10 (\$)	FINANCIAL YEARS 11+ (\$)
	Brought Forward			14,325	1,934	732	16,991	2,517	1,409	1,409	1,409	1,409	1,296	1,182	1,182	1,182	1,182	2,814
10	Common Area Property																	
a	Lifts: Electric	30.00	3.33	2,455	331	125	2,912	48	97	97	97	97	97	97	97	97	97	1990
b	Lifts: Hydraulic	30.00	3.33	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
c	Escalators (machinery & moving parts)	20.00	5.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
d	Stair pressurisation - pressurisation and extraction fans (a)	25.00	100.00	224	30	11	266	266	-	-	-	-	-	-	-	-	-	-
e	Stair pressurisation - AC Variable drives	10.00	10.00	298	40	15	353	18	35	35	35	35	35	35	35	35	35	18
f	Stair pressurisation - sensors (a)	10.00	100.00	184	25	9	218	218	-	-	-	-	-	-	-	-	-	-
g	Sewerage treatment motors / controls	8.00	12.50	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
h	Garbage compacting systems	6.67	14.99	319	43	16	378	28	57	57	57	57	57	67	-	-	-	-
i	Ventilation fans	20.00	5.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Fire Services																	
a	Hydrant booster pump (a)	25.00	100.00	198	27	10	235	235	-	-	-	-	-	-	-	-	-	-
b	Fire alarm - bell	12.00	8.33	318	43	16	377	16	31	31	31	31	31	31	31	31	31	79
c	Fire indicator panel (FIP)	12.00	8.33	388	52	20	460	19	38	38	38	38	38	38	38	38	38	96
d	EWIS (master emergency panel, speakers, strobe light, warden intercom phone)	12.00	8.33	269	36	14	319	13	27	27	27	27	27	27	27	27	27	67
e	Fire hose reels & nozzles	10.00	10.00	288	39	15	342	17	34	34	34	34	34	34	34	34	34	17
f	Fire alarm - heat / smoke (a)	6.00	100.00	228	31	12	270	270	-	-	-	-	-	-	-	-	-	-
g	heat, multi point type & smoke	20.00	5.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
h	Fire extinguishers (a)	15.00	100.00	118	16	6	140	140	-	-	-	-	-	-	-	-	-	-
12	Furnishings																	
a	Furniture (freestanding), free standing sundry electrical appliances & misc utensils	13.33	7.50	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b	Garbage bins	10.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
c	Outdoor / Common area furniture - freestanding (a)	5.00	100.00	115	16	6	136	136	-	-	-	-	-	-	-	-	-	-
d	Telephone handsets	10.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
e	Clock electric	10.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
f	Digital video display (DVD) player	5.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
g	Linen	5.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
h	Radios	10.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i	Rugs	7.00	14.29	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
j	Stereo system	7.00	14.29	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
k	Surround sound system	10.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
l	Cordless phone	4.00	25.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
m	Television set	10.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
n	Portable vacuum cleaner	10.00	10.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
o	Video cassette recorders (VCR)	5.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
p	Crockery	5.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
q	Cutlery	5.00	20.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
r	Door stops (free standing) (a)	1.00	100.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
s	Door closers (a)	1.00	100.00	196	26	10	232	232	-	-	-	-	-	-	-	-	-	-
t	Chillers - absorption	25.00	4.00	N/A	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Subtotal			19,923	2,690	1,018	23,630	4,173	1,728	1,728	1,728	1,728	1,616	1,512	1,445	1,445	1,445	5,080

(a) Items valued at less than \$300 installed are written off immediately at a rate of 100% in the first year. These items are not apportioned.

Sample Street Pyrmont NSW

Prime Cost Method

Item	Depreciable Item	Effective Life (yrs)	Dim Value Rate %	Base Installed Cost (\$)	Builders' Preliminaries 13.50% (\$)	Professional Fees 4.50% (\$)	Total Installed Cost (\$)	FINANCIAL YEAR 1 (\$)	FINANCIAL YEAR 2 (\$)	FINANCIAL YEAR 3 (\$)	FINANCIAL YEAR 4 (\$)	FINANCIAL YEAR 5 (\$)	FINANCIAL YEAR 6 (\$)	FINANCIAL YEAR 7 (\$)	FINANCIAL YEAR 8 (\$)	FINANCIAL YEAR 9 (\$)	FINANCIAL YEAR 10 (\$)	FINANCIAL YEARS 11+ (\$)
	Brought Forward			(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
13	Balance of Construction Cost Attributable As an allowance for Residential Building Works (Section 43 Capital Works)	30.00	2.50	132,500	17,888	6,767	157,155	1,948	3,929	3,929	3,929	3,929	3,929	3,929	3,929	3,929	3,929	80,558
14	Structural Improvements/Improvements	22.00	2.50	95,200	12,852	4,862	112,914	1,400	2,823	2,823	2,823	2,823	2,823	2,823	2,823	2,823	2,823	35,297
0																		
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TOTAL				247,623	33,429	12,647	293,699	7,522	8,480	8,480	8,480	8,480	8,368	8,263	8,197	8,197	8,197	120,936

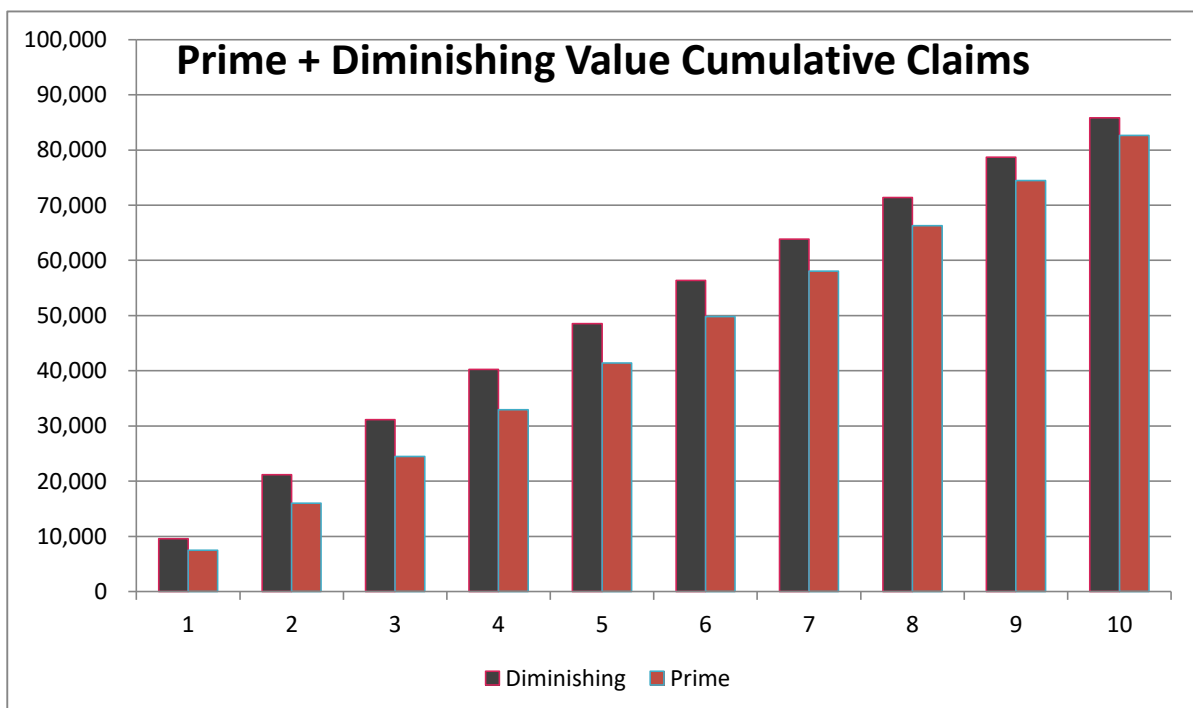
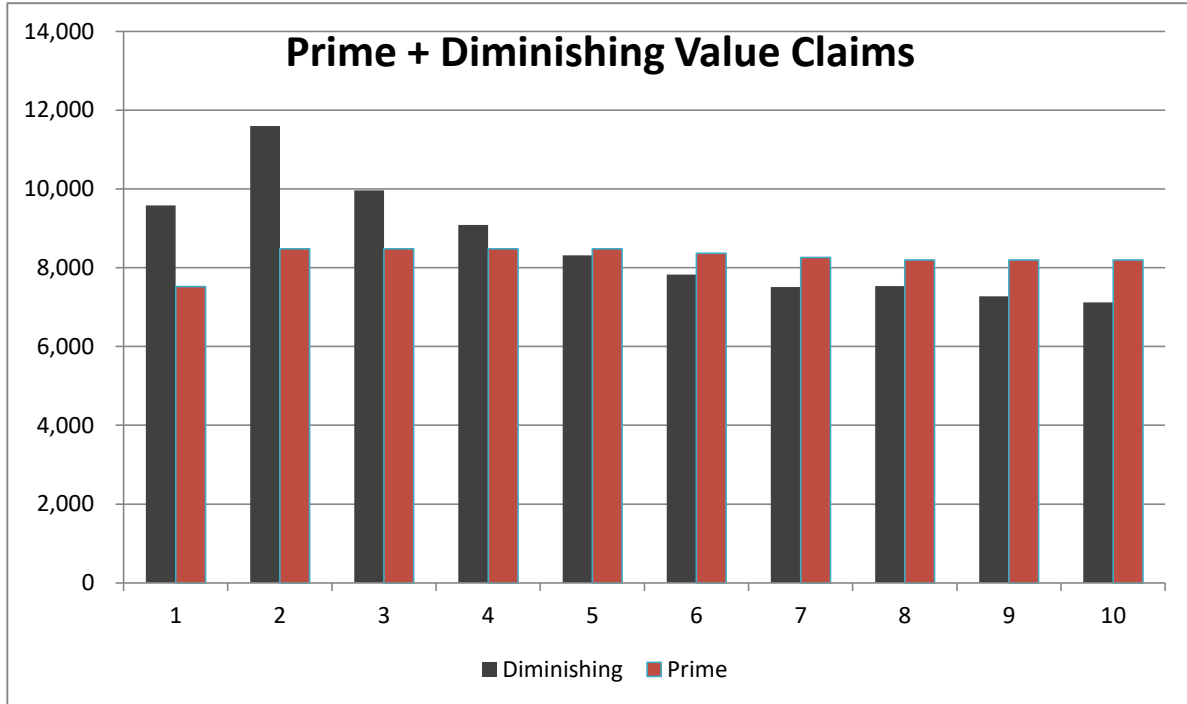
## **Appendix F**

### **Graphical comparison of Diminishing Value and Prime Cost Method Claims**

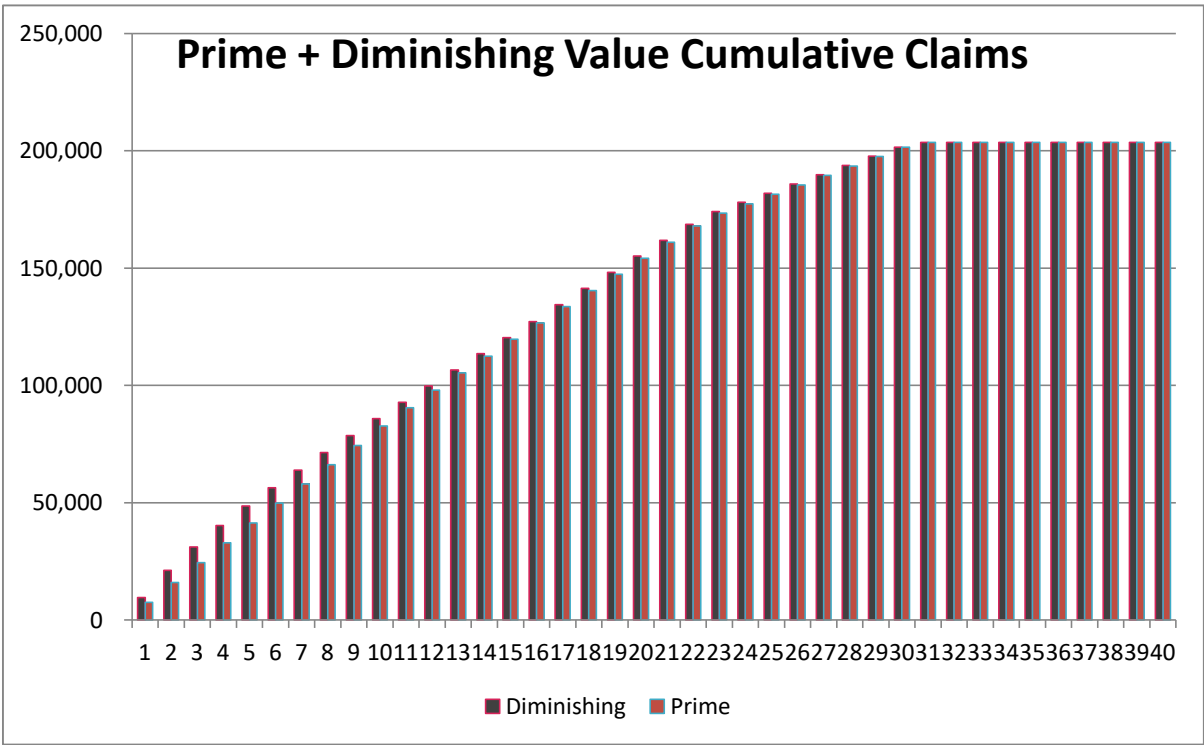
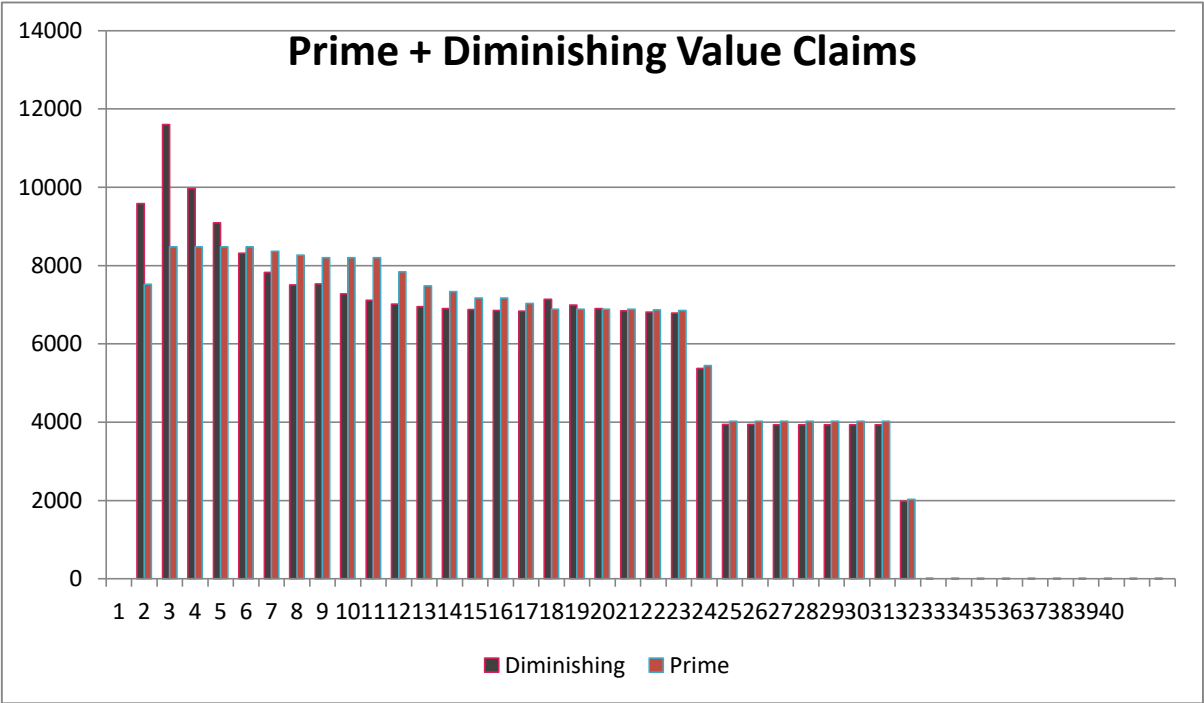




## Graphical Representation of Yearly Claims & Cumulative Claims Years 1-10



Graphical Representation of Yearly Claims & Cumulative Claims  
40 years



### Notes to your Accountant

The following information is provided to assist your accountant.

We have been engaged to prepare a Tax Depreciation Schedule for the attached property. We have prepared this report on the following basis, which is in accordance with the following documents:

- ▶ Relevant Australian Taxation Office (ATO) rulings [see report].
- ▶ An Indicative Guide to the Preparation of QS Reports – Tax Depreciation Schedules for Investment/Rental properties published by the Australian Institute of Quantity Surveyors – January 2002.
- ▶ Rental Properties 2017 – published by the Australian Taxation Office.
- ▶ Guide to Depreciation 2017 published by the Australian Taxation Office.
- ▶ Australian Tax Master Guide 2012 – published by CGH Australia Limited.

Other referenced material includes the following:

- ▶ Rawlinsons Australian Construction Handbook – 2017
- ▶ Cordells Construction Cost Guide – Quarterly Updates.

The report contains several elements, which are of major significance.

**Date of construction:** We have made an assessment of the date of which construction commenced (if not advised by the client or if not obtainable from documentation) and have assumed that it falls into one of the following categories, on which our assessment is based. In essence the following dates of particular importance:

- ▶ 18 July 1985 or prior (residential properties) and 21 July 1982 (non residential) attracts no capital works deduction.
- ▶ Construction commencing between 18 July 1985 and 15 September 1987 attracts a capital works deduction of 4%.
- ▶ Construction commencing after 15 September 1987 attracts capital works deduction of 2.50%.

## Tax Depreciation Schedule

**Capital Works Deduction or Special Building Write off:** has been calculated based on an estimation of cost. This cost is based on the year construction commenced. This figure is exclusive of the following items:

- ▶ Fixtures & fittings (plant & equipment)
- ▶ Land cost
- ▶ Site preparation (demolition and tree removal)
- ▶ Developers profit
- ▶ Soft landscaping (plants, trees, soil, pebbles, etc)

Costs which are included in the above assessment include architectural fees, engineering fees, a reasonable allowance for variations and foundation excavation costs.

**Schedule Start Date:** is based on the date of settlement or when the property becomes first available for income producing purposes.

**Second Hand Properties:** In regards to second hand properties we have made an assessment of the construction cost of the year the building was completed. This amount encompasses the original cost of construction, plus allowable expenses including builder's preliminaries and professional fees.

**Structural Improvements & Improvements (Noted under Improvements on page 3 of the report):** is the cost associated with the improvement once completed, less the value of Plant & Equipment (which is depreciated separately). The valuation for structural improvements are related to specific works such as sealed driveways, retaining walls, fences, etc carried out after 26th February 1992.

Improvements include items such as refurbishment, alterations and additions.

**Plant & Equipment:** the values for these items are based on the value at the time that the property was first available for rent. In the case where fixtures and fittings have been updated, they are still assessed at their value the day the property is first available for rent. The value of this plant and equipment is based on our professional opinion and is derived from a combination of our knowledge of cost and the market value of the plant itself compared with the purchase price.

## The Report

Our report is dissected and should be read as follows:

**Title page** – highlighting the address of the property, job number and month the report was

**Page 2** – contents page, which is a summary of items contained within the report.

**Page 3** – Basis of the report. The total assessed construction cost is the value of construction cost the year the building was completed. This amount has been derived from obtaining the purchase price and adding improvements and structural improvements (less plant), adding stamp duty and legal costs and then deducting land value, landscaping and site clearance, stamp duty and legal fees and all other items not associated with construction costs including capital gain & developer's profit.

Stamp duty and legal fees are not included within the total assessed construction cost, and are listed for reporting purposes only. These should be dealt with separately.

The date of first lease/schedule start date represents the date on which this report is based on. The values for the first financial year have been apportioned as required, in both the diminishing value and prime cost method summaries.

**Page 7 & 8** – Explains some general notes relating to the schedule.

**Page 9** – Disclaimer

**Page 10** – Certification of the report

**Page 11** – Referenced material

**Appendix A** – Summary of depreciation claims eligible for the diminishing value method of depreciation. These values are apportioned. The total claim for each financial year is comprised of plant and equipment, building allowance, improvements & structural improvements.

**Appendix B** – Tax depreciation schedule worksheet for the diminishing value method of depreciation. This highlights all plant and equipment eligible for depreciation, the base installed cost, a reasonable allowance for builders' preliminaries & professional fees, and a total installed cost. Once the total installed cost of the item has dropped below \$1000, it is moved to the low value pool.

The total installed cost will have a total figure of the total amount of depreciation eligible. This is calculated from an assessment of the plant and equipment and also the original construction cost.

**Appendix C** – Summary of low value pool claims for the diminishing value method of depreciation. This complements Appendix B, and gives the values of all items included in the low value pool.

**Appendix D** – Summary of depreciation claims eligible for the prime cost method of depreciation. These values are apportioned. The total claim for each financial year is comprised of plant and equipment, building allowance, improvements & structural improvements.

**Appendix E** – Tax depreciation schedule worksheet for the prime cost method of depreciation. This highlights all plant and equipment eligible for depreciation, the base installed cost, a reasonable allowance for builders' preliminaries & professional fees, and a total installed cost.

### Plant & Equipment

For the diminishing value method, depreciation is calculated by multiplying the total installed cost against the diminishing value rate, which provides a total value for the first year of depreciation. After subtracting this value from the total installed cost, this new value is then multiplied by the diminishing value rate to give values for year two, and so on. The rate has been derived from the effective life of each particular item of plant and is as per TR 2000/18 or unless assessed otherwise.

For the prime cost method, depreciation is calculated by multiplying the total installed cost of each asset by the prime cost rate, which gives the total value for the first year of depreciation. This same value will be claimable each year for the remaining lifespan of the asset. The rate has been derived from the effective life of each particular item of plant and is as per TR 2000/18 or unless assessed otherwise.

### Section 43 Capital Works

This is the total cost of construction less plant & equipment. These works are depreciated at either 4.00% or 2.50% depending on the date of construction. For properties with a 4.00% write off, the capital cost is written off for 25 years. Alternatively, for buildings with a 2.50% write off, the capital cost is written off over a period of 40 years. This is the same for both the prime cost and diminishing value methods.

Note that the effective life for these two items is depended on the age of the building. For example a new property will have an effective life of 40 years and the owner will have the benefit of the total allowable depreciation. For older properties, the owner will have the benefit of the depreciation for the balance of effective life. See below:

***This is an excerpt from “Rental Properties” published by the ATO.***

*“The Coulsons purchased a rental property in 1 July 1998 for \$150,000. The property was built in March 1992 for \$65,000. Therefore, the Coulsons are entitled to claim a capital works deduction (special building write-off) at a rate of 2.50% per annum”*

As the property is 6 years old, they will be entitled to claim this for a total of 34 years only, rather than 40.

### Structural Improvements / Improvements

This is the value of all capital improvements (less plant) and is depreciated at a rate of 2.50% over the period of effective life (derived from when the improvements were carried out). Structural improvements include for items such as sealed driveways, retaining walls and fences carried out after 26 February 1992

Improvements include for capital works such as building an extension (such as adding on a room or garage), alterations (removing a wall) or improvements such as erecting a pergola, patio or carport.

### Summary

The values for the first year of depreciation have been generated by obtaining the depreciation allowance for Year 1 and apportioning it with the schedule start date. See below:

### Example

Total Capital Works Depreciation Year 1:	\$8,681
Schedule start date / Settlement date:	20 July 2000
Number of day's property is owned from 20th July 2000 to 30th June 2001:	346

Thus:

$$\frac{346}{365} \times 8,681 = \$8,229 \text{ total capital works claim for year one (income tax return 2000/01)}$$

The difference between the total installed cost (Appendix C) and the total in (Appendix A) represents depreciation that cannot be claimed. This is the depreciation of the building at 4.00% or 2.50% over the age of the property prior to this particular client purchasing it, and plant & equipment ineligible for depreciation for properties purchased post 9th May 2017. This loss of depreciation is not realised upfront, but in the latter years.

Despite the fact that depreciation may never have been claimed, the tax office makes the following clear:

- ▶ that depreciation is available for either 25 years or 40 years only
- ▶ a purchaser is allowed to depreciate the total construction cost at the respective percentage
- ▶ plant and equipment can be assessed irrespective of the age of the property
- ▶ Any structural improvements after 26 February 1992 will be eligible for depreciation.