



macmillan cowan & co

chartered accountants

MACBITES

RENTAL PROPERTY TRAVEL EXPENSES

The ATO have issued a travel expense fact sheet in relation to rental properties.

Basically, any travel relating to the maintenance of the property once tenanted, inspecting the property, collecting rent or meetings with the property manager are deductible.

Where an overnight stay is required, 100% of any associated expenses can be claimed if the sole purpose of the trip relates to inspecting an existing rental property. This would include meals and accommodation.

If the stay is extended, you are required to determine the main purpose of the travel. For example, if 10 minutes was spent inspecting a Queensland rental property and you spent 9 days away, you would not be entitled to claim airfares as the ATO would determine that the main purpose of the trip was for a holiday and not for a property inspection. In this case, only local expenses directly related to the property inspection such as taxi fares and a proportion of accommodation can be claimed.

Please contact Paul Bongiorno or Geoff Cowan at this office if you have any queries regarding rental properties, or if you are considering the purchase of an investment property.

15 April, 2010

Directors

Paul J Bongiorno C.A.

Geoffrey R Cowan C.A.

Consultant

Peter A MacMillan F.C.A.

Taxation Planning

Business Advice

Self Managed
Superannuation

Retirement Strategies

MYOB & QuickBooks
Assistance

Wealth Creation

Steampacket House

2nd Floor

10 Moorabool Street

GEELONG VIC 3220

Postal Address

PO Box 743

GEELONG VIC 3220

Telephone

(03) 5222 2866

Facsimile

(03) 5221 7663

Email

reception@maccow.com.au

www.macmillancowan.com.au