

Our Tax Depreciation Schedules are not a one page document. In each of them, though, there is one page that is of most interest to investors – the summary page that sets out what they can claim. This is a sample of the summary page from an actual schedule we have done. At the top of the page is The Total Amount Claimable Each Year for 5 years. (Remember, if your property has been an income producing asset for several years and you have not claimed depreciation, your accountant should be able to lodge an amended assessment.) Below this summary table, are some of the calculations we have used to arrive at the Total Amount Claimable. Naturally, our schedules detail these in full and have accompanying notes.

Total Amount Claimable Each Year

| | Prime Cost Method | | | | |
|---|-------------------|-----------|-----------|-----------|-----------|
| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
| Prime Cost Method + Low Value Pool + Building Allowance | \$6192.07 | \$7217.89 | \$6217.62 | \$5592.46 | \$5201.72 |

OR

| | Diminishing Value Method | | | | |
|--|--------------------------|-----------|-----------|-----------|-----------|
| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
| Diminishing Value Method + Low Value Pool + Building Allowance | \$6623.05 | \$7666.46 | \$6475.59 | \$5683.25 | \$5145.43 |

Tax Depreciation Analysis – Prime Cost Method

| | Prime Cost Method | | | | |
|--|-------------------|-----------|-----------|-----------|-----------|
| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
| Depreciation Total of Plant & Articles | \$1259.58 | \$1259.58 | \$1259.58 | \$1259.58 | \$1259.58 |

Tax Depreciation Analysis – Diminishing Value Method

| | Diminishing Value Method | | | | |
|--|--------------------------|-----------|-----------|-----------|-----------|
| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
| Depreciation Total of Plant & Articles | \$1690.56 | \$1708.15 | \$1517.55 | \$1350.38 | \$1203.29 |

Low Value Pool – (Diminishing Value Method)

| | | | | | | | |
|--------------------------|------|--------|---------|---------|---------|---------|--------|
| Low value pool year 1 | 8755 | 18.75% | 1641.56 | Nil | Nil | Nil | Nil |
| Low value pool years 1-5 | 7113 | 37.5% | Nil | 2667.38 | 1667.11 | 1041.94 | 651.21 |

Building Allowance Calculations

Building Allowance @ 2.5% by \$131,637 building allowance total = \$3290.93 per annum