

PROPERTY TAX DEPRECIATION

Maximising the return from your agricultural property

ROBINSON SEWELL
D E P R E C I A T I O N








If you have purchased or had transferred an agricultural property in the last ten years or so you may be sitting on thousands of dollars worth of tax deductions.

When a farm is acquired, it is important from a tax standpoint to allocate value to depreciable items and set those items up on the appropriate depreciation schedule beginning with the tax year in which possession is obtained.

Of course, land is not depreciable, but when a farm is acquired, there may be infrastructure assets on the land that are depreciable such as fences, buildings, yards, silos, tanks and dwellings.

HOW CAN WE HELP YOU?

-  We carry out a full inspection of your property.
-  Eligible assets are measured and recorded – machinery sheds, hay sheds, shearing sheds, cattle/sheep yards, silos, fences, gates, windmills, dams, irrigation, houses etc.
-  Our Quantity Surveyors will complete your detailed Tax Depreciation Report separating land, dwellings and structural improvements to ensure ATO compliance and maximise the deductions claimed.
-  We collaborate with your trusted tax advisers so they can incorporate the deductions into your tax return to reduce the amount of tax payable.
-  We remain available to you and your advisers to help assist if necessary on an ongoing basis.

AS AN OWNER OF AN INCOME PRODUCING PROPERTY YOU ARE ENTITLED TO CLAIM FOR THE GRADUAL DEPRECIATION OVER TIME FOR YOUR INVESTMENT.

FREE CONSULTATION

WE OFFER YOU A FREE CONSULTATION DURING WHICH WE WILL ASSESS YOUR NEEDS AND EXPECTATIONS OF OUR SERVICE.

KNOWN AS
'DEPRECIATION OF
ASSETS', THE ATO
ALLOWS AN EXPENSE
TO BE CLAIMED EACH
YEAR TO OFFSET THE
GRADUAL REDUCTION
IN VALUE AND 'WEARING
OUT' OF ASSETS.



GUARANTEE

WE GUARANTEE
THAT THE AMOUNT
OF DEPRECIATION
CLAIMABLE IN THE FIRST
FULL YEAR WILL COVER
THE COST OF THE TAX
DEPRECIATION REPORT.



CONTACT US

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EXAMPLES OF DEDUCTIONS AVAILABLE

FARM TYPE	PURCHASE PRICE	YEAR 1 DEPRECIATION	YEAR 1-40 CUMULATIVE DEPRECIATION
CASE STUDY 1 Bare farm Dams & fences/gates	\$400,000	\$3,000	\$52,000
CASE STUDY 2 House, shed, silo, dams, fences/gates	\$280,000	\$11,600	\$118,000
CASE STUDY 3 House, machinery/shearing/hay sheds, cattle/sheep yards, silos, dams, fences/gates	\$980,000	\$40,000	\$520,000
CASE STUDY 4 House, machinery & shearing shed, cattle & sheep yards, silos, dams, fences/gates	\$2,700,000	\$56,000	\$763,000
CASE STUDY 5 Two houses, machinery & shearing sheds, silos, dams, irrigation infrastructure, 3 centre pivots, fences/gates	\$5,000,000	\$84,600	\$1,100,000

Depending on the amount of improvements, it has also been beneficial for farmers to complete the report on farms that they have purchased or have had transferred over to them in the last ten years.



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