

Capital Allowance and Tax Depreciation Schedule

Maximising the cash return from investment properties

Graeme & Jennifer Schubert ATF The Schubert Superannuation Fund
18 South Heron Road
OLD BAR NSW 2430

21 December 2017

Graeme & Jennifer Schubert ATF The Schubert Superannuation Fund
Unit 2/38 Lewis Street
OLD BAR NSW 2430

Dear Sir/Madam,

Thank you for selecting BMT Tax Depreciation to complete your Capital Allowance and Tax Depreciation Schedule.

This document outlines the relevant information, legislation and methodology used in the assessment of the potential capital works deductions for 18 South Heron Road, OLD BAR NSW 2430.

For your convenience we have included an explanation and summary of the calculations used in this schedule.

We trust our service and the deductions outlined in the following schedules will exceed your expectations. BMT strive for excellence and appreciate any feedback you may have.

Our commitment to the continuous development of our service ensures you receive the maximum depreciation deductions you're entitled to.

We invite you to register for our online portal MyBMT. MyBMT allows you to view and update your schedule, access and download existing schedules, upload property files including photos and receipts, add members of your investment team and share your schedule with your Accountant or Tax Adviser all in one convenient location. For more information and to register visit www.mybmt.bmtqs.com.au.

To learn more about property depreciation visit www.bmtqs.com.au. We have a range of free tools and resources to assist you on your property investing journey.

Should you require any further information or clarification, please contact one of our depreciation experts or our Chief Executive Officer, Mr Bradley Beer.

Once again, thank you for choosing BMT Tax Depreciation and we look forward to working with you in the future.

Yours sincerely,



BMT Tax Depreciation Pty Ltd
Quantity Surveyors
AIQS, RICS, AVAA, Tax Agent: 53712009

Maximising Property
Tax Depreciation Deductions

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BMT Capital Allowance and Tax Depreciation Schedule overview

The following is a summary of the information used by BMT Tax Depreciation when preparing this Capital Allowance and Tax Depreciation Schedule. The ownership details and structure play a significant part in the methodology that is used and subsequently changes the results of the schedule and the calculations used within it. Any changes to the ownership entity or structure may make this report inaccurate. To update your details please contact the expert team at BMT Tax Depreciation on 1300 728 726 or log in to MyBMT at www.mybmt.bmtqs.com.au.

Schedule prepared for: Graeme & Jennifer Schubert ATF The Schubert Superannuation Fund

Property address: 18 South Heron Road, OLD BAR NSW 2430

Ownership interest: 100 per cent

Co-owners must divide the income and expenses for the rental property in line with their 'interest' in the property. The two co-owner structures are:

- Joint tenants - each holds an equal interest in the property, or
- Tenants in common - may hold unequal interests in the property, for example, one may hold a 20 per cent interest and the other an 80 per cent interest

Co-owned depreciating assets, as outlined in section 40-35 of the Income Tax Assessment Act 1997 (ITAA 1997), are able to be calculated and deducted based on each owner's interest in the asset, and not the whole asset. For example, joint tenants with an equal 50 per cent share can claim an immediate write-off for items under \$600 as each co-owner's share is less than \$300 each. When an owner's share of an asset valued at less than \$1,000 it can also be added to a low-value pool.

Property type: Residential

Construction cost: \$110,000

Settlement date: 1 October 2000

Construction completion date: 1 October 2000

Schedule start date: 2 October 2000

Date available to provide income: 15 December 2007

Methodology

The Capital Allowance and Tax Depreciation Schedule prepared for Graeme & Jennifer Schubert ATF The Schubert Superannuation Fund on 18 South Heron Road, OLD BAR NSW 2430 has been prepared and calculated in accordance with the legislation applicable on 18 December 2017.

The Capital Allowance and Tax Depreciation Schedule is based on BMT Tax Depreciation's understanding of the Commissioner of Taxation's assumed intent and the interpretation of the relevant tax rulings and supportive documents:

- 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 bringing the plant into full operation (ITAA97 Sect 8-1)
- Capital allowances in accordance with Division 10D, Sections 124ZF-ZH and Section 1234ZFB and ITAA 1997 Division 40 and 43
- Changes from the Ralph Review of Business Taxation of 21 September 1999
- Legislation by the Australian Taxation Office in Market Valuations for Tax Purposes
- Documentation and procedures defined in the Australian Accounting Standards AASB 116 Property, Plant and Equipment and AASB13 Fair Value Measurement
- Taxation Ruling 2017/2 – Income Tax: Effective Life of Depreciating Assets

It is a requirement to advise BMT Tax Depreciation when any actual costs in whole or part thereof are available prior to the preparation of the Capital Allowance and Tax Depreciation Schedule. Where costs have been provided, they have been used and noted accordingly in this schedule. In the event that costs are not available, BMT Tax Depreciation use estimating procedures and methodology provided to estimate a fair market value based on cost advice as at the 18 December 2017. Where applicable, all cost estimates are adjusted to that of the historical date in which the actual construction or installation took place.

The construction expenditure has been determined on the basis of the actual cost incurred in relation to the construction of a building.

Construction expenditure calculated includes:

- Preliminary expenses such as professional Architect, Engineer and Surveyor's fees and the cost of foundation excavations
- Builder's or Contractor's margin
- Contingencies
- All plant and equipment

The construction expenditure calculated excludes:

- Site clearance, earthworks that are permanent, can be economically maintained and are not integral to the installation or construction of a structure
- Demolition of existing structures
- Soft landscaping
- Cost of acquiring land
- Developer's profit and overheads

The following additional information has been used in the preparation of the Capital Allowance and Tax Depreciation Schedule:

- Written and verbal information provided by Graeme & Jennifer Schubert ATF The Schubert Superannuation Fund
- Verbal information provided by Mid-coast Council
- Site inspection conducted by BMT Tax Depreciation on 15 December 2017
- Construction cost of \$110,000

The following assumptions have been made in the preparation of the Capital Allowance and Tax Depreciation Schedule.

- That all items of plant and equipment listed in the schedule are owned by the tax payer
- That you are not entitled to input tax credits and therefore GST is included in the appropriate items within the schedule
- That no schedule of depreciation allowances existed or formed a condition of the purchase documentation
- 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
- No additional actual costs in whole or part thereof are available at this time
- The owners are not carrying on a rental property business

Owners are advised to discuss and confirm the above assumptions with their Tax Adviser prior to using this Capital Allowance and Tax Depreciation Schedule.

Disclaimer

The contents of this page and the totality of this document are subject to this disclaimer. The information contained within this document has been prepared by BMT Tax Depreciation Pty Ltd on the basis of estimated costs and information provided to BMT Tax Depreciation Pty Ltd. This document is intended for use by the client only. No information in this document may be interpreted as legal, accounting or taxation advice. Individuals should consult with their legal, accounting or taxation advisers before relying on any part of this document. This document is prepared in accordance with legislation in force at the time the asset was acquired and the date this document was produced.

Should the client not elect to use the pooling system, then the total cost figure can be used and the applicable depreciation rates applied. All pooled items have been depreciated at 18.75 per cent in the year of acquisition and 37.5 per cent each year thereafter. The cumulative capital loss total row of figures displays the amount of division 40 deductions that have not been able to be claimed during ownership up until the end of the financial year.

BMT Tax Depreciation Pty Ltd is not responsible for the result of any actions taken on the basis of the information provided in this document or any error in or omission from this document. BMT Tax Depreciation Pty Ltd does not accept any liability, in any form, for any consequences, loss, or damage as a result of any person acting upon or relying upon the information contained in this document. This document has been prepared for depreciation purposes only and it is not suitable for any other purpose. Neither the whole nor any part of this document may be provided to any party without the express prior written approval of BMT Tax Depreciation Pty Ltd.

Experience and qualifications

It is a legislative requirement that an appropriately qualified professional is used to prepare a Capital Allowance and Tax Depreciation Schedule under Tax Ruling 97/25. A Quantity Surveyor is one of the few professionals recognised to have appropriate construction costing skills to estimate building costs for the purpose of establishing a cost to claim your capital works and tax depreciation deductions.

Please find below BMT Tax Depreciation's relevant qualifications and associations with governing bodies:

- **AIQS - Australian Institute of Quantity Surveyors**

As a member of the AIQS, a professional standards body, BMT Tax Depreciation upholds its professionalism and standards to the highest level. The institute plays an important role by ensuring that industry standards and information are continuously updated.

- **RICS - Royal Institute of Chartered Surveyors**

BMT Tax Depreciation are proud members of RICS, allowing us access to the latest methodology used by Surveyors across Australia and the world.

- **AVAA - Auctioneers & Valuers Association of Australia**

BMT Tax Depreciation is also a member of the AVAA. The AVAA works to elevate and maintain the standards of professional knowledge and sound practice relating to accurately valuing a variety of plant and equipment.

- **PIPA - Property Investment Professionals of Australia**

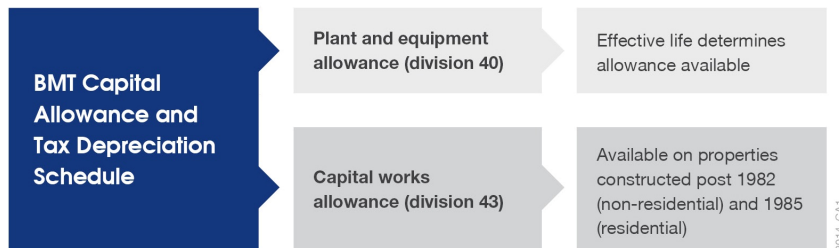
As a member of PIPA, BMT Tax Depreciation are committed to maintaining high levels of professional standards through their work in educating property investors on the benefits of tax depreciation.

- **Registered Tax Agent**

BMT Tax Depreciation are registered Tax Agents qualified to prepare depreciation schedules for any rental, commercial or investment property under the Tax Agents Services Act 2009. **Our Tax Agents number is 53712009.**

Summary of capital expenditure

Construction cost	\$110,000
Expenditure after purchase: (renovations/additional works)	\$3,800
Total expenditure	\$113,800



Division 40 - plant and equipment	\$22,688
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The calculations for plant and equipment assets have been prepared in accordance with the relevant Taxation Ruling in place at the time of preparing this report. This ruling discusses the methodology outlined by the Commissioner of Taxation to determine the effective life of depreciating assets under section 40-100 of the Income Tax Assessment Act 1997 (ITAA 1997).

Division 43 - capital works allowance	\$91,112
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Division 43, as outlined in ITAA 1997, allows a deduction for capital expenditure incurred in the construction of any capital works. The deduction claimed as a capital works allowance depends on the type of construction and the date construction started. See the definition of division 43 and the table under this heading within the glossary of key terms for further clarification of the qualifying dates for capital works deductions. The deductible amount for division 43 excludes both division 40 above and any non-qualifying balance of capital expenditure.

Construction expenditure that cannot be claimed (as per Australian Taxation Office (ATO) guidelines) include:

- Land
- Expenditure on clearing the land prior to construction
- Earthworks that are permanent, and are not integral to the construction
- Expenditure on soft landscaping
- Demolition

Total capital expenditure	\$113,800
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Capital Allowance and Tax Depreciation Schedule summary

Total deductions - 40 year forecast

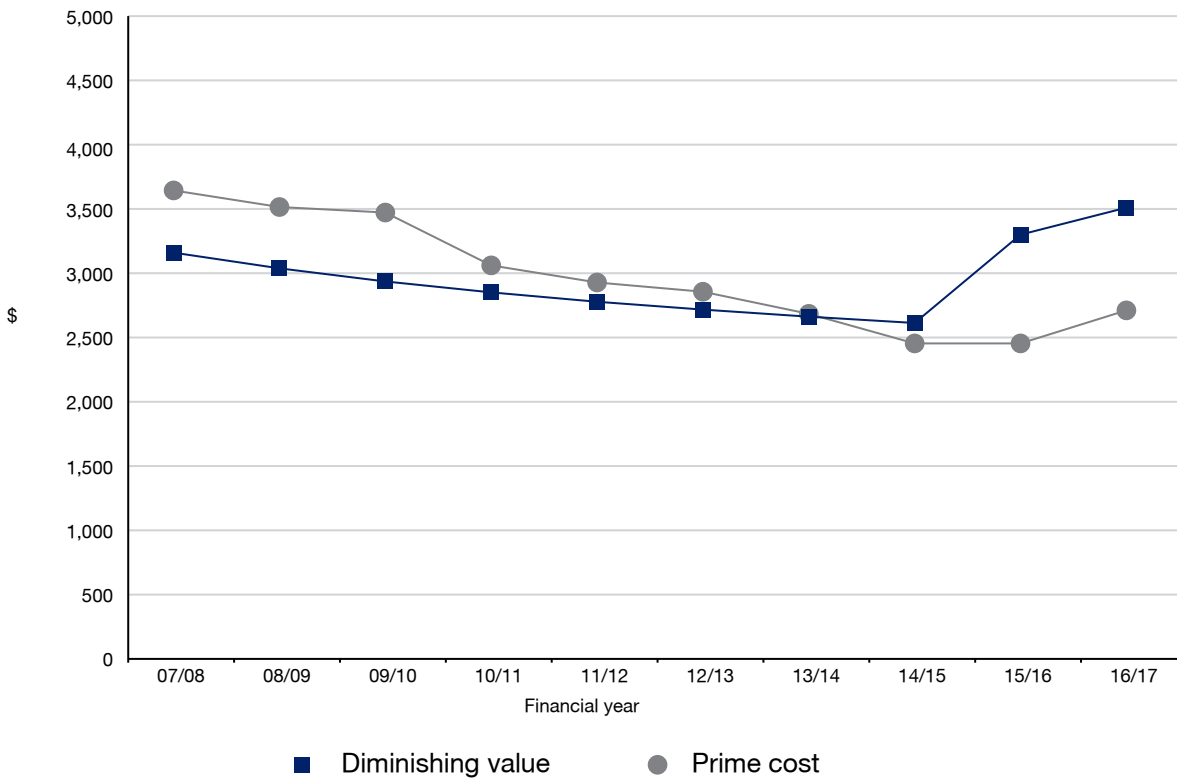
The forty year projection summary outlines the total yearly deductions available over the lifetime of the property. These totals include the division 43 and division 40 components as a total yearly deduction. Both the diminishing value (DV) and prime cost (PC) method values are shown for easy comparison.

Years 1-21			Years 22-41		
Period	Total deductions		Period	Total deductions	
	DV (\$)	PC (\$)		DV (\$)	PC (\$)
2-Oct-00 to 30-Jun-01	3,712	3,044	1-Jul-21 to 30-Jun-22	2,571	2,632
1-Jul-01 to 30-Jun-02	4,639	4,078	1-Jul-22 to 30-Jun-23	2,460	2,520
1-Jul-02 to 30-Jun-03	4,250	4,078	1-Jul-23 to 30-Jun-24	2,393	2,520
1-Jul-03 to 30-Jun-04	3,937	4,078	1-Jul-24 to 30-Jun-25	2,349	2,520
1-Jul-04 to 30-Jun-05	3,684	4,078	1-Jul-25 to 30-Jun-26	2,323	2,520
1-Jul-05 to 30-Jun-06	3,478	3,840	1-Jul-26 to 30-Jun-27	2,305	2,440
1-Jul-06 to 30-Jun-07	3,304	3,750	1-Jul-27 to 30-Jun-28	2,298	2,370
1-Jul-07 to 30-Jun-08	3,160	3,644	1-Jul-28 to 30-Jun-29	2,287	2,317
1-Jul-08 to 30-Jun-09	3,038	3,515	1-Jul-29 to 30-Jun-30	2,285	2,278
1-Jul-09 to 30-Jun-10	2,936	3,472	1-Jul-30 to 30-Jun-31	2,281	2,278
1-Jul-10 to 30-Jun-11	2,851	3,061	1-Jul-31 to 30-Jun-32	2,280	2,278
1-Jul-11 to 30-Jun-12	2,778	2,928	1-Jul-32 to 30-Jun-33	2,279	2,278
1-Jul-12 to 30-Jun-13	2,717	2,856	1-Jul-33 to 30-Jun-34	2,278	2,278
1-Jul-13 to 30-Jun-14	2,662	2,684	1-Jul-34 to 30-Jun-35	2,278	2,278
1-Jul-14 to 30-Jun-15	2,613	2,454	1-Jul-35 to 30-Jun-36	2,278	2,278
1-Jul-15 to 30-Jun-16	3,300	2,454	1-Jul-36 to 30-Jun-37	2,278	2,278
1-Jul-16 to 30-Jun-17	3,510	2,711	1-Jul-37 to 30-Jun-38	2,278	2,278
1-Jul-17 to 30-Jun-18	3,647	2,936	1-Jul-38 to 30-Jun-39	2,278	2,278
1-Jul-18 to 30-Jun-19	3,179	2,936	1-Jul-39 to 30-Jun-40	2,278	2,278
1-Jul-19 to 30-Jun-20	3,031	2,934	1-Jul-40 to 30-Jun-41	566	566
1-Jul-20 to 30-Jun-21	2,751	2,806	Total	113,800	113,800

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10 year forecast comparison graph

The below graphical representation of the diminishing value method and prime cost method compares the yearly claims from both methods. The graph demonstrates the diminishing value method's increased deductions over the initial years and the prime cost method's greater deductions in later years.



Division 43 – capital works allowance

The table below outlines the division 43 building write-off allowance available to be claimed over forty years from the construction completion date. The depreciation calculated has been deemed to be on structural elements only completed after the legislated dates.

Works	Date	Rate	Original cost (\$)
Original works	1-Oct-00	2.5 %	91,112

Calculation for write-off provision:

Period	Original division 43 (\$)
1-Jul-07 to 30-Jun-08	2,278
1-Jul-08 to 30-Jun-09	2,278
1-Jul-09 to 30-Jun-10	2,278
1-Jul-10 to 30-Jun-11	2,278
1-Jul-11 to 30-Jun-12	2,278
1-Jul-12 to 30-Jun-13	2,278
1-Jul-13 to 30-Jun-14	2,278
1-Jul-14 to 30-Jun-15	2,278
1-Jul-15 to 30-Jun-16	2,278
1-Jul-16 to 30-Jun-17	2,278

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Diminishing value method summary

Date	Effective life	Pooled plant	Division 40	Division 43	Total
1-Jul-08 to 30-Jun-09	760	0	760	2,278	3,038
1-Jul-09 to 30-Jun-10	658	0	658	2,278	2,936
1-Jul-10 to 30-Jun-11	573	0	573	2,278	2,851
1-Jul-11 to 30-Jun-12	500	0	500	2,278	2,778
1-Jul-12 to 30-Jun-13	439	0	439	2,278	2,717
1-Jul-13 to 30-Jun-14	384	0	384	2,278	2,662
1-Jul-14 to 30-Jun-15	335	0	335	2,278	2,613
1-Jul-15 to 30-Jun-16	0	1,022	1,022	2,278	3,300
1-Jul-16 to 30-Jun-17	160	1,072	1,232	2,278	3,510
1-Jul-17 to 30-Jun-18	268	1,101	1,369	2,278	3,647
1-Jul-18 to 30-Jun-19	214	687	901	2,278	3,179
1-Jul-19 to 30-Jun-20	0	753	753	2,278	3,031
1-Jul-20 to 30-Jun-21	0	473	473	2,278	2,751
1-Jul-21 to 30-Jun-22	0	293	293	2,278	2,571
1-Jul-22 to 30-Jun-23	0	182	182	2,278	2,460
1-Jul-23 to 30-Jun-24	0	115	115	2,278	2,393
1-Jul-24 to 30-Jun-25	0	71	71	2,278	2,349
1-Jul-25 to 30-Jun-26	0	45	45	2,278	2,323
1-Jul-26 to 30-Jun-27	0	27	27	2,278	2,305
1-Jul-27 to 30-Jun-28	0	20	20	2,278	2,298
1-Jul-28 to 30-Jun-29	0	9	9	2,278	2,287
1-Jul-29 to 30-Jun-30	0	7	7	2,278	2,285
1-Jul-30 to 30-Jun-31	0	3	3	2,278	2,281
1-Jul-31 to 30-Jun-32	0	2	2	2,278	2,280
1-Jul-32 to 30-Jun-33	0	1	1	2,278	2,279
1-Jul-33 to 30-Jun-34	0	0	0	2,278	2,278
1-Jul-34 to 30-Jun-35	0	0	0	2,278	2,278
1-Jul-35 to 30-Jun-36	0	0	0	2,278	2,278
1-Jul-36 to 30-Jun-37	0	0	0	2,278	2,278
1-Jul-37 to 30-Jun-38	0	0	0	2,278	2,278
1-Jul-38 to 30-Jun-39	0	0	0	2,278	2,278
1-Jul-39 to 30-Jun-40	0	0	0	2,278	2,278
1-Jul-40 to 30-Jun-41	0	0	0	566	566
Total	4,291	5,883	10,174	73,462	83,636

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Prime cost method summary

Date	Effective life plant	Division 43	Total
1-Jul-08 to 30-Jun-09	1,237	2,278	3,515
1-Jul-09 to 30-Jun-10	1,194	2,278	3,472
1-Jul-10 to 30-Jun-11	783	2,278	3,061
1-Jul-11 to 30-Jun-12	650	2,278	2,928
1-Jul-12 to 30-Jun-13	578	2,278	2,856
1-Jul-13 to 30-Jun-14	406	2,278	2,684
1-Jul-14 to 30-Jun-15	176	2,278	2,454
1-Jul-15 to 30-Jun-16	176	2,278	2,454
1-Jul-16 to 30-Jun-17	433	2,278	2,711
1-Jul-17 to 30-Jun-18	658	2,278	2,936
1-Jul-18 to 30-Jun-19	658	2,278	2,936
1-Jul-19 to 30-Jun-20	656	2,278	2,934
1-Jul-20 to 30-Jun-21	528	2,278	2,806
1-Jul-21 to 30-Jun-22	354	2,278	2,632
1-Jul-22 to 30-Jun-23	242	2,278	2,520
1-Jul-23 to 30-Jun-24	242	2,278	2,520
1-Jul-24 to 30-Jun-25	242	2,278	2,520
1-Jul-25 to 30-Jun-26	242	2,278	2,520
1-Jul-26 to 30-Jun-27	162	2,278	2,440
1-Jul-27 to 30-Jun-28	92	2,278	2,370
1-Jul-28 to 30-Jun-29	39	2,278	2,317
1-Jul-29 to 30-Jun-30	0	2,278	2,278
1-Jul-30 to 30-Jun-31	0	2,278	2,278
1-Jul-31 to 30-Jun-32	0	2,278	2,278
1-Jul-32 to 30-Jun-33	0	2,278	2,278
1-Jul-33 to 30-Jun-34	0	2,278	2,278
1-Jul-34 to 30-Jun-35	0	2,278	2,278
1-Jul-35 to 30-Jun-36	0	2,278	2,278
1-Jul-36 to 30-Jun-37	0	2,278	2,278
1-Jul-37 to 30-Jun-38	0	2,278	2,278
1-Jul-38 to 30-Jun-39	0	2,278	2,278
1-Jul-39 to 30-Jun-40	0	2,278	2,278
1-Jul-40 to 30-Jun-41	0	566	566
Total	9,748	73,462	83,210

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Diminishing value method schedule (years 1 - 5)

Tax grouping	Total cost @ 2-Oct-00 (\$)	Effective life (Years)	Basic rate (DV)	Depreciation allowance					TWDV @ 1-Jul-05 (\$)
				2-Oct-00 30-Jun-01 Year 1 (\$)	1-Jul-01 30-Jun-02 Year 2 (\$)	1-Jul-02 30-Jun-03 Year 3 (\$)	1-Jul-03 30-Jun-04 Year 4 (\$)	1-Jul-04 30-Jun-05 Year 5 (\$)	
Division 40 - plant & equipment (Effective life rates)									
Existing Unit Specific									
Air Conditioner - Room Units	432	10	15.0 %	48	58	49	42	35	200
Automatic Garage Door - Controls	158	5	30.0 %	35	37	26	18	13	29
Automatic Garage Door - Motors	628	10	15.0 %	70	84	71	60	51	292
Bathroom Accessories - Freestanding	188	5	30.0 %	42	44	31	21	15	35
Blinds	1,469	20	7.5 %	82	104	96	89	82	1,016
Carpet	3,945	10	15.0 %	441	526	447	380	323	1,828
Curtains	545	7	22.5 %	91	102	79	61	48	164
Door Closers	205	10	15.0 %	23	27	23	20	17	95
Furniture - Outdoor A	620	5	30.0 %	139	144	101	71	50	115
Garbage Bins	244	7	22.5 %	41	46	35	27	21	74
Heat, Light & Exhaust Units	224	10	15.0 %	25	30	25	22	18	104
Hot Water Systems	1,293	20	7.5 %	72	92	85	78	72	894
Light Shades	605	5	30.0 %	135	141	99	69	48	113
Ovens	1,139	12	12.5 %	106	129	113	99	87	605
Sewage Treatments Assets - Control & Motors	1,375	8	18.8 %	192	222	180	146	119	516
Smoke Alarms	235	20	7.5 %	13	17	15	14	13	163
Spa Bath Pumps	522	20	7.5 %	29	37	34	32	29	361
Swimming Pool - Cleaners	275	13	11.3 %	23	28	25	22	20	157
Swimming Pool & Spa - Filtration, Chlorinator & Pump	2,233	13	11.3 %	187	230	204	181	161	1,270
Swimming Pool & Spa - Heaters Solar	2,553	13	11.3 %	214	263	234	207	184	1,451
Subtotal	18,888			2,008	2,361	1,972	1,659	1,406	9,482
Additional Unit Specific									
Air Conditioner - Split Systems (18-Dec-16)	1,500	10	20.0 %	0	0	0	0	0	1,500
Ceiling Fans (18-Dec-16)	1,200	5	37.5 %	0	0	0	0	0	1,200
Cooktops (18-Dec-16)	600	12	37.5 %	0	0	0	0	0	600
Rangehoods (18-Dec-16)	500	12	37.5 %	0	0	0	0	0	500
Subtotal	3,800			0	0	0	0	0	3,800
Total division 40 - effective life rate	22,688			2,008	2,361	1,972	1,659	1,406	13,282
Total division 40 - pooled (Page 20)	0			0	0	0	0	0	0
Total division 40	22,688			2,008	2,361	1,972	1,659	1,406	13,282
Division 43 - capital works allowance									
Total division 43 (Page 12)	91,112			1,704	2,278	2,278	2,278	2,278	80,296
Total depreciation	113,800			3,712	4,639	4,250	3,937	3,684	93,578

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Diminishing value method schedule (years 6 - 10)

Tax grouping	Total cost @ 1-Jul-05 (\$)	Effective life (Years)	Basic rate (DV)	Depreciation allowance					TWDV @ 1-Jul-10 (\$)
				1-Jul-05 30-Jun-06 Year 6 (\$)	1-Jul-06 30-Jun-07 Year 7 (\$)	1-Jul-07 30-Jun-08 Year 8 (\$)	1-Jul-08 30-Jun-09 Year 9 (\$)	1-Jul-09 30-Jun-10 Year 10 (\$)	
Division 40 - plant & equipment (Effective life rates)									
Existing Unit Specific									
Air Conditioner - Room Units	200	10	15.0 %	30	26	22	18	16	88
Automatic Garage Door - Controls	29	5	30.0 %	9	6	4	3	2	5
Automatic Garage Door - Motors	292	10	15.0 %	44	37	32	27	23	129
Bathroom Accessories - Freestanding	35	5	30.0 %	11	7	5	4	2	6
Blinds	1,016	20	7.5 %	76	71	65	60	56	688
Carpet	1,828	10	15.0 %	274	233	198	168	143	812
Curtains	164	7	22.5 %	37	29	22	17	13	46
Door Closers	95	10	15.0 %	14	12	10	9	8	42
Furniture - Outdoor A	115	5	30.0 %	35	24	17	12	8	19
Garbage Bins	74	7	22.5 %	17	13	10	8	6	20
Heat, Light & Exhaust Units	104	10	15.0 %	16	13	11	10	8	46
Hot Water Systems	894	20	7.5 %	67	62	57	53	49	606
Light Shades	113	5	30.0 %	34	24	17	11	8	19
Ovens	605	12	12.5 %	76	66	58	51	44	310
Sewage Treatments Assets - Control & Motors	516	8	18.8 %	97	79	64	52	42	182
Smoke Alarms	163	20	7.5 %	12	11	11	10	9	110
Spa Bath Pumps	361	20	7.5 %	27	25	23	21	20	245
Swimming Pool - Cleaners	157	13	11.3 %	18	16	14	12	11	86
Swimming Pool & Spa - Filtration, Chlorinator & Pump	1,270	13	11.3 %	143	127	113	100	89	698
Swimming Pool & Spa - Heaters Solar	1,451	13	11.3 %	163	145	129	114	101	799
Subtotal	9,482			1,200	1,026	882	760	658	4,956
Additional Unit Specific									
Air Conditioner - Split Systems (18-Dec-16)	1,500	10	20.0 %	0	0	0	0	0	1,500
Ceiling Fans (18-Dec-16)	1,200	5	37.5 %	0	0	0	0	0	1,200
Cooktops (18-Dec-16)	600	12	37.5 %	0	0	0	0	0	600
Rangehoods (18-Dec-16)	500	12	37.5 %	0	0	0	0	0	500
Subtotal	3,800			0	0	0	0	0	3,800
Total division 40 - effective life rate	13,282			1,200	1,026	882	760	658	8,756
Total division 40 - pooled (Page 21)	0			0	0	0	0	0	0
Total division 40	13,282			1,200	1,026	882	760	658	8,756
Division 43 - capital works allowance									
Total division 43 (Page 12)	80,296			2,278	2,278	2,278	2,278	2,278	68,906
Total depreciation	93,578			3,478	3,304	3,160	3,038	2,936	77,662

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Diminishing value method schedule (years 11 - 15)

Tax grouping	Total cost @ 1-Jul-10 (\$)	Effective life (Years)	Basic rate (DV)	Depreciation allowance					TWDV @ 1-Jul-15 (\$)
				1-Jul-10 30-Jun-11 Year 11 (\$)	1-Jul-11 30-Jun-12 Year 12 (\$)	1-Jul-12 30-Jun-13 Year 13 (\$)	1-Jul-13 30-Jun-14 Year 14 (\$)	1-Jul-14 30-Jun-15 Year 15 (\$)	
Division 40 - plant & equipment (Effective life rates)									
Existing Unit Specific									
Air Conditioner - Room Units	88	10	15.0 %	13	11	10	8	7	39
Automatic Garage Door - Controls	5	5	30.0 %	2	1	1	1	0	0
Automatic Garage Door - Motors	129	10	15.0 %	19	17	14	12	10	57
Bathroom Accessories - Freestanding	6	5	30.0 %	2	1	1	1	1	0
Blinds	688	20	7.5 %	52	48	44	41	38	465
Carpet	812	10	15.0 %	122	104	88	75	63	360
Curtains	46	7	22.5 %	10	8	6	5	4	13
Door Closers	42	10	15.0 %	6	5	5	4	3	19
Furniture - Outdoor A	19	5	30.0 %	6	4	3	2	1	3
Garbage Bins	20	7	22.5 %	5	3	3	2	2	5
Heat, Light & Exhaust Units	46	10	15.0 %	7	6	5	4	4	20
Hot Water Systems	606	20	7.5 %	45	42	39	36	33	411
Light Shades	19	5	30.0 %	6	4	3	2	1	3
Ovens	310	12	12.5 %	39	34	30	26	23	158
Sewage Treatments Assets - Control & Motors	182	8	18.8 %	34	28	23	18	15	64
Smoke Alarms	110	20	7.5 %	8	8	7	7	6	74
Spa Bath Pumps	245	20	7.5 %	18	17	16	15	13	166
Swimming Pool - Cleaners	86	13	11.3 %	10	9	8	7	6	46
Swimming Pool & Spa - Filtration, Chlorinator & Pump	698	13	11.3 %	79	70	62	55	49	383
Swimming Pool & Spa - Heaters Solar	799	13	11.3 %	90	80	71	63	56	439
Subtotal	4,956			573	500	439	384	335	2,725
Additional Unit Specific									
Air Conditioner - Split Systems (18-Dec-16)	1,500	10	20.0 %	0	0	0	0	0	1,500
Ceiling Fans (18-Dec-16)	1,200	5	37.5 %	0	0	0	0	0	1,200
Cooktops (18-Dec-16)	600	12	37.5 %	0	0	0	0	0	600
Rangehoods (18-Dec-16)	500	12	37.5 %	0	0	0	0	0	500
Subtotal	3,800			0	0	0	0	0	3,800
Total division 40 - effective life rate	8,756			573	500	439	384	335	3,800
Total division 40 - pooled (Page 22)	0			0	0	0	0	0	2,725
Total division 40	8,756			573	500	439	384	335	6,525
Division 43 - capital works allowance									
Total division 43 (Page 12)	68,906			2,278	2,278	2,278	2,278	2,278	57,516
Total depreciation	77,662			2,851	2,778	2,717	2,662	2,613	64,041

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Diminishing value method schedule (years 16 - 20)

Tax grouping	Total cost @ 1-Jul-15 (\$)	Effective life (Years)	Basic rate (DV)	Depreciation allowance					TWDV @ 1-Jul-20 (\$)
				1-Jul-15 30-Jun-16 Year 16 (\$)	1-Jul-16 30-Jun-17 Year 17 (\$)	1-Jul-17 30-Jun-18 Year 18 (\$)	1-Jul-18 30-Jun-19 Year 19 (\$)	1-Jul-19 30-Jun-20 Year 20 (\$)	
Division 40 - plant & equipment (Effective life rates)									
Existing Unit Specific									
Air Conditioner - Room Units	39	10	37.5 %	0	0	0	0	0	4
Automatic Garage Door - Controls	0	5	30.0 %	0	0	0	0	0	0
Automatic Garage Door - Motors	57	10	37.5 %	0	0	0	0	0	6
Bathroom Accessories - Freestanding	0	5	30.0 %	0	0	0	0	0	0
Blinds	465	20	37.5 %	0	0	0	0	0	44
Carpet	360	10	37.5 %	0	0	0	0	0	34
Curtains	13	7	37.5 %	0	0	0	0	0	1
Door Closers	19	10	37.5 %	0	0	0	0	0	1
Furniture - Outdoor A	3	5	37.5 %	0	0	0	0	0	0
Garbage Bins	5	7	37.5 %	0	0	0	0	0	0
Heat, Light & Exhaust Units	20	10	37.5 %	0	0	0	0	0	1
Hot Water Systems	411	20	37.5 %	0	0	0	0	0	39
Light Shades	3	5	37.5 %	0	0	0	0	0	0
Ovens	158	12	37.5 %	0	0	0	0	0	15
Sewage Treatments Assets - Control & Motors	64	8	37.5 %	0	0	0	0	0	6
Smoke Alarms	74	20	37.5 %	0	0	0	0	0	7
Spa Bath Pumps	166	20	37.5 %	0	0	0	0	0	16
Swimming Pool - Cleaners	46	13	37.5 %	0	0	0	0	0	4
Swimming Pool & Spa - Filtration, Chlorinator & Pump	383	13	37.5 %	0	0	0	0	0	36
Swimming Pool & Spa - Heaters Solar	439	13	37.5 %	0	0	0	0	0	42
Subtotal	2,725			0	0	0	0	0	256
Additional Unit Specific									
Air Conditioner - Split Systems (18-Dec-16)	1,500	10	20.0 %	0	160	268	214	0	536
Ceiling Fans (18-Dec-16)	1,200	5	37.5 %	0	0	0	0	0	238
Cooktops (18-Dec-16)	600	12	37.5 %	0	0	0	0	0	119
Rangehoods (18-Dec-16)	500	12	37.5 %	0	0	0	0	0	99
Subtotal	3,800			0	160	268	214	0	992
Total division 40 - effective life rate	3,800			0	160	268	214	0	0
Total division 40 - pooled (Page 23)	2,725			1,022	1,072	1,101	687	753	1,248
Total division 40	6,525			1,022	1,232	1,369	901	753	1,248
Division 43 - capital works allowance									
Total division 43 (Page 12)	57,516			2,278	2,278	2,278	2,278	2,278	46,126
Total depreciation	64,041			3,300	3,510	3,647	3,179	3,031	47,374

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Diminishing value method schedule (years 21 - 25)

Tax grouping	Total cost @ 1-Jul-20 (\$)	Effective life (Years)	Basic rate (DV)	Depreciation allowance					TWDV @ 1-Jul-25 (\$)
				1-Jul-20 30-Jun-21 Year 21 (\$)	1-Jul-21 30-Jun-22 Year 22 (\$)	1-Jul-22 30-Jun-23 Year 23 (\$)	1-Jul-23 30-Jun-24 Year 24 (\$)	1-Jul-24 30-Jun-25 Year 25 (\$)	
Division 40 - plant & equipment (Effective life rates)									
Existing Unit Specific									
Air Conditioner - Room Units	4	10	37.5 %	0	0	0	0	0	0
Automatic Garage Door - Controls	0	5	30.0 %	0	0	0	0	0	0
Automatic Garage Door - Motors	6	10	37.5 %	0	0	0	0	0	0
Bathroom Accessories - Freestanding	0	5	30.0 %	0	0	0	0	0	0
Blinds	44	20	37.5 %	0	0	0	0	0	4
Carpet	34	10	37.5 %	0	0	0	0	0	3
Curtains	1	7	37.5 %	0	0	0	0	0	0
Door Closers	1	10	37.5 %	0	0	0	0	0	0
Furniture - Outdoor A	0	5	30.0 %	0	0	0	0	0	0
Garbage Bins	0	7	22.5 %	0	0	0	0	0	0
Heat, Light & Exhaust Units	1	10	37.5 %	0	0	0	0	0	0
Hot Water Systems	39	20	37.5 %	0	0	0	0	0	4
Light Shades	0	5	30.0 %	0	0	0	0	0	0
Ovens	15	12	37.5 %	0	0	0	0	0	1
Sewage Treatments Assets - Control & Motors	6	8	37.5 %	0	0	0	0	0	0
Smoke Alarms	7	20	37.5 %	0	0	0	0	0	0
Spa Bath Pumps	16	20	37.5 %	0	0	0	0	0	1
Swimming Pool - Cleaners	4	13	37.5 %	0	0	0	0	0	0
Swimming Pool & Spa - Filtration, Chlorinator & Pump	36	13	37.5 %	0	0	0	0	0	4
Swimming Pool & Spa - Heaters Solar	42	13	37.5 %	0	0	0	0	0	4
Subtotal	256			0	0	0	0	0	21
Additional Unit Specific									
Air Conditioner - Split Systems (18-Dec-16)	536	10	37.5 %	0	0	0	0	0	51
Ceiling Fans (18-Dec-16)	238	5	37.5 %	0	0	0	0	0	22
Cooktops (18-Dec-16)	119	12	37.5 %	0	0	0	0	0	11
Rangehoods (18-Dec-16)	99	12	37.5 %	0	0	0	0	0	9
Subtotal	992			0	0	0	0	0	93
Total division 40 - effective life rate	0			0	0	0	0	0	0
Total division 40 - pooled (Page 24)	1,248			473	293	182	115	71	114
Total division 40	1,248			473	293	182	115	71	114
Division 43 - capital works allowance									
Total division 43 (Page 12)	46,126			2,278	2,278	2,278	2,278	2,278	34,736
Total depreciation	47,374			2,751	2,571	2,460	2,393	2,349	34,850

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Diminishing value method pooling schedule (years 1 - 5)

Tax grouping	Total cost @ Pooling start (\$)	Effective life (Years)	Basic rate (DV)	Depreciation allowance					TWDV @ 1-Jul-05 (\$)
				2-Oct-00 30-Jun-01 Year 1 (\$)	1-Jul-01 30-Jun-02 Year 2 (\$)	1-Jul-02 30-Jun-03 Year 3 (\$)	1-Jul-03 30-Jun-04 Year 4 (\$)	1-Jul-04 30-Jun-05 Year 5 (\$)	
Division 40 - plant & equipment (Pooling rates)									
Existing Unit Specific									
Air Conditioner - Room Units	*39	10	0.0 %	0	0	0	0	0	0
Automatic Garage Door - Controls	0	5	0.0 %	0	0	0	0	0	0
Automatic Garage Door - Motors	*57	10	0.0 %	0	0	0	0	0	0
Bathroom Accessories - Freestanding	0	5	0.0 %	0	0	0	0	0	0
Blinds	*465	20	0.0 %	0	0	0	0	0	0
Carpet	*360	10	0.0 %	0	0	0	0	0	0
Curtains	*13	7	0.0 %	0	0	0	0	0	0
Door Closers	*19	10	0.0 %	0	0	0	0	0	0
Furniture - Outdoor A	*3	5	0.0 %	0	0	0	0	0	0
Garbage Bins	*5	7	0.0 %	0	0	0	0	0	0
Heat, Light & Exhaust Units	*20	10	0.0 %	0	0	0	0	0	0
Hot Water Systems	*411	20	0.0 %	0	0	0	0	0	0
Light Shades	*3	5	0.0 %	0	0	0	0	0	0
Ovens	*158	12	0.0 %	0	0	0	0	0	0
Sewage Treatments Assets - Control & Motors	*64	8	0.0 %	0	0	0	0	0	0
Smoke Alarms	*74	20	0.0 %	0	0	0	0	0	0
Spa Bath Pumps	*166	20	0.0 %	0	0	0	0	0	0
Swimming Pool - Cleaners	*46	13	0.0 %	0	0	0	0	0	0
Swimming Pool & Spa - Filtration, Chlorinator & Pump	*383	13	0.0 %	0	0	0	0	0	0
Swimming Pool & Spa - Heaters Solar	*439	13	0.0 %	0	0	0	0	0	0
Subtotal	0			0	0	0	0	0	0
Additional Unit Specific									
Air Conditioner - Split Systems (18-Dec-16)	*858	10	0.0 %	0	0	0	0	0	0
Ceiling Fans (18-Dec-16)	*1,200	5	0.0 %	0	0	0	0	0	0
Cooktops (18-Dec-16)	*600	12	0.0 %	0	0	0	0	0	0
Rangehoods (18-Dec-16)	*500	12	0.0 %	0	0	0	0	0	0
Subtotal	0			0	0	0	0	0	0
Total - pooled items	0			0	0	0	0	0	0

Items marked by an * are allocated to the low-value pool in later years.

Diminishing value method pooling schedule (years 6 - 10)

Tax grouping	Total cost @ Pooling start (\$)	Effective life (Years)	Basic rate (DV)	Depreciation allowance					TWDV @ 1-Jul-10 (\$)
				1-Jul-05 30-Jun-06 Year 6 (\$)	1-Jul-06 30-Jun-07 Year 7 (\$)	1-Jul-07 30-Jun-08 Year 8 (\$)	1-Jul-08 30-Jun-09 Year 9 (\$)	1-Jul-09 30-Jun-10 Year 10 (\$)	
Division 40 - plant & equipment (Pooling rates)									
Existing Unit Specific									
Air Conditioner - Room Units	*39	10	0.0 %	0	0	0	0	0	0
Automatic Garage Door - Controls	0	5	0.0 %	0	0	0	0	0	0
Automatic Garage Door - Motors	*57	10	0.0 %	0	0	0	0	0	0
Bathroom Accessories - Freestanding	0	5	0.0 %	0	0	0	0	0	0
Blinds	*465	20	0.0 %	0	0	0	0	0	0
Carpet	*360	10	0.0 %	0	0	0	0	0	0
Curtains	*13	7	0.0 %	0	0	0	0	0	0
Door Closers	*19	10	0.0 %	0	0	0	0	0	0
Furniture - Outdoor A	*3	5	0.0 %	0	0	0	0	0	0
Garbage Bins	*5	7	0.0 %	0	0	0	0	0	0
Heat, Light & Exhaust Units	*20	10	0.0 %	0	0	0	0	0	0
Hot Water Systems	*411	20	0.0 %	0	0	0	0	0	0
Light Shades	*3	5	0.0 %	0	0	0	0	0	0
Ovens	*158	12	0.0 %	0	0	0	0	0	0
Sewage Treatments Assets - Control & Motors	*64	8	0.0 %	0	0	0	0	0	0
Smoke Alarms	*74	20	0.0 %	0	0	0	0	0	0
Spa Bath Pumps	*166	20	0.0 %	0	0	0	0	0	0
Swimming Pool - Cleaners	*46	13	0.0 %	0	0	0	0	0	0
Swimming Pool & Spa - Filtration, Chlorinator & Pump	*383	13	0.0 %	0	0	0	0	0	0
Swimming Pool & Spa - Heaters Solar	*439	13	0.0 %	0	0	0	0	0	0
Subtotal	0			0	0	0	0	0	0
Additional Unit Specific									
Air Conditioner - Split Systems (18-Dec-16)	*858	10	0.0 %	0	0	0	0	0	0
Ceiling Fans (18-Dec-16)	*1,200	5	0.0 %	0	0	0	0	0	0
Cooktops (18-Dec-16)	*600	12	0.0 %	0	0	0	0	0	0
Rangehoods (18-Dec-16)	*500	12	0.0 %	0	0	0	0	0	0
Subtotal	0			0	0	0	0	0	0
Total - pooled items	0			0	0	0	0	0	0

Items marked by an * are allocated to the low-value pool in later years.

Diminishing value method pooling schedule (years 11 - 15)

Tax grouping	Total cost @ Pooling start (\$)	Effective life (Years)	Basic rate (DV)	Depreciation allowance					TWDV @ 1-Jul-15 (\$)
				1-Jul-10 30-Jun-11 Year 11 (\$)	1-Jul-11 30-Jun-12 Year 12 (\$)	1-Jul-12 30-Jun-13 Year 13 (\$)	1-Jul-13 30-Jun-14 Year 14 (\$)	1-Jul-14 30-Jun-15 Year 15 (\$)	
Division 40 - plant & equipment (Pooling rates)									
Existing Unit Specific									
Air Conditioner - Room Units	*39	10	0.0 %	0	0	0	0	0	39
Automatic Garage Door - Controls	0	5	0.0 %	0	0	0	0	0	0
Automatic Garage Door - Motors	*57	10	0.0 %	0	0	0	0	0	57
Bathroom Accessories - Freestanding	0	5	0.0 %	0	0	0	0	0	0
Blinds	*465	20	0.0 %	0	0	0	0	0	465
Carpet	*360	10	0.0 %	0	0	0	0	0	360
Curtains	*13	7	0.0 %	0	0	0	0	0	13
Door Closers	*19	10	0.0 %	0	0	0	0	0	19
Furniture - Outdoor A	*3	5	0.0 %	0	0	0	0	0	3
Garbage Bins	*5	7	0.0 %	0	0	0	0	0	5
Heat, Light & Exhaust Units	*20	10	0.0 %	0	0	0	0	0	20
Hot Water Systems	*411	20	0.0 %	0	0	0	0	0	411
Light Shades	*3	5	0.0 %	0	0	0	0	0	3
Ovens	*158	12	0.0 %	0	0	0	0	0	158
Sewage Treatments Assets - Control & Motors	*64	8	0.0 %	0	0	0	0	0	64
Smoke Alarms	*74	20	0.0 %	0	0	0	0	0	74
Spa Bath Pumps	*166	20	0.0 %	0	0	0	0	0	166
Swimming Pool - Cleaners	*46	13	0.0 %	0	0	0	0	0	46
Swimming Pool & Spa - Filtration, Chlorinator & Pump	*383	13	0.0 %	0	0	0	0	0	383
Swimming Pool & Spa - Heaters Solar	*439	13	0.0 %	0	0	0	0	0	439
Subtotal	0			0	0	0	0	0	2,725
Additional Unit Specific									
Air Conditioner - Split Systems (18-Dec-16)	*858	10	0.0 %	0	0	0	0	0	0
Ceiling Fans (18-Dec-16)	*1,200	5	0.0 %	0	0	0	0	0	0
Cooktops (18-Dec-16)	*600	12	0.0 %	0	0	0	0	0	0
Rangehoods (18-Dec-16)	*500	12	0.0 %	0	0	0	0	0	0
Subtotal	0			0	0	0	0	0	0
Total - pooled items	0			0	0	0	0	0	2,725

Items marked by an * are allocated to the low-value pool in later years.

Diminishing value method pooling schedule (years 16 - 20)

Tax grouping	Total cost @ Pooling start (\$)	Effective life (Years)	Basic rate (DV)	Depreciation allowance					TWDV @ 1-Jul-20 (\$)
				1-Jul-15 30-Jun-16 Year 16 (\$)	1-Jul-16 30-Jun-17 Year 17 (\$)	1-Jul-17 30-Jun-18 Year 18 (\$)	1-Jul-18 30-Jun-19 Year 19 (\$)	1-Jul-19 30-Jun-20 Year 20 (\$)	
Division 40 - plant & equipment (Pooling rates)									
Existing Unit Specific									
Air Conditioner - Room Units	39	10	37.5 %	15	9	6	3	2	4
Automatic Garage Door - Controls	0	5	0.0 %	0	0	0	0	0	0
Automatic Garage Door - Motors	57	10	37.5 %	21	14	8	5	3	6
Bathroom Accessories - Freestanding	0	5	0.0 %	0	0	0	0	0	0
Blinds	465	20	37.5 %	174	109	68	43	27	44
Carpet	360	10	37.5 %	135	84	53	33	21	34
Curtains	13	7	37.5 %	5	3	2	1	1	1
Door Closers	19	10	37.5 %	7	5	3	2	1	1
Furniture - Outdoor A	3	5	37.5 %	1	1	1	0	0	0
Garbage Bins	5	7	37.5 %	2	1	1	1	0	0
Heat, Light & Exhaust Units	20	10	37.5 %	8	5	3	2	1	1
Hot Water Systems	411	20	37.5 %	154	96	60	38	24	39
Light Shades	3	5	37.5 %	1	1	1	0	0	0
Ovens	158	12	37.5 %	59	37	23	15	9	15
Sewage Treatments Assets - Control & Motors	64	8	37.5 %	24	15	9	6	4	6
Smoke Alarms	74	20	37.5 %	28	17	11	7	4	7
Spa Bath Pumps	166	20	37.5 %	62	39	24	15	10	16
Swimming Pool - Cleaners	46	13	37.5 %	17	11	7	4	3	4
Swimming Pool & Spa - Filtration, Chlorinator & Pump	383	13	37.5 %	144	90	56	35	22	36
Swimming Pool & Spa - Heaters Solar	439	13	37.5 %	165	103	64	40	25	42
Subtotal	2,725			1,022	640	400	250	157	256
Additional Unit Specific									
Air Conditioner - Split Systems (18-Dec-16)	*858	10	37.5 %	0	0	0	0	322	536
Ceiling Fans (18-Dec-16)	*1,200	5	37.5 %	0	225	366	228	143	238
Cooktops (18-Dec-16)	*600	12	37.5 %	0	113	183	114	71	119
Rangehoods (18-Dec-16)	*500	12	37.5 %	0	94	152	95	60	99
Subtotal	0			0	432	701	437	596	992
Total - pooled items	2,725			1,022	1,072	1,101	687	753	1,248

Items marked by an * are allocated to the low-value pool in later years.

Diminishing value method pooling schedule (years 21 - 25)

Tax grouping	Total cost @ Pooling start (\$)	Effective life (Years)	Basic rate (DV)	Depreciation allowance					TWDV @ 1-Jul-25 (\$)
				1-Jul-20 30-Jun-21 Year 21 (\$)	1-Jul-21 30-Jun-22 Year 22 (\$)	1-Jul-22 30-Jun-23 Year 23 (\$)	1-Jul-23 30-Jun-24 Year 24 (\$)	1-Jul-24 30-Jun-25 Year 25 (\$)	
Division 40 - plant & equipment (Pooling rates)									
Existing Unit Specific									
Air Conditioner - Room Units	4	10	37.5 %	2	1	1	0	0	0
Automatic Garage Door - Controls	0	5	0.0 %	0	0	0	0	0	0
Automatic Garage Door - Motors	6	10	37.5 %	2	2	1	1	0	0
Bathroom Accessories - Freestanding	0	5	0.0 %	0	0	0	0	0	0
Blinds	44	20	37.5 %	17	10	6	4	3	4
Carpet	34	10	37.5 %	13	8	5	3	2	3
Curtains	1	7	37.5 %	1	0	0	0	0	0
Door Closers	1	10	37.5 %	1	0	0	0	0	0
Furniture - Outdoor A	0	5	0.0 %	0	0	0	0	0	0
Garbage Bins	0	7	0.0 %	0	0	0	0	0	0
Heat, Light & Exhaust Units	1	10	37.5 %	1	0	0	0	0	0
Hot Water Systems	39	20	37.5 %	15	9	6	3	2	4
Light Shades	0	5	0.0 %	0	0	0	0	0	0
Ovens	15	12	37.5 %	6	3	2	2	1	1
Sewage Treatments Assets - Control & Motors	6	8	37.5 %	2	2	1	1	0	0
Smoke Alarms	7	20	37.5 %	3	2	1	1	0	0
Spa Bath Pumps	16	20	37.5 %	6	4	2	2	1	1
Swimming Pool - Cleaners	4	13	37.5 %	2	1	1	0	0	0
Swimming Pool & Spa - Filtration, Chlorinator & Pump	36	13	37.5 %	14	8	5	3	2	4
Swimming Pool & Spa - Heaters Solar	42	13	37.5 %	16	10	6	4	2	4
Subtotal	256			101	60	37	24	13	21
Additional Unit Specific									
Air Conditioner - Split Systems (18-Dec-16)	536	10	37.5 %	201	126	78	49	31	51
Ceiling Fans (18-Dec-16)	238	5	37.5 %	89	56	35	22	14	22
Cooktops (18-Dec-16)	119	12	37.5 %	45	28	17	11	7	11
Rangehoods (18-Dec-16)	99	12	37.5 %	37	23	15	9	6	9
Subtotal	992			372	233	145	91	58	93
Total - pooled items	1,248			473	293	182	115	71	114

Items marked by an * are allocated to the low-value pool in later years.

Prime cost method schedule (years 1 - 5)

Tax grouping	Total cost @ 2-Oct-00 (\$)	Effective life (Years)	Basic rate (PC)	Depreciation allowance					TWDV @ 1-Jul-05 (\$)
				2-Oct-00 30-Jun-01 Year 1 (\$)	1-Jul-01 30-Jun-02 Year 2 (\$)	1-Jul-02 30-Jun-03 Year 3 (\$)	1-Jul-03 30-Jun-04 Year 4 (\$)	1-Jul-04 30-Jun-05 Year 5 (\$)	
Division 40 - plant & equipment (Effective life rates)									
Existing Unit Specific									
Air Conditioner - Room Units	432	10	10.0 %	32	43	43	43	43	228
Automatic Garage Door - Controls	158	5	20.0 %	24	32	32	32	32	6
Automatic Garage Door - Motors	628	10	10.0 %	47	63	63	63	63	329
Bathroom Accessories - Freestanding	188	5	20.0 %	28	38	38	38	38	8
Blinds	1,469	20	5.0 %	55	73	73	73	73	1,122
Carpet	3,945	10	10.0 %	294	395	395	395	395	2,071
Curtains	545	7	15.0 %	61	82	82	82	82	156
Door Closers	205	10	10.0 %	15	21	21	21	21	106
Furniture - Outdoor A	620	5	20.0 %	92	124	124	124	124	32
Garbage Bins	244	7	15.0 %	27	37	37	37	37	69
Heat, Light & Exhaust Units	224	10	10.0 %	17	22	22	22	22	119
Hot Water Systems	1,293	20	5.0 %	48	65	65	65	65	985
Light Shades	605	5	20.0 %	90	121	121	121	121	31
Ovens	1,139	12	8.3 %	71	95	95	95	95	688
Sewage Treatments Assets - Control & Motors	1,375	8	12.5 %	128	172	172	172	172	559
Smoke Alarms	235	20	5.0 %	9	12	12	12	12	178
Spa Bath Pumps	522	20	5.0 %	19	26	26	26	26	399
Swimming Pool - Cleaners	275	13	7.5 %	15	21	21	21	21	176
Swimming Pool & Spa - Filtration, Chlorinator & Pump	2,233	13	7.5 %	125	167	167	167	167	1,440
Swimming Pool & Spa - Heaters Solar	2,553	13	7.5 %	143	191	191	191	191	1,646
Subtotal	18,888			1,340	1,800	1,800	1,800	1,800	10,348
Additional Unit Specific									
Air Conditioner - Split Systems (18-Dec-16)	1,500	10	10.0 %	0	0	0	0	0	1,500
Ceiling Fans (18-Dec-16)	1,200	5	20.0 %	0	0	0	0	0	1,200
Cooktops (18-Dec-16)	600	12	8.3 %	0	0	0	0	0	600
Rangehoods (18-Dec-16)	500	12	8.3 %	0	0	0	0	0	500
Subtotal	3,800			0	0	0	0	0	3,800
Total division 40 - effective life rate	22,688			1,340	1,800	1,800	1,800	1,800	14,148
Division 43 - capital works allowance									
Total division 43 (Page 12)	91,112			1,704	2,278	2,278	2,278	2,278	80,296
Total depreciation	113,800			3,044	4,078	4,078	4,078	4,078	94,444

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Prime cost method schedule (years 6 - 10)

Tax grouping	Total cost @ 1-Jul-05 (\$)	Effective life (Years)	Basic rate (PC)	Depreciation allowance					TWDV @ 1-Jul-10 (\$)
				1-Jul-05 30-Jun-06 Year 6 (\$)	1-Jul-06 30-Jun-07 Year 7 (\$)	1-Jul-07 30-Jun-08 Year 8 (\$)	1-Jul-08 30-Jun-09 Year 9 (\$)	1-Jul-09 30-Jun-10 Year 10 (\$)	
Division 40 - plant & equipment (Effective life rates)									
Existing Unit Specific									
Air Conditioner - Room Units	228	10	10.0 %	43	43	43	43	43	13
Automatic Garage Door - Controls	6	5	20.0 %	6	0	0	0	0	0
Automatic Garage Door - Motors	329	10	10.0 %	63	63	63	63	63	14
Bathroom Accessories - Freestanding	8	5	20.0 %	8	0	0	0	0	0
Blinds	1,122	20	5.0 %	73	73	73	73	73	757
Carpet	2,071	10	10.0 %	395	395	395	395	395	96
Curtains	156	7	15.0 %	82	74	0	0	0	0
Door Closers	106	10	10.0 %	21	21	21	21	21	1
Furniture - Outdoor A	32	5	20.0 %	32	0	0	0	0	0
Garbage Bins	69	7	15.0 %	37	32	0	0	0	0
Heat, Light & Exhaust Units	119	10	10.0 %	22	22	22	22	22	9
Hot Water Systems	985	20	5.0 %	65	65	65	65	65	660
Light Shades	31	5	20.0 %	31	0	0	0	0	0
Ovens	688	12	8.3 %	95	95	95	95	95	213
Sewage Treatments Assets - Control & Motors	559	8	12.5 %	172	172	172	43	0	0
Smoke Alarms	178	20	5.0 %	12	12	12	12	12	118
Spa Bath Pumps	399	20	5.0 %	26	26	26	26	26	269
Swimming Pool - Cleaners	176	13	7.5 %	21	21	21	21	21	71
Swimming Pool & Spa - Filtration, Chlorinator & Pump	1,440	13	7.5 %	167	167	167	167	167	605
Swimming Pool & Spa - Heaters Solar	1,646	13	7.5 %	191	191	191	191	191	691
Subtotal	10,348			1,562	1,472	1,366	1,237	1,194	3,517
Additional Unit Specific									
Air Conditioner - Split Systems (18-Dec-16)	1,500	10	10.0 %	0	0	0	0	0	1,500
Ceiling Fans (18-Dec-16)	1,200	5	20.0 %	0	0	0	0	0	1,200
Cooktops (18-Dec-16)	600	12	8.3 %	0	0	0	0	0	600
Rangehoods (18-Dec-16)	500	12	8.3 %	0	0	0	0	0	500
Subtotal	3,800			0	0	0	0	0	3,800
Total division 40 - effective life rate	14,148			1,562	1,472	1,366	1,237	1,194	7,317
Division 43 - capital works allowance									
Total division 43 (Page 12)	80,296			2,278	2,278	2,278	2,278	2,278	68,906
Total depreciation	94,444			3,840	3,750	3,644	3,515	3,472	76,223

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Prime cost method schedule (years 11 - 15)

Tax grouping	Total cost @ 1-Jul-10 (\$)	Effective life (Years)	Basic rate (PC)	Depreciation allowance					TWDV @ 1-Jul-15 (\$)
				1-Jul-10 30-Jun-11 Year 11 (\$)	1-Jul-11 30-Jun-12 Year 12 (\$)	1-Jul-12 30-Jun-13 Year 13 (\$)	1-Jul-13 30-Jun-14 Year 14 (\$)	1-Jul-14 30-Jun-15 Year 15 (\$)	
Division 40 - plant & equipment (Effective life rates)									
Existing Unit Specific									
Air Conditioner - Room Units	13	10	10.0 %	13	0	0	0	0	0
Automatic Garage Door - Controls	0	5	20.0 %	0	0	0	0	0	0
Automatic Garage Door - Motors	14	10	10.0 %	14	0	0	0	0	0
Bathroom Accessories - Freestanding	0	5	20.0 %	0	0	0	0	0	0
Blinds	757	20	5.0 %	73	73	73	73	73	392
Carpet	96	10	10.0 %	96	0	0	0	0	0
Curtains	0	7	15.0 %	0	0	0	0	0	0
Door Closers	1	10	10.0 %	1	0	0	0	0	0
Furniture - Outdoor A	0	5	20.0 %	0	0	0	0	0	0
Garbage Bins	0	7	15.0 %	0	0	0	0	0	0
Heat, Light & Exhaust Units	9	10	10.0 %	9	0	0	0	0	0
Hot Water Systems	660	20	5.0 %	65	65	65	65	65	335
Light Shades	0	5	20.0 %	0	0	0	0	0	0
Ovens	213	12	8.3 %	95	95	23	0	0	0
Sewage Treatments Assets - Control & Motors	0	8	12.5 %	0	0	0	0	0	0
Smoke Alarms	118	20	5.0 %	12	12	12	12	12	58
Spa Bath Pumps	269	20	5.0 %	26	26	26	26	26	139
Swimming Pool - Cleaners	71	13	7.5 %	21	21	21	8	0	0
Swimming Pool & Spa - Filtration, Chlorinator & Pump	605	13	7.5 %	167	167	167	104	0	0
Swimming Pool & Spa - Heaters Solar	691	13	7.5 %	191	191	191	118	0	0
Subtotal	3,517			783	650	578	406	176	924
Additional Unit Specific									
Air Conditioner - Split Systems (18-Dec-16)	1,500	10	10.0 %	0	0	0	0	0	1,500
Ceiling Fans (18-Dec-16)	1,200	5	20.0 %	0	0	0	0	0	1,200
Cooktops (18-Dec-16)	600	12	8.3 %	0	0	0	0	0	600
Rangehoods (18-Dec-16)	500	12	8.3 %	0	0	0	0	0	500
Subtotal	3,800			0	0	0	0	0	3,800
Total division 40 - effective life rate	7,317			783	650	578	406	176	4,724
Division 43 - capital works allowance									
Total division 43 (Page 12)	68,906			2,278	2,278	2,278	2,278	2,278	57,516
Total depreciation	76,223			3,061	2,928	2,856	2,684	2,454	62,240

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Prime cost method schedule (years 16 - 20)

Tax grouping	Total cost @ 1-Jul-15 (\$)	Effective life (Years)	Basic rate (PC)	Depreciation allowance					TWDV @ 1-Jul-20 (\$)
				1-Jul-15 30-Jun-16 Year 16 (\$)	1-Jul-16 30-Jun-17 Year 17 (\$)	1-Jul-17 30-Jun-18 Year 18 (\$)	1-Jul-18 30-Jun-19 Year 19 (\$)	1-Jul-19 30-Jun-20 Year 20 (\$)	
Division 40 - plant & equipment (Effective life rates)									
Existing Unit Specific									
Air Conditioner - Room Units	0	10	10.0 %	0	0	0	0	0	0
Automatic Garage Door - Controls	0	5	20.0 %	0	0	0	0	0	0
Automatic Garage Door - Motors	0	10	10.0 %	0	0	0	0	0	0
Bathroom Accessories - Freestanding	0	5	20.0 %	0	0	0	0	0	0
Blinds	392	20	5.0 %	73	73	73	73	73	27
Carpet	0	10	10.0 %	0	0	0	0	0	0
Curtains	0	7	15.0 %	0	0	0	0	0	0
Door Closers	0	10	10.0 %	0	0	0	0	0	0
Furniture - Outdoor A	0	5	20.0 %	0	0	0	0	0	0
Garbage Bins	0	7	15.0 %	0	0	0	0	0	0
Heat, Light & Exhaust Units	0	10	10.0 %	0	0	0	0	0	0
Hot Water Systems	335	20	5.0 %	65	65	65	65	65	10
Light Shades	0	5	20.0 %	0	0	0	0	0	0
Ovens	0	12	8.3 %	0	0	0	0	0	0
Sewage Treatments Assets - Control & Motors	0	8	12.5 %	0	0	0	0	0	0
Smoke Alarms	58	20	5.0 %	12	12	12	12	10	0
Spa Bath Pumps	139	20	5.0 %	26	26	26	26	26	9
Swimming Pool - Cleaners	0	13	7.5 %	0	0	0	0	0	0
Swimming Pool & Spa - Filtration, Chlorinator & Pump	0	13	7.5 %	0	0	0	0	0	0
Swimming Pool & Spa - Heaters Solar	0	13	7.5 %	0	0	0	0	0	0
Subtotal	924			176	176	176	176	174	46
Additional Unit Specific									
Air Conditioner - Split Systems (18-Dec-16)	1,500	10	10.0 %	0	80	150	150	150	970
Ceiling Fans (18-Dec-16)	1,200	5	20.0 %	0	128	240	240	240	352
Cooktops (18-Dec-16)	600	12	8.3 %	0	27	50	50	50	423
Rangehoods (18-Dec-16)	500	12	8.3 %	0	22	42	42	42	352
Subtotal	3,800			0	257	482	482	482	2,097
Total division 40 - effective life rate	4,724			176	433	658	658	656	2,143
Division 43 - capital works allowance									
Total division 43 (Page 12)	57,516			2,278	2,278	2,278	2,278	2,278	46,126
Total depreciation	62,240			2,454	2,711	2,936	2,936	2,934	48,269

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Prime cost method schedule (years 21 - 25)

Tax grouping	Total cost @ 1-Jul-20 (\$)	Effective life (Years)	Basic rate (PC)	Depreciation allowance					TWDV @ 1-Jul-25 (\$)
				1-Jul-20 30-Jun-21 Year 21 (\$)	1-Jul-21 30-Jun-22 Year 22 (\$)	1-Jul-22 30-Jun-23 Year 23 (\$)	1-Jul-23 30-Jun-24 Year 24 (\$)	1-Jul-24 30-Jun-25 Year 25 (\$)	
Division 40 - plant & equipment (Effective life rates)									
Existing Unit Specific									
Air Conditioner - Room Units	0	10	10.0 %	0	0	0	0	0	0
Automatic Garage Door - Controls	0	5	20.0 %	0	0	0	0	0	0
Automatic Garage Door - Motors	0	10	10.0 %	0	0	0	0	0	0
Bathroom Accessories - Freestanding	0	5	20.0 %	0	0	0	0	0	0
Blinds	27	20	5.0 %	27	0	0	0	0	0
Carpet	0	10	10.0 %	0	0	0	0	0	0
Curtains	0	7	15.0 %	0	0	0	0	0	0
Door Closers	0	10	10.0 %	0	0	0	0	0	0
Furniture - Outdoor A	0	5	20.0 %	0	0	0	0	0	0
Garbage Bins	0	7	15.0 %	0	0	0	0	0	0
Heat, Light & Exhaust Units	0	10	10.0 %	0	0	0	0	0	0
Hot Water Systems	10	20	5.0 %	10	0	0	0	0	0
Light Shades	0	5	20.0 %	0	0	0	0	0	0
Ovens	0	12	8.3 %	0	0	0	0	0	0
Sewage Treatments Assets - Control & Motors	0	8	12.5 %	0	0	0	0	0	0
Smoke Alarms	0	20	5.0 %	0	0	0	0	0	0
Spa Bath Pumps	9	20	5.0 %	9	0	0	0	0	0
Swimming Pool - Cleaners	0	13	7.5 %	0	0	0	0	0	0
Swimming Pool & Spa - Filtration, Chlorinator & Pump	0	13	7.5 %	0	0	0	0	0	0
Swimming Pool & Spa - Heaters Solar	0	13	7.5 %	0	0	0	0	0	0
Subtotal	46			46	0	0	0	0	0
Additional Unit Specific									
Air Conditioner - Split Systems (18-Dec-16)	970	10	10.0 %	150	150	150	150	150	220
Ceiling Fans (18-Dec-16)	352	5	20.0 %	240	112	0	0	0	0
Cooktops (18-Dec-16)	423	12	8.3 %	50	50	50	50	50	173
Rangehoods (18-Dec-16)	352	12	8.3 %	42	42	42	42	42	142
Subtotal	2,097			482	354	242	242	242	535
Total division 40 - effective life rate	2,143			528	354	242	242	242	535
Division 43 - capital works allowance									
Total division 43 (Page 12)	46,126			2,278	2,278	2,278	2,278	2,278	34,736
Total depreciation	48,269			2,806	2,632	2,520	2,520	2,520	35,271

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Grouped depreciation rates - diminishing value method

BMT Tax Depreciation has allocated each asset into a group based on their rate of depreciation. The following tables provide a summary of the total deductions available for each depreciation rate for both the diminishing value method and the prime cost method of depreciation. This may assist when entering depreciation into accounting software packages.

Basic rate (%)	Years				
	1-Jul-15 30-Jun-16 Year 16 (\$)	1-Jul-16 30-Jun-17 Year 17 (\$)	1-Jul-17 30-Jun-18 Year 18 (\$)	1-Jul-18 30-Jun-19 Year 19 (\$)	1-Jul-19 30-Jun-20 Year 20 (\$)
2.5	2,278	2,278	2,278	2,278	2,278
18.75	0	432	0	0	0
20	0	160	268	214	0
37.5	1,022	640	1,101	687	753
Total	3,300	3,510	3,647	3,179	3,031

Basic rate (%)	Years				
	1-Jul-20 30-Jun-21 Year 21 (\$)	1-Jul-21 30-Jun-22 Year 22 (\$)	1-Jul-22 30-Jun-23 Year 23 (\$)	1-Jul-23 30-Jun-24 Year 24 (\$)	1-Jul-24 30-Jun-25 Year 25 (\$)
2.5	2,278	2,278	2,278	2,278	2,278
18.75	0	0	0	0	0
20	0	0	0	0	0
37.5	473	293	182	115	71
Total	2,751	2,571	2,460	2,393	2,349

Grouped depreciation rates - prime cost method

Basic rate (%)	Years				
	1-Jul-15 30-Jun-16 Year 16 (\$)	1-Jul-16 30-Jun-17 Year 17 (\$)	1-Jul-17 30-Jun-18 Year 18 (\$)	1-Jul-18 30-Jun-19 Year 19 (\$)	1-Jul-19 30-Jun-20 Year 20 (\$)
2.5	2,278	2,278	2,278	2,278	2,278
5	176	176	176	176	174
8.33	0	49	92	92	92
10	0	80	150	150	150
20	0	128	240	240	240
Total	2,454	2,711	2,936	2,936	2,934

Basic rate (%)	Years				
	1-Jul-20 30-Jun-21 Year 21 (\$)	1-Jul-21 30-Jun-22 Year 22 (\$)	1-Jul-22 30-Jun-23 Year 23 (\$)	1-Jul-23 30-Jun-24 Year 24 (\$)	1-Jul-24 30-Jun-25 Year 25 (\$)
2.5	2,278	2,278	2,278	2,278	2,278
5	46	0	0	0	0
8.33	92	92	92	92	92
10	150	150	150	150	150
20	240	112	0	0	0
Total	2,806	2,632	2,520	2,520	2,520

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Glossary of terms

Building first use

Refers to a new property which has not been previously used. Capital works deductions can be claimed for forty years from the construction completion date. When a purchaser becomes the first owner of a brand new investment property, they are entitled to claim both the capital works deduction and depreciation of plant and equipment assets as long as they own the property and it is being used to produce income for a taxable purpose.

Building cost index

The building cost index is a statistical based method of measuring building price movements over time. It is a composite index with weighted factors on an industry-wide basis.

Division 40 - plant and equipment

Division 40 refers to the plant and equipment assets contained within the property. These assets are deemed to be mechanical or easily removed from the property as opposed to items that are permanently fixed to the structure of the building. These are assets which are also listed as recognised plant and equipment assets by the ATO. Unlike deductions available for division 43, depreciation of plant and equipment is not limited by its age. It is the condition and quality of each item as well as the individual effective life of the asset as set by the ATO which contributes to the depreciable amount. Examples of plant and equipment assets include carpet, blinds, ovens as well as less obvious items such as door closers.

For an easy way to search for all depreciable plant and equipment assets in residential properties download our app BMT Resi Rates. Alternatively, to search for plant and equipment assets in other property types download our app BMT Rate Finder. Both of these apps are available free of charge in the App Store™ and Google Play™.

Division 43

Division 43 refers to a deduction available for the structural element of a building and assets that are fixed to the building. This is commonly referred to as a capital works deduction. A deduction can be claimed for the building, structural improvements and fixed assets of a property at a rate of either 2.5 per cent or 4 per cent each year depending on the classification of the property's use and the property's construction commencement date.

Current ATO legislation states that a property owner is eligible to claim a deduction for the division 43 on income producing properties that commenced construction after the 15th of September 1987 and the present time. The capital works deduction can only be claimed for a maximum of forty years after the construction completion date. Examples of assets that will qualify for division 43 include walls, roof, tiles, built in robes, cabinets, fixed bathroom fittings and vanities.

Property owners may also be able to claim building write-off for renovations that have been completed to a property, even if these renovations were completed by a previous owner of the property.

Diminishing value method

The diminishing value method is one of two methods used to claim depreciation for plant and equipment assets. Under the diminishing value method the decline in value is calculated using the asset's base value. The base value of an asset is, broadly, its cost plus any costs incurred on the asset since you first held it less the decline in value of the asset up to the end of the prior year.

The formulas for the diminishing value method are:

Diminishing value method				
For depreciating assets you started to hold on or after 10th May 2006				
Base value*	X	Days held ----- 365	X	200 per cent ----- asset's effective life
For depreciating assets you started to hold prior to 10th May 2006				
Base value*	X	Days held ----- 365	X	150 per cent ----- asset's effective life

* For the income year in which an asset is first used or installed ready for use for any purpose, the **base value** is the asset's cost. For a later income year, the base value is the asset's opening adjustable value plus any amounts included in the asset's second element of cost for that year.

This method assumes that the decline in value each year is a constant proportion of the amount not yet written off and produces a progressively smaller decline in value over time.

This method results in a higher rate of depreciation deductions in the first five to ten years of owning the property.

Once a method has been chosen, this cannot be changed. For this reason, it is recommended that the property owner consult with an Accountant or a Financial Adviser for advice on which method will best suit their individual investment strategy and to ensure the best results are obtained.

Effective life

The effective life of depreciable assets is set by the Tax Commissioner and is used to show how long an asset is likely to last and be effective. Legislation in place at the time this schedule is completed provides an effective life for each individual asset claimable as plant and equipment. The value of depreciation is determined based upon this effective life.

Immediate write-off

Individual assets which cost \$300 or less can usually be written off as an immediate deduction in the year of their acquisition. This means an investor can claim 100 per cent of the value of an asset in the same financial year as its purchase so long as the asset meets certain criteria as set by the ATO.

To be eligible for the immediate write-off, an asset must be used for the purpose of producing assessable income that was not income from carrying out a business. The asset also cannot be part of a set of assets acquired in the income year that together cost more than \$300. The cost of individual assets that have been acquired after the 1st of July 2001 that are the same asset type (or are considered to be identical or substantially identical in accordance with ATO legislation) must be added together when applying the \$300 threshold. If their combined total cost is more than \$300, they cannot be written off in the year of purchase (unless there are multiple owners and their interest in the asset is less than \$300). Alternatively, you may be able to allocate the asset to a low-value pool.

Low-value pooling

From 1 July 2000, an optional low-value pooling arrangement for plant was introduced. This applied to certain plant and equipment costing less than \$1,000 or having an undeducted cost of less than \$1,000.

Under Uniform Capital Allowance (UCA) rules, you can allocate low-cost assets and low value assets to a low-value pool.

You work out the decline in value of an asset you hold jointly with others based on the cost of your interest in the asset. This means if you hold an asset jointly and the cost of your interest in the asset or the opening adjustable value of your interest is less than \$1,000, you can allocate your interest in the asset to your low-value pool. Once you choose to create a low-value pool and allocate a low-cost asset to it, you must pool all other low-cost assets you start to hold in that income year and in later income years. However, this rule does not apply to low-value assets. You can decide whether to allocate low-value assets to the pool on an asset-by-asset basis.

Assets which are placed into a low-value pool are able to be claimed by the property owner at an accelerated rate of 18.75 per cent in the year of purchase and 37.5 per cent every year thereafter.

Low-cost assets

A low-cost asset is a depreciable asset that has an opening value of less than \$1,000 in the year of acquisition.

Low-value assets

A low-value asset is a depreciable asset that has a written down value of less than \$1,000. That is, the value of the asset may have been greater than \$1,000 in the year of acquisition however the value remaining after a previous year's depreciation deduction is less than \$1,000.

Non-depreciable components

Examples of non-depreciable components include land value, market premiums, rates, taxes, holding costs and assets which have not been deemed to be depreciable according to current legislation, for example soft landscaping.

Preliminaries

Construction preliminaries refers to the associated expenses or costs that contractors incur in the completion of a project, for example a site office or temporary fencing, rather than the actual materials and fees used during construction such as bricks and mortar and labour costs.

Prime cost method

The prime cost method is one of two methods used to claim depreciation for plant and equipment. Under the prime cost method the decline in value is generally calculated as a constant percentage of the asset's cost and reflects a uniform decline in value over time. The formula is:

Prime cost method				
Asset's cost	X	Days held ----- 365	X	100 per cent ----- asset's effective life

* The cost of an asset includes both the amount you pay for it as well as any additional amounts you spend on transporting it and installing it. Cost also includes amounts you spend on improving the asset.

Once a method has been chosen, this cannot be changed. For this reason, it is recommended that the property owner consult with an Accountant or a Financial Adviser for advice on which method will best suit their individual investment strategy and to ensure the best results are obtained.

Pro-rata calculations

Pro-rata calculations are used to show a portion of a total quantity. When an investment property is rented partway through a year, capital works deductions and plant and equipment depreciation deductions are required to be based on a pro-rata calculation of the time that the property (or asset acquired and installed within the property) was income producing.

Substantial renovations

Substantial renovations of a building is defined under Section 195-1 of the GST Act as renovations in which all, or substantially all, of a building is removed or replaced. However, the renovations need not involve removal or replacement of foundations, external walls, interior supporting walls, floors, roof or staircases.

Split report

Ownership structures influence how depreciation deductions are calculated. Properties with multiple owners can create a complex tax situation. A BMT Tax Depreciation Schedule makes the process easier for Accountants by splitting depreciation deductions to ensure the owners' claims are maximised. BMT Tax Depreciation can take into account any number of owners and ownership percentages from two owners at 60:40 or even four owners at 70:15:10:5.

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