MELBOURNE ACCOUNTING PARTNERS

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Rental Property Checklist

Rental properties are one of the ATO's top audit targets — and also where the most deductions get missed. This checklist walks you through every cost a landlord can incur, so nothing is forgotten and everything we claim can be substantiated.

Complete one form for each property you own.

1. Property Details

Property address	
Owner #1 and % ownership	
Owner #2 and % ownership	
Owner #3 and % ownership	
Owner #4 and % ownership	
Is this the first year we've done this property?	
Date property first earned renal income	
Was the property rented for the whole year? If not, what happened?	
No. of weeks property was rented this year	
No. of weeks property was available for rent this year	
Acquisition date and purchase price of the property	

Property Ownership:

☐ I owned this property before 7:30pm on 12 May 2026 (grandfathered)

☐ I bought after that date — it is an eligible new build

☐ I bought after that date — it is an established property

☐ Not sure — please check for me

Do we hold your property contract of sale and settlement statement?

We need to keep these documents on file when you eventually sell. Most people can't find the contract 5, 10 or 20 years later — and without it, calculating the capital gain becomes slow, expensive and guesswork.

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- You already have my contract of sale and settlement statement on file
- I'll email them to you
- I can't find them — (Recommended that you use this opportunity to reach out to your conveyancer and ask them if they have a copy on file).

2. Rental Income

Income	Refer to agent Annual summary	Amount ($)
Gross rent received for the year	☐	
Other Income (i.e. Insurance payout & Tenant contribution)	☐	

3. Mortgage Interest, Bank Fee & Borrowing Cost

Usually the single biggest deduction on a rental property.

Expense	Amount ($)
INTEREST: Double check you have all the interest (could be split loan, refinanced to another bank mid-year).	
BANK FEES & CHARTGES: Loan & offset accounts monthly fee / Bank annual package fee / Discharge of mortgage fee	
BROKAGE FEES: Commissions or fees paid to the mortgage broker	
LENDERS MORTGAGE INSURANCE (LMI): Tell us the amount and date, it's depreciable over 5 years	
BORROWING COST: Loan application fee, valuation fee, title search fee for the mortgage loan	

4. Do you have a Property Tax Depreciation Schedule

Yes, I do. I will email it to you.	☐
No, it's usually recommended to buy one as they last for 40 years.	☐

5. Ongoing Property Expenses

Expense	Refer to agent Annual summary	Amount ($)
Agent's commissions / management fees	☐	
Agent's letting fee	☐	
Agent's lease renewal fee	☐	
Agent's statement fee & postage	☐	

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Advertising for tenants	☐	
Body corporate fees	☐	
Council rates	☐	
Cleaning & rubbish removal	☐	
Gardening, lawn mowing & tree lopping	☐	
Insurance (building & landlord insurance)	☐	
Land tax (please contact SRO for the assessment notice)	☐	
Legal fee	☐	
Pest control	☐	
Repairs and maintenance: (small amounts only)		
- **Plumbing**	☐	
- **Electrical repairs**	☐	
- **Carpet repairs**	☐	
- **General repair & maintenance**	☐	
- **Smoke alarm maintenance**	☐	
- **Compliance & safety checks**	☐	
- **Keys, locks & entrance cards**	☐	
- **Purchase of various materials**	☐	
Travel expense	☐	
Water charges	☐	
Others	☐	
Sundry expenses	☐	

Large repairs and maintenance, capital works & newly purchased appliances (renovations for capital improvement), other expenses or notes to add.

For each one: what was done, the date & the cost; please email us any large invoices to store on file.

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6. What to Send Us

Tick off what you're sending — the more we have, the more we can claim and refund.

- Annual rental income & expense summary report from the real estate agent
- Invoices for all repairs, maintenance and improvements over $300 (the rest you keep on file for record keeping)
- Depreciation schedule from the quantity surveyor (if you have one)
- Contract of sale and settlement statement from your PURCHASE (even if that was years ago — we'll keep it on file for when you sell)
- New clients only – Send prior year tax return prepared by the previous tax agent to us. We need to ensure any depreciated items / capital work deductions are carried across.

Declaration

I declare that the information I have provided in this questionnaire is true and correct to the best of my knowledge. I declare I have the necessary receipts and other records (or can obtain the necessary written evidence within a reasonable time) to support my claims.

☐ I agree

Full name	
Signature	
Date	

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Explanations for commonly asked questions

Contract of Sale with the Acquisition of Property

Why we want these on file now, not in 10 years

What we need: the contract of sale and the settlement statement from when you PURCHASED the property (not just when you sell).

Why it matters: when you sell, your capital gain is the sale price less your cost base — and your cost base includes the original purchase price, stamp duty, legal fees and buying costs. Those numbers live in the purchase documents. Without them we're estimating, which can mean paying more CGT than you need to, or holding up your return while your conveyancer digs through archives.

The other reason (new): the negative gearing rules now depend on WHEN you bought — see the box below. Your purchase date and contract date are the evidence.

Negative gearing changes from the 2026 – 27 Federal Budget

How the new rules affect this property

What was announced: on 12 May 2026, as part of the 2026–27 Federal Budget, the Government announced that negative gearing for residential property investment will be limited to new builds. These measures are now law and apply from 1 July 2027. The 50% CGT discount is also being replaced with cost base indexation plus a 30% minimum tax rate on capital gains.

The critical date: properties HELD at 7:30pm AEST on 12 May 2026 are exempt from the negative gearing changes and continue under the existing rules. So the date you bought — and the date on your contract — now directly determines how this property is taxed.

What it means for you: if you owned this property before 7:30pm on 12 May 2026, nothing changes for you. If you bought after that date and it isn't an eligible new build, from 1 July 2027 rental losses can no longer be offset against your salary or other income — they'll be carried forward against future rental income or capital gains instead.

The CGT change: applies only to gains that accrue after 1 July 2027, so gains built up before then keep the existing treatment.

What we need from you: confirm the purchase date and contract date above. If you're considering buying another property, talk to us first — the timing now materially changes the after-tax outcome.

Read more: [ATO: Reforming negative gearing and capital gains tax]

Understanding the difference between Repairs, Maintenance & Improvements

This is the section clients get wrong most often — and the one that costs the most when it's wrong. Read the box below before you fill it in.

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Understand the difference: Repairs vs Capital Improvements

Repairs & maintenance (claim it all this year): fixing something that broke or wore out while the property was rented, and returning it to its original condition. Replacing a few broken roof tiles, fixing a leaking tap, repainting a scuffed wall, mending a fence panel. Fully deductible in the year you pay.

Capital improvements (claimed slowly over many years): making the property better than it was, not just working again. A new kitchen, a bathroom renovation, an extension, a new deck, a whole new fence. These are 'capital works' — generally deducted at 2.5% a year over 40 years.

Plant & equipment (depreciated separately): removable items like ovens, dishwashers, air conditioners, carpets, blinds and hot water systems. These decline in value over their own effective lives.

The trap most people hit: repairs done to fix damage that existed WHEN YOU BOUGHT the property ('initial repairs') are NOT immediately deductible — even if they look like ordinary repairs. They're capital. So if you fixed things up before the first tenant moved in, tell us the dates.

Read more:

Client story: why Maria's two jobs were treated completely differently

Maria spent $18,000 on her rental property last year. It felt like one big bill, but it was really two very different things:

Job 1 — the storm blew down two fence panels and cracked a window. She replaced the panels and the glass, matching what was already there. That's a repair: fixing damage that happened while the property was rented, returning it to original condition.

Job 2 — she ripped out the tired 1990s kitchen and installed a brand new one. That's not fixing something, it's improving it. Capital works.

Job 1 — fence panels and window repair	$3,000
Claimed in full this year	**$3,000**
Job 2 — new kitchen (capital works)	$15,000
Claimed this year at 2.5%	**$375**

Same invoice pile, wildly different treatment. Over 40 years Maria still claims the full $15,000 kitchen — she just can't have it all at once.

This is why we ask for detail, not just a total. Tell us WHAT was done and WHEN, and send the invoices — we'll work out the correct treatment and make sure nothing is missed.

Understanding Depreciation & Capital Works Deductions

Free money that most landlords leave on the table — because it doesn't come out of your pocket each year, so nobody thinks to claim it.

Do you have a depreciation schedule?

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What it is: a one-off report from a qualified quantity surveyor listing every depreciable item in your property and the building itself, with the deduction you can claim each year for the next 40 years. It typically costs $600–$800 — and that fee is itself tax deductible.

Why it matters: without one, we're guessing, and we can only claim what you can substantiate. With one, we claim the maximum every year for decades on the same one-off report.

Important 2017 rule: if you bought the property after 9 May 2017, you generally can't claim depreciation on second-hand plant and equipment (the previous owner's oven, carpets, blinds). But you CAN still claim capital works on the building structure, and you CAN claim any assets you bought brand new yourself. A schedule sorts out exactly what qualifies.

Read more: ATO: Second-hand depreciating assets

Client story: the $700 report that returned $9,000

Tom bought a 2015 built unit as an investment. He'd never heard of a depreciation schedule and assumed there was nothing to claim, since he wasn't spending anything on the building.

He paid a quantity surveyor $700 for a schedule. It found deductions he had no idea existed:

Capital works on the building (2.5% of construction cost)	$6,200 per year
Plant & equipment he purchased new (blinds, dishwasher)	$2,800 in year 1
Total deduction found in year 1	**$9,000**
Cost of the report (also deductible)	$700

At Tom's marginal tax rate, that first year alone put roughly $3,000 back in his pocket — and the schedule keeps working for the next 39 years.

If you don't have a schedule and your property was built after 1985 or has been renovated, it's almost always worth getting one. Ask us and we'll point you to a quantity surveyor.