

## Gifts to Tenants – are they deductible

In broad lay language, the basics of tax law says that if you spend money to generate income (rental), then you can claim the expense as a deduction against the rental income – where there is a direct income.

Landlords love tenants who pay their rent on time, stay for a long time in the property and look after the property.

Some landlords love tenants like this and in trying to minimise tenant turnover, they give them a small gift at Christmas. For example movie tickets.

In my opinion, you can claim as a deduction, the cost of these movie tickets or equivalent low cost gifts.

Based on the principle, if you estate agent is doing a good job and the landlord rewards them with a small gift, then the cost of that expense is also deductible.

Don't forget to get a receipt to substantiate the cost in case of a tax audit. But also to help you compile your information for your accountant at tax time.

Property Tax Specialists clients receive templates to help them compile their information before emailing it across to us to prepare their tax returns, This helps minimise our time and their cost of preparation.

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### ***Help available***

To make the compilation & reporting task for tax returns easier, clients of **Property Tax Specialists** received checklists and templates to facilitate the process ... **saving them time and money** ... the 'write' way is having clear **documentation**. ATO way means time/money wastage with possible audit investigation.

If you need help contact Shukri Barbara at Property Tax Specialists at [Shukri@propertytaxspecialists.com.au](mailto:Shukri@propertytaxspecialists.com.au)

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*We look forward to being of Service – helping you towards  
Prosperity & Peace of Mind*

Please do not hesitate to contact us if you would like to review & discuss your current property & tax situation, your asset protection strategy, structuring your next investment property, planning to legally minimise your tax position or just to prepare your next tax return.

We look forward to being of service. We also look forward to your referrals.

To improve our service we welcome all constructive comments on this newsletter and other materials.

For help contact **Shukri Barbara** at Property Tax Specialists at [Shukri@propertytaxspecialists.com.au](mailto:Shukri@propertytaxspecialists.com.au)

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### **Disclaimer**

The material and contents provided in this publication are informative in nature only. It is not intended to be advice and you should not act specifically on the basis of this information alone. If expert assistance is required, professional advice should be obtained.

Acknowledgement - parts of this newsletter have been taken from KnowledgeShop Pty Ltd client newsletters. Barbara & co – Property Tax Specialists is a member of the Knowledge Shop and Hayes Knight Network

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Kind Regards  
Shukri Barbara

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