

# **Creating wealth through property**

## Can I make money with a rental investment?

**Ever wondered what negative gearing means?** When you buy a rental investment property the tax system is favourable to it. This is because you include rental income minus all the deductions meaning it can increase your tax refund in the short term, while you earn capital growth on the property in the long term.

We can help you buy an investment property maximising your tax deductions and long term return.

Let say your rental income on a \$300,000 property is \$300 per week	\$300 x 52 weeks	\$15,600 a year
Less interest on the property loan	(\$300,000 x 0.7) x 0.06	-\$12,600
Less other rental property expenses like rates, water, ins, agent fees	\$5,000	-\$5,000
Less depreciation on the building \$150,000 at 2.5%	\$3,750	-\$3,750
Additional tax deductions	\$5,750	-\$5,750
Increased tax refund	\$2213.75	\$2213.75

### Depreciation on the property

This is calculated by a quantity surveyor and gives you thousands of \$\$\$ in future deductions. This report costs \$770 & is a valuable investment to maximise your deductions for many years.

### But can I afford this??

Some of the tax deductions shown in your tax return are not actually spent e.g. the depreciation.

On the above example the cash required per year to own the investment is	-\$2000
Don't forget your tax refunds make cashflow better too	\$2213.75
Actual cost per year on this property	\$213.75

And don't forget the property will increase in value in the longer term too!!

#### So what are you waiting for??

Buy the right property then wait for your net worth to increase. Most people don't get wealthy from work alone, they do from investments while they work. Don't forget you can't spend this money every day so we will guide you to the golden opportunity.

We take care of your depreciation report

We can help you obtain finance

Even help you insure and manage the property

Take our free financial x-ray to make sure you are heading to financial serenity

For more information visit http://www.taxaccountingadelaide.com/services/investment-property-owners/

Book in so we can help you start creating wealth through property on 83374460.

#### **Contact details**



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