



**SAMPLE 1 BEDROOM UNIT
THE DISCOVERY
AGNES WATERS, QLD
ESTIMATE OF CAPITAL ALLOWANCES**

This report was prepared to indicate the level of allowances available to a prospective purchaser under Divisions 40 and 43 of the Income Tax Assessment Act 1997. The estimate is based on the purchase price stated and on the proviso that the plant will not be sold at an agreed value in the contract of sale.

The estimates of depreciation allowances for plant under Division 40 of ITAA 1997 have been calculated on the effective life of each item of plant and based on a just attribution of the purchase price in accordance with Section 40.

The likely benefits are as follows:

DIMINISHING VALUE METHOD				
	Depreciation Allowances (Division 40)	Capital Works Allowances (Division 43)	Total Allowances	Cumulative Total
	\$	\$	\$	\$
Year 1	5,400	5,800	11,200	11,200
Year 2	4,300	5,800	10,100	21,300
Year 3	3,300	5,800	9,100	30,400
Year 4	2,900	5,800	8,700	39,100
Year 5	2,200	5,800	8,000	47,100
Year 6	2,000	5,800	7,800	54,900
Year 7	1,500	5,800	7,300	62,200
Year 8	1,100	5,800	6,900	69,100
Year 9	800	5,800	6,600	75,700
Year 10	700	5,800	6,500	82,200
Years 11-40	5,800	174,700	180,500	262,700
TOTAL	30,000	232,700	262,700	262,700

Basis of Calculations

- * Purchase Price **\$ 425,000**
- * Ownership for full financial year for first year claim.
- * 1 bedroom unit on level 1.
- * Assuming Diminishing Value Method of depreciation adopted.
- * Low cost items consigned to low value pool.
- * Non small business taxpayer status assumed.
- * Unit unfurnished.

This estimate of allowances does not satisfy the requirements of the Australian Tax Office for income tax returns. For further advice or detailed reports to suit your individual investment, please contact Wilde and Woollard.

Disclaimer

No responsibility can be accepted for errors, omissions or possibly misleading statements, or for any action taken as a result of any material in the above.

Information current at October 2006.

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