

THE AGENCY

A modern living room interior. A white sofa with a mustard yellow cushion sits against a light grey wall. Above the sofa are several framed art pieces, including a large one of a nude figure. A dark wood coffee table holds an open book, candles, and a small plant. A black chair is visible on the right. A gold lamp is on the left. A window with white curtains is on the far right.

TAX TIME IS COMING:
A SMARTER WAY FOR AUSTRALIAN
LANDLORDS AND INVESTORS TO PREPARE

As the end of the financial year approaches in Australia, tax time tends to trigger one of two reactions: a last-minute scramble or a quiet opportunity. The difference between the two often comes down to preparation.

Working with landlords' day in, day out, it's clear that those who treat tax time as a strategic checkpoint - not just an administrative task - consistently come out ahead.





It starts with a shift in mindset

Tax time isn't just about compliance with the Australian Taxation Office. It's a moment to step back and assess how your investment is performing, where money is being left on the table, and what can be done differently in the year ahead.

The most effective investors don't ask, "What do I owe?" They ask, "What can I optimise?"

Understand what you can (and should) claim

For property investors, the list of deductible expenses can be significant - but often underutilised.

Some of the most commonly overlooked areas include:

- Depreciation on the building and assets
- Loan interest and associated costs
- Property management fees
- Repairs vs improvements (knowing the difference matters)
- Travel (now limited, but still relevant in certain structures)

A well-prepared landlord doesn't just gather receipts in June - they've been tracking these consistently throughout the year

Maintenance: cost or strategy?

Maintenance is often viewed as a reactive expense, but from a tax perspective, timing matters.

Completing genuine repairs before June 30 can:

- Improve tenant satisfaction and retention
- Protect the long-term asset
- Potentially bring forward deductions into the current financial year

However, not all works are treated equally. There's a clear distinction between:

- Repairs (immediately deductible)
- Capital improvements (depreciated over time)

Getting this wrong can impact both your tax position and your cash flow.



Data tells a story... if you use it

By the time tax season arrives, you've accumulated a full year of performance data:

- Rental income trends
- Vacancy periods
- Maintenance spend
- Tenant turnover

This is where proactive landlords separate themselves. Instead of simply handing it over to an accountant, they ask:

- Was this a high-performing year?
- Where did we lose money unnecessarily?
- What can we tighten operationally?

Tax time becomes less about reporting history - and more about shaping the future.

Work with the right people

Your accountant plays a critical role, but so does your property manager.

A well-aligned property management team should:

- Ensure all expenses are correctly categorised
- Maintain clean, accessible records
- Flag opportunities (and risks) throughout the year - not just in June

The best outcomes happen when your accountant and property manager aren't working in silos.



Avoid the last-minute rush

Every year, the same pattern emerges: June becomes reactive.

But strong investors operate differently:

- They review their portfolio in April or May
- They identify opportunities to bring forward expenses where appropriate
- They ensure all documentation is complete and accurate

This approach removes pressure and replaces it with control.

Looking beyond this financial year

Tax time shouldn't just close the books - it should inform your next move. Ask yourself:

- Is this property still aligned with my long-term strategy?
- Should I be reinvesting, renovating, or restructuring?
- Am I maximising yield relative to the current market?

These are the conversations that move portfolios forward.

Use tax time as a checkpoint - not just a deadline.

Here are a few things worth considering over the coming weeks:

1. Have all deductible expenses been captured?

Items like management fees, maintenance, loan interest and depreciation can make a meaningful difference. Ensuring everything is accurately recorded ahead of time helps maximise your position when working with your accountant and the Australian Taxation Office.

2. Are there any maintenance items worth addressing before June 30?

If there are outstanding repairs, bringing these forward may not only improve your property's condition and tenant experience, but could also be beneficial from a tax perspective.

3. What story does your property tell this year?

Looking at your annual performance (income, vacancy, maintenance) can provide valuable insight. Were there missed opportunities? Are there areas we can improve together moving forward?

4. Are you set up for a smoother next financial year?

Strong outcomes at tax time often come down to consistent tracking and proactive management throughout the year - not just in June.





Use it (don't lose it!)

Tax time is one of the few moments in the year where every dollar is accounted for. That level of clarity is powerful - if you use it.

Handled well, it's not just about meeting obligations to the Australian Taxation Office.

It's about making sharper decisions, strengthening your asset, and setting yourself up for a stronger year ahead.



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