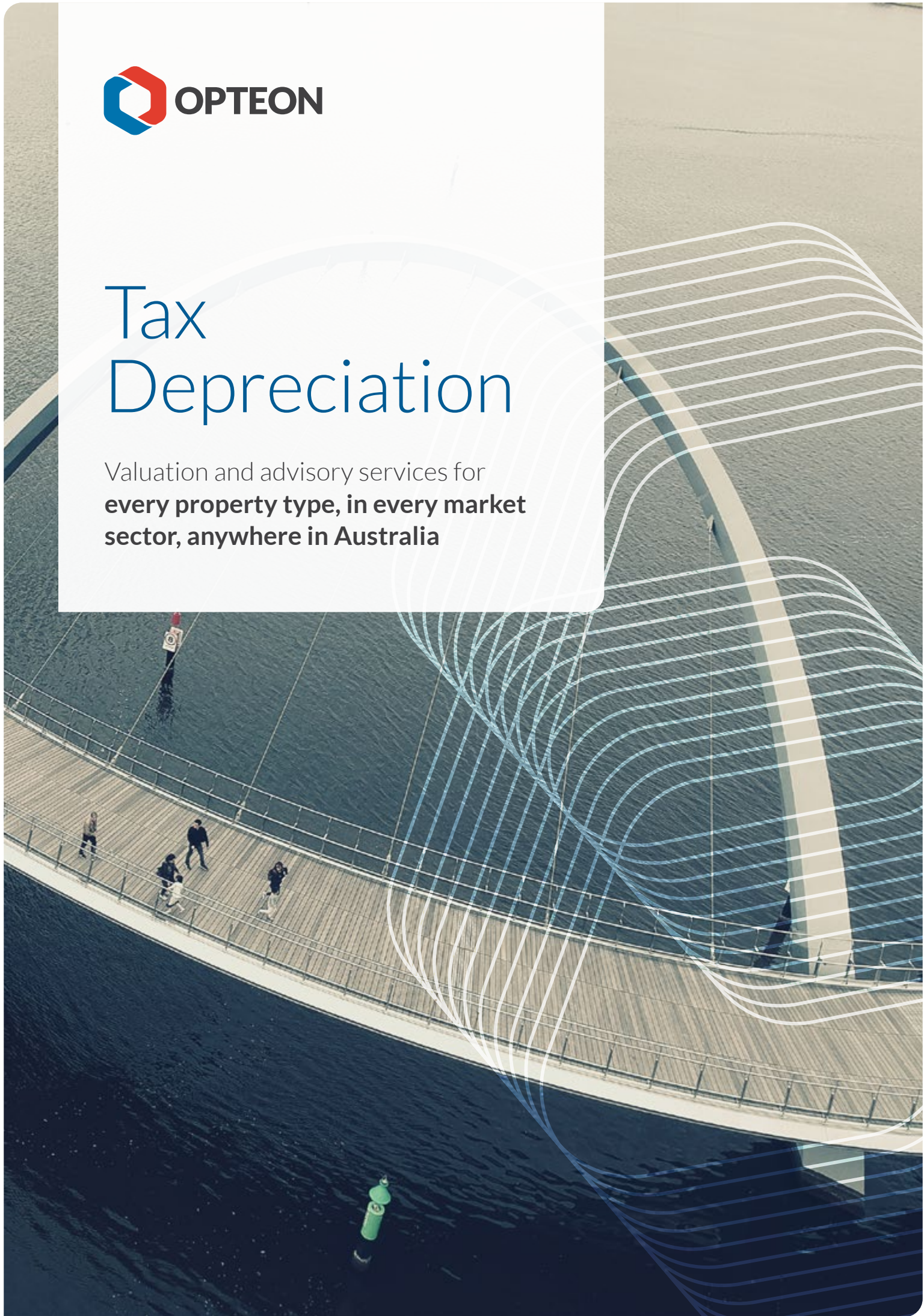




Tax Depreciation

Valuation and advisory services for
**every property type, in every market
sector, anywhere in Australia**



What is tax depreciation?

The ATO allows for the costs of construction and fit out of investment properties to be claimed back over time, against the income earned on the property.

How can Opteon help?

Opteon can provide Tax Depreciation schedules for all property types in Australia.

Opteon provides coverage over 98 per cent of the country, meaning we have local experts on the ground to assess your property.

Who can make a claim?

All owners of income producing property should investigate whether their property qualifies. If the building improvements don't give rise to a claim, a claim for the fittings/plant items may be possible.

Investment property assets include residential, commercial, industrial and agribusiness/rural. Commercial landlords and tenants are eligible to make a claim.

Tax depreciation schedules are applicable to all property types, including:



Residential



Commercial



Agribusiness



Plant and equipment



Internal fit-out



How do they work?

The ATO allows for the costs of construction and fit out of investment properties to be claimed back over time, against the income earned on the property.

A physical inspection of your property is carried out to assess all eligible items.

A Tax Depreciation schedule is prepared by a qualified Quantity Surveyor.

An Opteon Depreciation schedule details the eligible amounts that can be claimed in the tax return over a 20- or 40-year period.

What is assessed?

The Income Tax Assessment Act 1997 provides for allowances under two divisions:

Division 43 – Building

- Buildings: dwelling, garage, carport, sheds, renovations
- Other Fixed Structures: paving, driveway, fencing, retaining walls, pools, pergolas and clothesline.

Relevant Dates: Division 43 (Residential) Depreciation Rates for building allowance are 0% before 18 July 1985, 4% to 15 September and 2.5% thereafter. Depreciation Rates for external rates are 0% before 27 February 1992 and 2.5% thereafter.

Division 40 – Fittings/Plant Items

- Fittings/Plant Items – carpet, heaters, air conditioners, ceiling fans, cooking appliances, hot water system, smoke alarm and window furnishings etc.

Relevant Dates: New legislation was introduced in 2017 for Division 40 (Residential) limiting claims on Division 40 Plant and Equipment for second hand Residential Investment properties. The critical date is 9 May 2017, 7:30pm. If contracts are exchanged after this date, new legislation applies. Renovated properties are still eligible to claim new Division 40 items.

Property age determines allowance

- The Tax Act sets out relevant dates from when a claim can be made depending on the allowance
- Division 43 (Building) relates to construction date or date of refurbishment
- Division 40 (Fittings/Plant Items) relates to date of sale or refurbishment
- Renovation works are also taken into consideration when establishing a claim.

Can claims be backdated?

- A claim can be back dated up to two years without a variation to a tax return
- It is possible a claim can be back dated up to two years – speak to your accountant to verify.

Benefits for our customers

Our customers have access to fast, reliable, independent valuation advice and property market intelligence from across Australia. The unique strength of our business is demonstrated by:

- Significant geographic postcode coverage
- Strategically located offices across Australia
- Largest professional team of valuers of any property advisory firm in Australia
- Easy access points for the receipt and distribution of valuation and property advice instructions
- Superior quality control and risk management practices
- Proven record in the successful delivery of high volume and one-off valuation and property advice assignments
- Intelligent IT infrastructure supported by a dedicated inhouse team
- Substantial agribusiness valuation acumen
- A zero contact, virtual valuation alternative



Accreditation Program

A market-leading innovation in the property valuation industry, Opteon's Accreditation Program marries the skills and qualifications of each valuer with specific property attributes. Our scheduling technology ensures that every job Opteon undertakes is performed by an appropriately qualified valuer that has been independently assessed and approved by Opteon's Technical Services and Risk team.

A complex algorithm interacts between the profile of the valuer and the job requirements, only allowing a valuer to undertake the instruction if they have the right experience.

For our customers, this means that we send the right valuer the first time, eliminating repeat visits and delays in report delivery.

At Opteon, we take data security very seriously.

Our customers and partners trust us to keep their information safe, and with over 1.7 million property valuations completed in the last five years, we hold a significant amount of data that needs to be protected from cyber attacks and other security incidents.

Opteon proudly holds ISO 27001 certification, which means that the technology and infrastructure that supports the delivery of Opteon's property valuation services has been examined by an accredited auditor and found to be compliant.

This is a significant achievement which supports Opteon's vision to be the leading independent

global property solutions provider powered by innovation, data intelligence and technology. ISO 27001 certification ensures that we have established methodologies and the framework to identify, manage, and reduce risks to the security of information, and brings our customers an additional level of confidence when partnering with Opteon.



Innovation and technology

Technology is an integral component of our business, from receipt and acceptance of instructions, to providing real-time communication to customers throughout the valuation life cycle.

Our national network is powered by up-to-date market data streaming through a centralised Valuation Management System (VMS), putting us at the forefront of valuation risk management and compliance.

Developed and managed exclusively inhouse, our VMS is one of the most innovative tools in the property valuation industry. Our VMS is stable, scalable and highly agile. Our valuers have instant access to a wealth of property specific market data, anywhere in Australia.



Quality assurance, risk & compliance

Opteon provides superior quality assurance, risk management and valuation compliance services.

Quality assurance is a key component of our customer delivery program. We are continually investing in the development and improvement of our risk management and compliance systems to ensure our team and customers have access to quality information and data. Our team adhere to strict risk management policies and procedures across all reporting and project management activities.

Opteon's in-house valuation management system has intuitive quality assurance modules, ensuring we can adapt to customer-specific requirements without compromising industry standards or legislative compliance.

Efficiency

Intuitive in-field data capture. Automatically generated valuation reports. Reduced operating costs. VMS is a centralised cloud based system that automates the valuation process.

Quality Assurance

Reduced risk of dubious valuations and improved insights into property collaterals. VMS's automatic quality assurance checks actively mitigate the risk of overvaluation, undervaluation, fraud and collusion.

Integration

Subscriptions to RP Data, PropertyIQ, REIV, REINZ, Terralink or PriceFinder can be automatically integrated into VMS.

Unrivalled coverage

Opteon has the most significant geographic coverage of any valuation firm in Australia and employs the largest professional team of valuers and property experts.

90+ 500+

locations

qualified valuers

Located across more than 90 locations, our team of over 500 qualified valuers provide coverage across 98% of Australia's postcodes.

Our collective local expertise and resources cover metropolitan, rural and remote regions in every State and Territory within Australia.



We acknowledge the Traditional Owners of country throughout Australia and recognise their continuing connection to land, waters and culture. We pay our respects to their Elders past, present and emerging.



98%
coverage

Darwin

Cairns

Townsville

Mount Isa

Airlie Beach

Mackay

Emerald

Biloela

Bundaberg

Rockhampton

Gladstone

Maryborough

Maroochydore

Toowoomba

Brisbane

Gold Coast

Byron Bay

Ballina

Inverell

Coffs Harbour

Armidale

Port Macquarie

Tamworth

Dubbo

Scone

Carrington

Newcastle

Orange

Bathurst

Gosford

Penrith

Campbelltown

Sydney

Cronulla

Parramatta

Wollongong

Freshwater

Parramatta

Port Lincoln

Barossa Valley

Adelaide

Murray Bridge

Griffith

Wagga Wagga

Canberra

Batemans Bay

Euroa

Whittlesea

Wodonga

Bendigo

Gisborne

Ballarat

Tarneit

Colac

Mount Gambier

Portland

Warrnambool

Geelong

Carrum Downs

Torquay

Shepparton

Benalla

Wangaratta

Doncaster

Beaconsfield Upper

Melbourne

Berwick

Sandringham

Torquay

Doncaster

Beaconsfield Upper

Melbourne

Berwick

Sandringham

Torquay

Geelong

Devonport

Launceston

Hobart

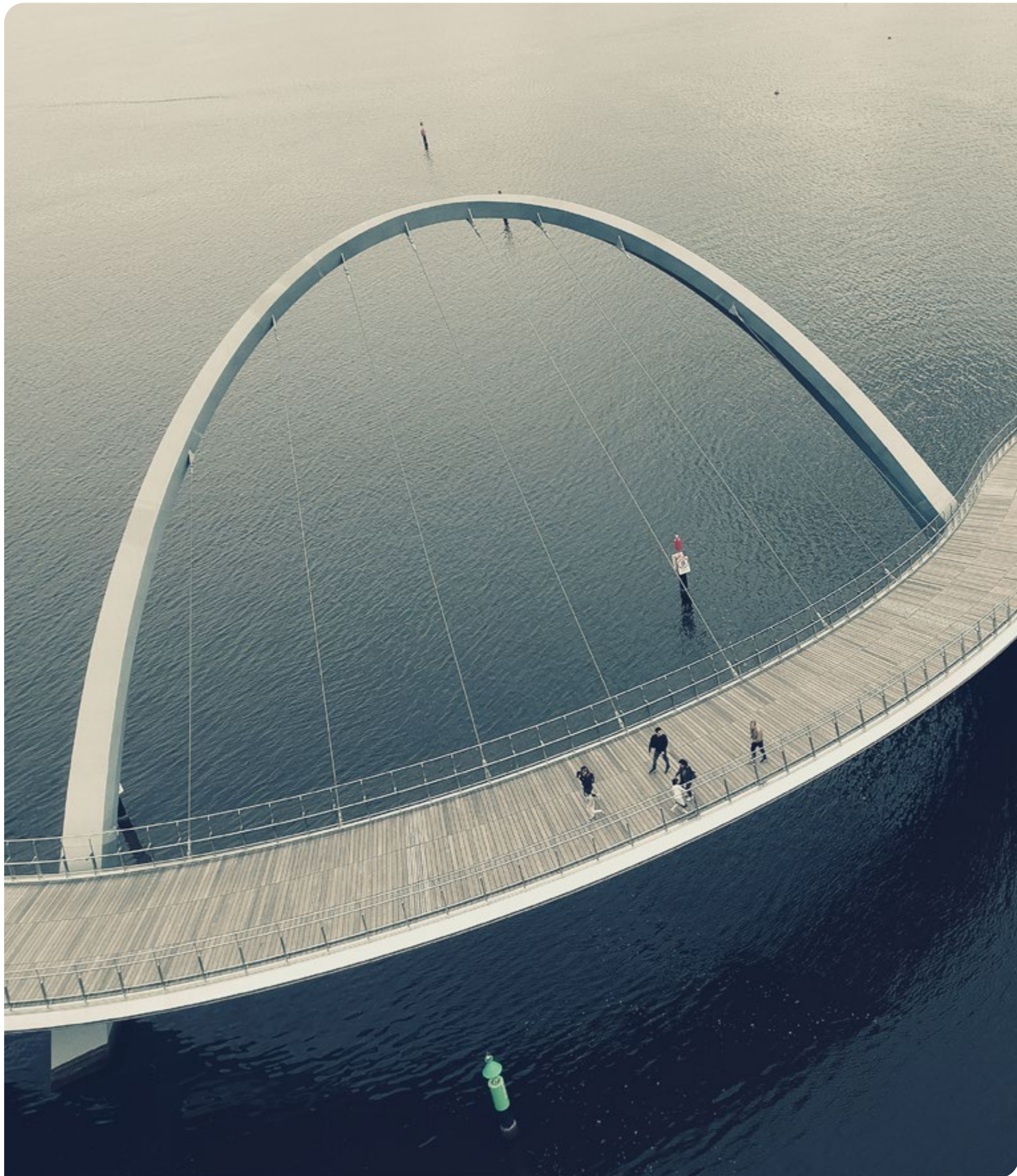
Key

Office location

Valuer hub

Valuation coverage

No valuation coverage



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We Value More Residential | Commercial | Specialist Real Estate | Advisory | Agribusiness | Government | Tax Depreciation

Disclaimer: Opteon does not provide accounting, specialist tax or financial advice. Opteon's valuers are qualified, experienced and certified to provide market value valuations of your property