

**25 BLOCK STREET, DARWIN, NORTHERN TERRITORY**

### Deductions for Capital Allowances and Depreciating Assets

We have estimated the likely tax deductions under the Income Tax Assessment Act 1997 (ITAA 1997), which may be available to a purchaser of this property. The deductions include the Diminishing Value rates for depreciating assets and Low Value Pool items (Division 40), and any known eligible claims for capital allowance items (Division 43). The estimates reflect a full first year of deductions from purchase settlement date and a market value which includes a statutory improved land value identified for the site.

Our estimates utilise information supplied by WILLIAMS REAL ESTATE and other site specific details and information obtained during initial discussions and investigations. These figures must be considered as indicative at this stage, as the eventual capital expenditure and settlement date will affect the deductions.

All claims relate to an investment property holding with capital allowances (Division 43) being based on the historical cost of construction and depreciating assets (Division 40) being based on the current attributed value.

Tax allowances form a part of effective structuring, which can significantly improve the cash flow and investment scenarios for investors. To discuss your options and specific deductions, call **Graham Upton** on **0418 744 740**.

Deductions including Diminishing Value Depreciation of Plant				
Tax Years after Purchase Settled	Division 40 Allowances	Low Value Pool < \$1,000	Division 43 Deductions	Total Deductions
0 - 1 - 365 days	\$35,600	\$5,800	\$14,200	\$55,600
1 - 2	\$28,300	\$9,400	\$14,200	\$51,900
2 - 3	\$23,000	\$5,900	\$14,200	\$43,100
3 - 4	\$19,000	\$3,700	\$14,200	\$36,900
4 - 5	\$15,900	\$2,300	\$14,200	\$32,400
5 - 6	\$13,300	\$1,400	\$14,200	\$28,900
6 - 7	\$11,200	\$900	\$14,200	\$26,300
7 - 8	\$9,400	\$600	\$14,200	\$24,200
8 - 9	\$8,000	\$300	\$14,200	\$22,500
9 - 10	\$6,800	\$200	\$14,200	\$21,200
10 - 11	\$5,700	\$100	\$14,200	\$20,000
11 - 12	\$4,900	\$100	\$14,200	\$19,200
12 - 13	\$4,100	\$100	\$14,200	\$18,400
13 - 14	\$3,500	\$0	\$14,200	\$17,700
14 - 15	\$3,000	\$0	\$14,200	\$17,200
15 - 16	\$2,500	\$0	\$14,200	\$16,700
16 - 17	\$2,200	\$0	\$14,200	\$16,400
17 - 18	\$1,800	\$0	\$14,000	\$15,800
18 - 19	\$1,600	\$0	\$0	\$1,600
Remaining Years	\$9,700	\$0	\$14,200	\$23,900
<b>Totals</b>	<b>\$209,500</b>	<b>\$30,800</b>	<b>\$269,600</b>	<b>\$509,900</b>

These figures are preliminary estimates only and are not suitable for taxation purposes.

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