

## BRIANS BIT

Well it's official we have survived a recession that we didn't have to have!

Not only that the economy is so buoyant the Supermen of the Reserve Bank are increasing interest rates faster than a speeding bullet. All you have to do is learn to leap tall buildings! After a strong spending spree the Federal Budget was a non event (although the mining companies may not think so). Perhaps we should all start to be concerned about a Super Profits tax. If the returns on your savings accounts exceeds 6% is that a Super Profit which attracts a further tax of 40%?

When it comes to Budgets the devil is usually in the detail. This time however the devil may be in the bits of the Henry Report on which Rudd & Co have been silent. It is remarkable that a report which was kept secret for over 5 months has had so little of it adopted – yet.

Despite his political leanings, Ken Henry as Head of Treasury appears to have the respect and confidence of both sides of the political spectrum. However one thing they all have in common is their Canberra -centric view of Australia. You may remember the definition of Canberra is 2500 square kilometres surrounded by reality.

So take another look at Mr Henry's Report on the Australian Tax System (except GST which he was not allowed to include) see if there is anything in there which may affect you or your industry. If so, are there plans you should be formulating to show up your weaknesses and protect your strengths?

But perhaps before embarking on that analysis you should turn your attention to the end of the 2009/10 Financial Year tax matters.

We have included a year end checklist which we trust will be of some help in gathering your 09/10 tax information.

CARPE DIEM

## YOUR RENTAL PROPERTY – TRAVEL EXPENSES

### What travel expenses can taxpayers with a rental property claim?

Taxpayers can claim:

- ◆ preparing the property for new tenants (except for the first tenants);
- ◆ inspecting the property during or at the conclusion of tenancy;

- ◆ undertaking repairs, where those repairs are a consequence of the damage or wear and tear incurred while being rented out;
- ◆ maintenance of the property, such as cleaning and gardening, while it is rented or available for rent;
- ◆ collecting the rent; and
- ◆ visiting their agent to discuss their rental property.

### Domestic travel requiring an overnight stay

A rental property may be located so far from where a taxpayer lives that it would be unreasonable to expect them not to stay near the property overnight when making an inspection.

If this is the sole reason for the trip, they are entitled to claim a deduction for travel expenses incurred in travelling to the rental property.

Where an overnight stay is involved, they would be entitled to claim for meals and accommodation.

## THINGS EVERYONE SHOULD KNOW

(or Completely Useless Facts from Neridah's Useless Facts File)

The word "queue" is the only word in the English language that is still pronounced the same way when the last four letters are removed.

Human thigh bones are stronger than concrete.

It's against the law to have a pet dog in Iceland!

Women blink nearly twice as much as men.

An ostrich's eye is bigger than its brain

