

RENTAL PROPERTY TAX RETURN DOCUMENTS LIST*

Rental Property Income and expenses must be broken down by property. The deductibility of expenses changes depending on whether or not you have used the property personally and how many days you have used it.

1099's:

DEDUCTIBLE EXPENSES: (By Property)

- Advertising
- Auto& Travel Expense
- Cleaning & Maintenance
- Commissions
- Insurance
- Legal & Professional Fees
- Management Fees
- Mortgage Interest
- Other Interest
- Repairs
- Supplies
- Property Taxes
- Utilities
- Waste Removal

DEPRECIATION: The tax law states that real estate must be depreciated over the use life of the property. The depreciable amount is determined by taking the total cost of the property less the value of the land if applicable. In the case of condominiums, there is no land value. If you have owned this prior to coming to me, we will have to review your prior returns to determine depreciable values. If this is your first-year reporting this on your Income Tax return, I suggest you bring in the Closing Documents from the Title Company.

If it is necessary to depreciate other items purchased, we will need the following for each:

- Date of Item Purchase
- Purpose of Item
- Description
- Purchase Price

This applies to items purchased for use in maintaining and managing the property. This may include; refrigerator, stove, laundry equipment, lawnmowers, tools etc.