

Rental Property Information sheet

2014/2015 tax return

We are rapidly approaching the end of the tax year i.e. 5 April 2015 (2014/15) and you should now start to think about collating your information in respect of the 2014/15 tax year and beating the rush!

At Atkins and Co we deal with a lot of Rental property tax returns and wanted to take this opportunity to give a brief overview of Rental Property income and expenditure.

A lot of people are under the misconception that they believe they do not need to report their Rental income as they do not make any money, because their rental income doesn't exceed their mortgage payment, this is not the case. Usually the first year or two of renting a property is usually when the land lord will have the most expenditure; i.e., painting, decorating, gas safety checks and land lord insurance for example.

You may have only been renting for part of the tax year which will also be taken into account.

It is possible that you may have incurred a loss which is advantageous as it can be carried forward and deducted from any future profits, less tax to pay!!

Your Rental income is reported in Tax years i.e. 6th April – 5th April.

Any profits or losses need to be reported by 31st January the following year (6/4/14 -5/4/15 needs to be filed and any liabilities paid by 31st January 2016).

Once you reach a Tax year end 5th April you should get all your information together for us to review and assist you with your rental property going forward.

For example, if you send us your paperwork and once calculated there is tax to pay, if it is sent in early enough we are able to apply to HMRC to have the amount of tax you owe can be adjusted through your tax code, so that there is no payment to make on 31st January as it is being paid over throughout the following tax year.

There is a deadline to get this done by of which we can advise you.

General information on rental properties

Please remember when providing your expenses details that the Mortgage interest payments that we need are the 'Interest Element' amounts on your Annual mortgage statement.

If you have an Interest Only mortgage then it would be the whole amount.

If you have a repayment mortgage part of your monthly payment is for Capital (brick & mortar) and part is the Interest element, it is the 'Interest Element' amount that you need to provide to be taken against your income from the rental property.

Typical expenses to consider:

- Mortgage interest amount
- Agents fees
- Ground rents, service charge, admin fees
- Insurance
- Gas safety fees
- Repairs and renewal
- General expenses – painting, decorating and general upkeep expenses.

Of course this is a standard list but if you have any other questions please do not hesitate to contact us.

Fees

If you have one or more properties, solely or jointly owned these can be dealt with by us for a fixed fee. For more information on our fees please contact me.

RENTAL INFO PER PROPERTY

Name:

Sole or jointly owned:

Rented from - to :

Please circle furnished or unfurnished

Rental Property address:

Gross rent Monthly

£

Gross rent Total for year

£

Less landlords direct expenses

(Detail all expenses incurred in respect of the letting but do not include non allowable expenses e.g. property improvements, personal final bills etc)

Agents fees (if applicable)

£

If you Maintain the Property yourself and make visits to ensure the upkeep please provide your home post code and number journeys made.

Post Code:

No Journeys:

Rents, rates, insurance, ground rents etc

Insurance: Buildings

£

Other:

£

£

Repairs, upkeep, maintenance & renewals

(e.g. Interior & exterior decorating, furniture repairs etc)

£

£

Finance, Admin and management charges

£

Mortgage interest:

Interest Only Mortgage Figure

£

or Interest element of repayment Mortgage

£

Legal & professional costs

£

Costs of services provided

(eg. Gardening, cleaning etc)

£

Other Expenses

(e.g. sundry & miscellaneous expenses incurred wholly & exclusively for the purpose of the letting)	£ £
Total Direct expenses	£

Gross rent received	£	
-Total direct expenses	- £	_____
=Net income	£	_____ year ending _____

Any other info.....

If you have any question please contact us as your return will not be completed without the relevant information. Tel 01934 527888.