DRAFT

Multi-Property Rental Schedule – Consolidation Record

This paper provides guidance for Digital Service Providers to support

the implementation of the IITR Multi-Property Rental Schedule

Version 0.01

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Contents

What's new since we last published

This document is an interim measure only (aligned with the previous Q&A document created to support development of the Deduction schedule for 2019). In the future this information will be rolled into the IITR Business Implementation Guide which is currently under development.

Details
Guidance for the consolidation record where the limit of 45 rental properties is exceeded.

Consolidation of records where the maximum number of repeatable groups are exceeded

From 1 July 2020, when an agent is completing an Individual income tax return (IITR) for a client with one or more rental properties, the new granular *Multi-property rental schedule* must be completed. One schedule (only) is required per taxpayer.

The new multi-property rental schedule has a limitation of 45 records per individual taxpayer. The majority of taxpayers fall within this limitation. Lodgment data for 2017 confirmed that there were only 4 taxpayers that exceeded the limit of 45 properties (as detailed below):

Pre-fill count from prior year tax return lodgement data (2017 IITR)

Number of rental properties	Number of TFNs	How to lodge using the Multi-property rental schedule (RNTLPRPTY)
45	1	Up to and including 45 records; ALL records are to be included as separate entries.
51	1	All records up to the 44th record are to be included as separate entries. All subsequent records are to be consolidated into the last entry. That is, the last 7 records will be consolidated into the 45th record.
52	1	As above, with 8 records consolidated.
54	1	As above, with 10 records consolidated.
95	1	As above, with 51 records consolidated.

1 Ordering

There is no requirement to order records for the multi-property rental schedule. However, where the limit of 45 properties is exceeded, it is recommended that each property is presented in order, starting with the property with the highest rental loss (as the first record). Once all properties with rental losses have been recorded, the ordering should then follow with break-evens (if any), and then profits - in order of smallest to largest.

To further clarify, the 45th record will represent a consolidation of those properties with the lowest rental losses (where the first 45 properties are running at a loss), and break-evens (if any) and profits. If all properties are running at a profit and the limit of 45 properties is exceeded, as previously noted, they would be recorded in order of smallest profit through to largest. This is not a mandatory requirement and no validation will be implemented to verify this approach.

The ordering will ensure that as part of the future copy of return service, the individual records with the highest value losses are presented back to the tax agent when the data is returned. It will also support the accuracy of the ATOs risk modelling services.

2 Standard description – Name of property

Where there are more records than the maximum number allowed for a particular label, the remaining records must be consolidated into the last record for that repeatable group. The standard description for the consolidated record is to be recorded at '**Name of property**' as: "**Consolidation - XX properties**" (with XX being the number of properties consolidated into the last record).

3 Address

Where the limit of 45 properties is exceeded, the 45th record is to be recorded with a standard address to enable easy identification of a consolidation record by all. The following address should be used:

Address Line 1: 26 Narellan St (Default)
Suburb: Canberra
State: ACT
Postcode: 2601

4 Ownership %

The consolidation record '*Ownership percentage*' should be recorded as **100%**. However, the actual amounts calculated using the correct ownership % are to be recorded at the respective amount fields.

5 Date property first earned rental income

The consolidation record '*Date the property first earned rental income'* should be reflected as **01/01/1900**.

6 Number of weeks property was rented this year

The consolidation record '*Number of weeks property was rented this year*' should be recorded as **52**.

7 Totals/Share

The $ values for the consolidation record are to be calculated as the taxpayer's share amount for each relevant rental income and rental deduction amount field as applicable.

8 Known Issues

There are currently no known issues.

No.	Current state	Should be	Fix date