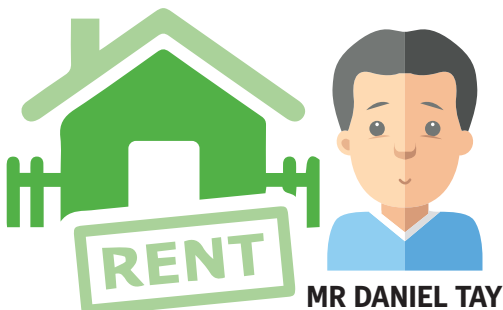


How they compare

Choose between claiming your rental expenses based on (i) actual amount of rental expenses incurred on a yearly basis or (ii) 15 per cent deemed rental expense deduction.



Gross rent for 2017
(\$5,000 x 12)

➤ \$60,000

Deductible expenses



property
tax

+



maintenance
fees

+



fire
insurance

➤ \$6,000



Housing loan interest

➤ \$9,500



Deemed expenses
(15% of \$60,000)

➤ \$9,000

Year of Assessment (YA) 2018 – Computation of net rent under the two options:

Deduction is claimed on	Actual amount of expenses	Amount of deemed expenses
Gross rent	\$60,000	\$60,000
Less: housing loan interest	\$9,500	\$9,500
Less: other deductible expenses	\$6,000	\$9,000*
Net rent	\$44,500	\$41,500

NOTE: *15% of gross rent.

• If you have more than one tenanted residential property and opt for the 15 per cent deemed expenses treatment in a particular YA, this claim method is to be applied across all your rented residential properties in that YA. As such, you cannot opt for the 15 per cent deemed expenses treatment on one tenanted residential property and claim actual rental expenses on another.

• Please visit IRAS e-tax guide: Simplification of Claim of Rental Expenses for Individuals for more details.