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## **INVESTORS EXPECTED TO FLOCK TO THE BLOCK AUCTIONS THIS WEEKEND**

BMT Tax Depreciation has identified a staggering amount of depreciation tax deductions on this season of The Block. Bradley Beer, Chief Executive Officer of BMT, anticipates that this will attract many investors to the auctions, which take place this Saturday 5 November.

Mr Beer revealed the eye watering amount of total depreciation deductions in the properties to be more than thirty million dollars – the highest the program has ever produced.

“The teams on The Block 2022 have spent upwards of five million dollars in construction costs per property and most of those are tax deductible for investors,” said Bradley Beer.

“Ankur and Sharon’s property (House 3) generated the highest total deductions, estimated at \$5,840,166,” said Bradley Beer.

“The other five properties aren’t far behind with an average of \$5,292,597 in total depreciation deductions, and an average of \$203,340 in first full financial year deductions.”

In comparison, the maximum total deductions of last year’s The Block properties ranged between \$3,091,000 and \$3,610,000 per property.

Property depreciation is the natural wear and tear of a property and the assets within it over time.

Mr Beer explained that the enormous deductions will be very attractive to prospective investors this year because they can claim depreciation as a tax deduction.

“Because these properties have been substantially renovated, both plant and equipment depreciation and capital works deductions are eligible to be claimed, making them even more enticing to the investor,” he said.

“Savvy investors will take these lucrative deductions into account when considering purchasing a Block property, since they have the potential to significantly improve an investor’s cash flow with depreciation deductions,” said Mr Beer.

“Reducing tax liabilities will be part of an investor’s strategy and with these schedules the outcome will be fantastic for the new owners,” he concluded.

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