

*write*finance.

Whose name should it *go in?*

A guide to ownership structures and a checklist
for buying your next investment property.

FREE GUIDE FROM WRITE FINANCE

It doesn't have to be your own name

You have options.

You can buy an investment property in your own name, jointly with someone else, through a company, through a family trust, or through your self managed super fund. Each comes with different tax, land tax, asset protection and lending considerations.

The best time to decide is before you buy. Changing the structure later can trigger stamp duty and capital gains tax, so getting it right at the start can save you a lot.

How to use this guide

- 1 Compare the structures.** See how each one works and how lenders view it.
- 2 Work through the checklist.** Tick what's true for you. Anything left unticked is something to sort out before you buy.
- 3 Take the questions to your accountant.** Use the final page to guide that conversation, then bring their advice to us.

Four ways to own it

Own name or jointly

HOW IT WORKS

The simplest option. The property is held by you, or by you and someone else.

LENDING

The widest range of lenders and products, and usually the simplest process.

WORTH KNOWING

Negative gearing rules have changed, so check how they apply to your purchase.

Family trust

HOW IT WORKS

A trust holds the property, which can offer flexibility in how income is distributed and some asset protection.

LENDING

Fewer lenders and more paperwork. Trustees or directors usually give personal guarantees.

WORTH KNOWING

Losses generally stay inside the trust rather than reducing your personal tax.

Company

HOW IT WORKS

A company owns the property and pays tax at the company rate.

LENDING

Similar to trusts, with personal guarantees from directors usually required.

WORTH KNOWING

Companies generally don't get the capital gains tax discount that individuals and trusts can.

Your SMSF

HOW IT WORKS

Your super fund buys the property, including with a loan, under strict rules.

LENDING

Specialist lenders only, larger deposits, and a separate holding trust.

WORTH KNOWING

You can't live in the property or rent it to a relative.

THE CHECKLIST

Your goals

☐ **I know what I want this investment to do for me**

Income now, growth over time, or a mix of both.

☐ **I've thought about my long term plans for the property**

Whether you might sell, pass it on or build on it later.

Tax and protection

☐ **I understand how the current negative gearing rules apply to me**

The rules have changed, so this is one to confirm with your accountant.

☐ **I know how land tax could differ for each structure**

In Queensland, thresholds and rates can differ for individuals, companies and trusts.

☐ **I've considered whether to keep investments separate from my business risk**

Especially worth thinking about if you run your own business.

Lending and setup

☐ **I know which lenders are comfortable with my chosen structure**

Policies for trusts, companies and SMSFs vary a lot.

☐ **My trust or company is set up with its documents ready**

Have the trust deed or company documents on hand before you apply.

☐ **The name on the contract will match the borrowing entity**

A mismatch can cause delays or problems at settlement.

☐ **I know how my loans will be split if I'm using equity**

Borrowing against your home for an entity's purchase needs careful setup.

Questions to ask your accountant

Your accountant's advice is essential here. These questions can help guide that conversation.

- 1 Which structure suits my income, tax position and long term goals?
- 2 How do the current negative gearing rules apply to the property I'm looking at?
- 3 How would land tax compare across each structure?
- 4 What would capital gains tax look like if I sold in the future?
- 5 Does this structure protect the property from my business risk?
- 6 What will it cost to set up and run the structure each year?

Tax rules are changing. Negative gearing and other tax settings have changed and may change again. The information in this guide is general, so always check the latest rules with your accountant before you commit.

NEXT STEP

Let's get the *lending right*.

Once you know which structure suits you, bring this guide to a chat with our team. We regularly help clients borrow through trusts, companies and SMSFs, and we'll work with your accountant to set everything up properly from the start.

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This guide provides general information only and is not tax or legal advice. It does not take into account your personal objectives, financial situation or needs. Tax rules and lending criteria vary and can change.

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