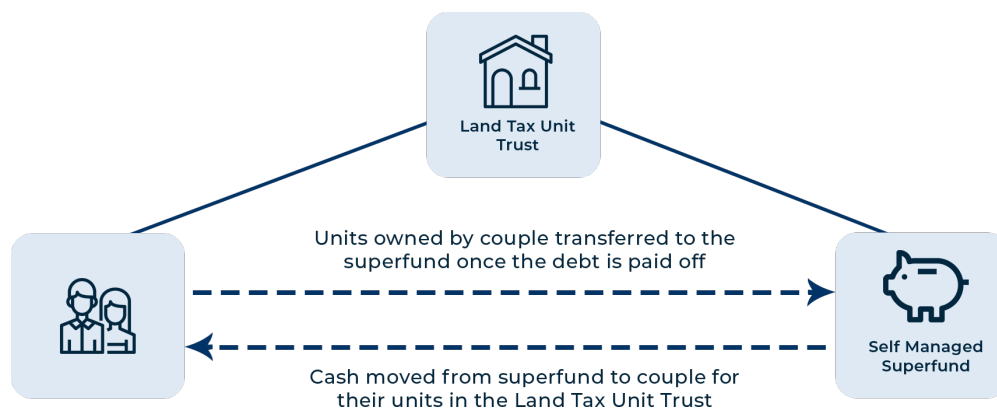


# Why property investors **shouldn't** acquire property in their own name

NSW, VIC, WA

The most important issue today when investing in residential real estate is flexibility in relation to what you can do with the property in the future. Over 90% of investors acquire their property in the wrong structure and therefore remove the following options:

- Ability to transfer to a superannuation fund
- Incur unnecessary stamp duty to change the ownership
- Ability to refinance and pay down non-deductible debt
- unnecessary land tax and other charges



## Why choose a Land Tax Unit Trust?

	Land Tax Threshold (NSW)	Negative Gearing	Change ownership without stamp duty	CGT 50% discount	SMSF acquire an interest	Refinance to pay down non-deductible debt
Land Tax Unit Trust	✓	✓	✓ <sup>1</sup>	✓	✓ <sup>2</sup>	✓
Company	✓	✗	✗	✗	✓ <sup>2</sup>	✗
Individual	✓	✓	✗	✓	✗ <sup>3</sup>	✗
Partnership	✓	✓	✗	✓	✗ <sup>3</sup>	✗
Standard Unit Trust	✗	✓	✓ <sup>1</sup>	✓	✓ <sup>2</sup>	✓
Hybrid Trust	✗	✓	✗	✓	✗ <sup>3</sup>	✓
Discretionary Trust	✗	✗	✗	✓	✗ <sup>3</sup>	✗

<sup>1</sup> Unencumbered value must be less than \$2million in NSW, WA and QLD. Less than \$1million in Victoria and \$500,000 in Northern Territory and Tasmania. N/A in other states.

<sup>2</sup> Superannuation laws require no borrowing in unit trust and assets not be subject to charge.

<sup>3</sup> SMSF can acquire "business real property".