



## Learn How I put \$7,000 in My Clients Pocket

In recent years the stock market has seen years of decline. Many people have looked to real estate in order to diversify their investments. Buying a rental property can be a good investment, but with the proper tax treatment, the investment becomes a little sweeter.

Many people are not aware that if you are actively involved with your rental property, you can recognize up to \$25,000 in losses on your tax return. By recognizing this loss you are able to reduce your taxable income, and thus the tax that you pay.

One way to increase expenses for your rental property is to depreciate your property.

Depreciation of property not only helps your tax situation but is also required by the IRS. If you have not been depreciating your property, don't worry the IRS has issued a new ruling allowing the taxpayer to recognize prior depreciation without filing an amended return. This can be very beneficial for the taxpayer. I recently filed a return for a client that received a **refund of over \$7,000** by recognizing 2 years of past depreciation expense.

If you own rental property and would like for us to review your return for any missed deductions please feel free to give The Ruboyianes Company a call.