

Record-keeping for landlords

As a landlord, you need to keep clear records. Not only will it mean you're organised and up to date, but you're also required to keep certain documents by law and for tax purposes. In some situations, particularly for tax, you're required to keep records for six years (as at Oct 2012). Failure to keep certain records could result in a fine.

These are the key records you need to keep accurately filed:

Income and expenditure relating to your rental property

Keep all receipts, rent books, bank statements and invoices connected with your buy to let property business. Keep your personal income and expenditure separate from the business, as far as possible.

Rental details

- Rent charged and received
- Service charges
- Dates of each tenancy

Other expenses

- Fees, e.g. letting agents, accountants and legal
- Landlord insurance
- Utility bills
- Council tax
- Advertising
- Interest on loans relating to the property
- Property repairs and maintenance
- Rent, ground rent, service charges
- Furniture and equipment receipts
- Any other costs directly related to renting out property



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Personal time, assets and property

Keep a record of the time and personal assets you use for your business and the proportion of your private home you use for conducting your buy to let activities.

Selling your rental property

When it comes to selling your buy to let property, you may have to pay capital gains tax. Consult an accountant or tax advisor who is experienced in property tax and make sure you keep records of the following information:

- Date you purchased or acquired the property
- Dates to and from, if you have ever lived in the property
- Date you sold or disposed of the property
- Purchase and sale prices
- Buying and selling costs
- Improvement costs and dates the work was undertaken

Safety

- Gas and electrical safety certificates
- Energy performance certificate
- Furniture and furnishings safety information
- Fire safety risk assessment form (if applicable)

Keeping accurate records of income and expenditure, safety documentation and buying and selling information will help you to be an effective and efficient landlord. Most importantly, you can be confident you're complying with your legal duties.



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