

Pennsylvania Rental Property Tax Benefits Checklist

Use this checklist to ensure you maximize the major tax benefits of owning rental properties in Pennsylvania. This tool is designed for real estate investors looking to boost ROI through smart tax strategies while financing with GHC Funding.

- 1. Mortgage Interest Deduction: Track all interest paid on investment property loans.
- 2. Depreciation: Deduct property value (excluding land) over 27.5 years for residential or 39 years for commercial.
- 3. Operating Expenses: Deduct repairs, property management fees, insurance, utilities, and travel.
- 4. Qualified Business Income (QBI): If structured as an LLC, explore 20% pass-through deductions.
- 5. 1031 Exchange: Plan property sales with a like-kind reinvestment strategy to defer capital gains taxes.
- 6. Bonus Depreciation/Cost Segregation: Accelerate deductions on fixtures, appliances, and improvements.
- 7. Recordkeeping: Maintain receipts, rent rolls, and expense reports for IRS compliance.
- 8. Entity Structure: Consider LLC or corporation setup for liability protection and tax advantages.
- 9. State-Specific Rules: Review Pennsylvania Department of Revenue guidelines for rental income taxation.
- 10. Financing Strategy: Use DSCR loans, SBA programs, or bridge loans from GHC Funding to maximize leverage and tax benefits.

Tip: Combining Pennsylvania tax benefits with smart financing strategies can significantly increase your returns. Visit GHC Funding (www.ghcfunding.com) or call 833-572-4327 to explore loan options that complement your tax planning.