

JD Edwards World

Global Solutions: Depreciation Methods Guide

Release A9.3

E38911-01

April 2013

E38911-01

Copyright © 2013, Oracle and/or its affiliates. All rights reserved.

This software and related documentation are provided under a license agreement containing restrictions on use and disclosure and are protected by intellectual property laws. Except as expressly permitted in your license agreement or allowed by law, you may not use, copy, reproduce, translate, broadcast, modify, license, transmit, distribute, exhibit, perform, publish, or display any part, in any form, or by any means. Reverse engineering, disassembly, or decompilation of this software, unless required by law for interoperability, is prohibited.

The information contained herein is subject to change without notice and is not warranted to be error-free. If you find any errors, please report them to us in writing.

If this is software or related documentation that is delivered to the U.S. Government or anyone licensing it on behalf of the U.S. Government, the following notice is applicable:

U.S. GOVERNMENT END USERS: Oracle programs, including any operating system, integrated software, any programs installed on the hardware, and/or documentation, delivered to U.S. Government end users are "commercial computer software" pursuant to the applicable Federal Acquisition Regulation and agency-specific supplemental regulations. As such, use, duplication, disclosure, modification, and adaptation of the programs, including any operating system, integrated software, any programs installed on the hardware, and/or documentation, shall be subject to license terms and license restrictions applicable to the programs. No other rights are granted to the U.S. Government.

This software or hardware is developed for general use in a variety of information management applications. It is not developed or intended for use in any inherently dangerous applications, including applications that may create a risk of personal injury. If you use this software or hardware in dangerous applications, then you shall be responsible to take all appropriate fail-safe, backup, redundancy, and other measures to ensure its safe use. Oracle Corporation and its affiliates disclaim any liability for any damages caused by use of this software or hardware in dangerous applications.

Oracle and Java are registered trademarks of Oracle and/or its affiliates. Other names may be trademarks of their respective owners.

Intel and Intel Xeon are trademarks or registered trademarks of Intel Corporation. All SPARC trademarks are used under license and are trademarks or registered trademarks of SPARC International, Inc. AMD, Opteron, the AMD logo, and the AMD Opteron logo are trademarks or registered trademarks of Advanced Micro Devices. UNIX is a registered trademark of The Open Group.

This software or hardware and documentation may provide access to or information on content, products, and services from third parties. Oracle Corporation and its affiliates are not responsible for and expressly disclaim all warranties of any kind with respect to third-party content, products, and services. Oracle Corporation and its affiliates will not be responsible for any loss, costs, or damages incurred due to your access to or use of third-party content, products, or services.

Contents

Preface	ix
Audience	ix
Documentation Accessibility	ix
Related Documents	ix
Conventions	ix

Part I Depreciation Methods for Europe, Middle East, and Africa

1 About Depreciation Methods for Europe, Middle East, and Africa

2 Defining Depreciation Methods for France

2.1	Declining Balance - Amortissement Dégressif	2-1
2.1.1	Adding a User Defined Code.....	2-1
2.1.2	Setting up Depreciation Formulas	2-2
2.1.3	Setting Up the Depreciation Method	2-4
2.1.3.1	Setting Up Reference Information and Conventions	2-5
2.1.3.2	Attaching the Formulas to Depreciation Method DF.....	2-5
2.2	Straight Line - Amortissement Linéaire Pro Rata Temporis	2-8
2.2.1	Adding a User Defined Code.....	2-8
2.2.2	Setting Up Depreciation Formulas.....	2-9
2.2.3	Setting Up the Depreciation Method	2-12
2.2.3.1	Setting Up Reference Information and Conventions	2-13
2.2.3.2	Attaching the Formulas to Depreciation Method SL	2-13
2.3	Calculating Derogatory Depreciation for France	2-16

3 Defining Depreciation Methods for Germany

3.1	Building	3-1
3.1.1	Adding a User Defined Code.....	3-1
3.1.2	Setting Up Depreciation Formulas.....	3-2
3.1.3	Setting Up the Depreciation Method	3-3
3.1.3.1	Setting Up Reference Information and Conventions	3-4
3.1.3.2	Attaching the Formulas to Depreciation Method GB	3-4
3.2	Declining Balance.....	3-7
3.2.1	Setting up Depreciation Formulas	3-7
3.3	Investment Tax Credit.....	3-10

3.3.1	Adding a User Defined Code.....	3-10
3.3.2	Setting Up Depreciation Formulas.....	3-11
3.3.3	Setting Up the Depreciation Method	3-13
3.3.3.1	Setting Up Reference Information and Conventions	3-14
3.3.3.2	Attaching the Formulas to Depreciation Method GT	3-14
3.4	Replacement Cost.....	3-16
3.4.1	Adding a User Defined Code.....	3-16
3.4.2	Setting Up Depreciation Formulas.....	3-17
3.4.3	Setting Up the Depreciation Method	3-18
3.4.3.1	Setting Up Reference Information and Conventions	3-19
3.4.3.2	Attaching the Formula to Depreciation Method GR.....	3-19

4 Defining Depreciation Methods for Italy

4.1	Anticipated Depreciation - Ammortamento Anticipato	4-1
4.1.1	Adding a User Defined Code.....	4-1
4.1.2	Setting Up Depreciation Formulas.....	4-2
4.1.3	Setting Up the Depreciation Method	4-2
4.1.3.1	Setting Up Reference Information and Conventions	4-3
4.1.3.2	Attaching the Formulas to Depreciation Method IT	4-3

5 Defining Depreciation Methods for Spain

5.1	Declining Balance.....	5-1
5.1.1	Adding a User Defined Code.....	5-1
5.1.2	Setting Up Depreciation Formulas.....	5-2
5.1.3	Setting Up the Depreciation Method	5-3
5.1.3.1	Setting Up Reference Information and Conventions	5-4
5.1.3.2	Attaching the Formulas to Depreciation Method PS	5-4

Part II Depreciation Methods for Asia and the Pacific

6 About Depreciation Methods for Asia and the Pacific

7 Defining Depreciation Methods for Japan

7.1	Salvage Value	7-1
7.1.1	Adding a User Defined Code.....	7-1
7.1.2	Setting Up Depreciation Formulas.....	7-2
7.1.3	Setting Up the Depreciation Method	7-6
7.1.3.1	Setting Up Reference Information and Conventions	7-7
7.1.3.2	Attaching the Formula to Depreciation Method SV.....	7-7
7.2	Zoka-Shokyaku (Straight Line).....	7-8
7.2.1	Adding a User Defined Code.....	7-8
7.2.2	Setting Up Depreciation Formulas.....	7-9
7.2.3	Setting Up the Depreciation Method	7-11
7.2.3.1	Setting Up Reference Information and Conventions	7-12
7.2.3.2	Attaching the Formulas to Depreciation Method Z1	7-12
7.3	Zoka-Shokyaku (Double Declining Balance).....	7-14

7.3.1	Adding a User Defined Code.....	7-14
7.3.2	Setting Up Depreciation Formulas.....	7-15
7.3.3	Setting Up the Depreciation Method	7-17
7.3.3.1	Setting Up Reference Information and Conventions	7-18
7.3.3.2	Attaching the Formulas to Depreciation Method Z2	7-18
7.4	Tokubetsu-Shokyaku (Straight Line).....	7-20
7.4.1	Adding a User Defined Code.....	7-20
7.4.2	Setting Up Depreciation Formulas.....	7-21
7.4.3	Setting Up the Depreciation Method	7-24
7.4.3.1	Setting Up Reference Information and Conventions	7-25
7.4.3.2	Attaching the Formulas to Depreciation Method T1	7-25
7.5	Tokubetsu-Shokyaku (Double Declining Balance)	7-28
7.5.1	Adding a User Defined Code.....	7-28
7.5.2	Setting Up Depreciation Formulas.....	7-29
7.5.3	Setting Up the Depreciation Method	7-32
7.5.3.1	Setting Up Reference Information and Conventions	7-33
7.5.3.2	Attaching the Formulas to Depreciation Method T2	7-33
7.6	Warimashi-Shokyaku (Straight Line)	7-36
7.6.1	Adding a User Defined Code.....	7-36
7.6.2	Setting Up Depreciation Formulas.....	7-37
7.6.3	Setting Up the Depreciation Method	7-39
7.6.3.1	Setting Up Reference Information and Conventions	7-40
7.6.3.2	Attaching the Formulas to Depreciation Method W1	7-40
7.7	Warimashi-Shokyaku (Double Declining Balance).....	7-42
7.7.1	Adding a User Defined Code.....	7-42
7.7.2	Setting Up Depreciation Formulas.....	7-43
7.7.3	Setting Up the Depreciation Method	7-45
7.7.3.1	Setting Up Reference Information and Conventions	7-46
7.7.3.2	Attaching the Formulas to Depreciation Method W2.....	7-46

8 Defining Depreciation Methods for Korea

8.1	Frequently Used Depreciation Formulas	8-1
8.1.1	Normal Depreciation.....	8-2
8.1.2	Basis Declining Balance	8-3
8.1.3	Latter Half Year Depreciation.....	8-4
8.1.4	Last Year Depreciation to Salvage.....	8-5
8.2	Normal (Declining Balance)	8-5
8.2.1	Adding a User Defined Code.....	8-5
8.2.2	Setting Up the Depreciation Method	8-6
8.2.2.1	Setting Up Reference Information and Conventions	8-7
8.2.2.2	Attaching the Formulas to Depreciation Method KN.....	8-7
8.3	Normal (Straight Line)	8-9
8.3.1	Adding a User Defined Code.....	8-9
8.3.2	Setting Up the Depreciation Method	8-10
8.3.2.1	Setting Up Reference Information and Conventions	8-11
8.3.2.2	Attaching the Formulas to Depreciation Method K1	8-11
8.4	Prior to 95 (Declining Balance).....	8-13

8.4.1	Adding a User Defined Code.....	8-13
8.4.2	Setting Up Depreciation Formulas.....	8-14
8.4.3	Setting Up the Depreciation Method	8-15
8.4.3.1	Setting Up Reference Information and Conventions	8-16
8.4.3.2	Attaching the Formulas to Depreciation Method KP.....	8-16
8.5	Prior to 95 (Straight Line).....	8-19
8.5.1	Adding a User Defined Code.....	8-19
8.5.2	Setting Up Depreciation Formulas.....	8-20
8.5.3	Setting Up the Depreciation Method	8-24
8.5.3.1	Setting Up Reference Information and Conventions	8-25
8.5.3.2	Attaching the Formulas to Depreciation Method K2.....	8-25
8.6	Revaluation (Declining Balance).....	8-28
8.6.1	Adding a User Defined Code.....	8-28
8.6.2	Setting Up the Depreciation Method	8-29
8.6.2.1	Setting Up Reference Information and Conventions	8-30
8.6.2.2	Attaching the Formulas to Depreciation Method KR	8-30
8.7	Revaluation (Straight Line).....	8-33
8.7.1	Adding a User Defined Code.....	8-33
8.7.2	Setting Up Depreciation Formulas.....	8-34
8.7.3	Setting Up the Depreciation Method	8-35
8.7.3.1	Setting Up Reference Information and Conventions	8-36
8.7.3.2	Attaching the Formulas to Depreciation Method K3.....	8-36
8.8	Capital Expenditure (Declining Balance).....	8-39
8.8.1	Adding a User Defined Code.....	8-39
8.8.2	Setting Up the Depreciation Method	8-40
8.8.2.1	Setting Up Reference Information and Conventions	8-41
8.8.2.2	Attaching the Formulas to Depreciation Method KE.....	8-41
8.9	Capital Expenditure (Straight Line)	8-43
8.9.1	Adding a User Defined Code.....	8-43
8.9.2	Setting Up the Depreciation Method	8-44
8.9.2.1	Setting Up Reference Information and Conventions	8-45
8.9.2.2	Attaching the Formulas to Depreciation Method K4.....	8-45
8.10	Special Rate (Declining Balance).....	8-47
8.10.1	Adding a User Defined Code.....	8-47
8.10.2	Setting Up Depreciation Formulas.....	8-48
8.10.3	Setting Up the Depreciation Method	8-49
8.10.3.1	Setting Up Reference Information and Conventions	8-50
8.10.3.2	Attaching the Formulas to Depreciation Method KS.....	8-50
8.11	Special Rate (Straight Line).....	8-53
8.11.1	Adding a User Defined Code.....	8-53
8.11.2	Setting Up Depreciation Formulas.....	8-54
8.11.3	Setting Up the Depreciation Method	8-55
8.11.3.1	Setting Up Reference Information and Conventions	8-56
8.11.3.2	Attaching the Formulas to Depreciation Method K5.....	8-56
8.12	Mid-Year (Declining Balance)	8-59
8.12.1	Adding a User Defined Code.....	8-59
8.12.2	Setting Up the Depreciation Method	8-60

8.12.2.1	Setting Up Reference Information and Conventions	8-61
8.12.2.2	Attaching the Formulas to Depreciation Method KY	8-61
8.13	Mid-Year (Straight Line)	8-64
8.13.1	Adding a User Defined Code.....	8-64
8.13.2	Setting Up the Depreciation Method	8-65
8.13.2.1	Setting Up Reference Information and Conventions	8-66
8.13.2.2	Attaching the Formulas to Depreciation Method K6	8-66

Index

Preface

Welcome to the JD Edwards World Global Solutions: Depreciations Methods Guide.

Audience

This document is intended for implementers and end users of JD Edwards World users across the world.

Documentation Accessibility

For information about Oracle's commitment to accessibility, visit the Oracle Accessibility Program website at <http://www.oracle.com/pls/topic/lookup?ctx=acc&id=docacc>.

Access to Oracle Support

Oracle customers have access to electronic support through My Oracle Support. For information, visit <http://www.oracle.com/pls/topic/lookup?ctx=acc&id=info> or visit <http://www.oracle.com/pls/topic/lookup?ctx=acc&id=trs> if you are hearing impaired.

Related Documents

You can access related documents from the JD Edwards World Release Documentation Overview pages on My Oracle Support. Access the main documentation overview page by searching for the document ID, which is 1362397.1, or by using this link:

<https://support.oracle.com/CSP/main/article?cmd=show&type=NOT&id=1362397.1>

Conventions

The following text conventions are used in this document:

Convention	Meaning
boldface	Boldface type indicates graphical user interface elements associated with an action, or terms defined in text or the glossary.
<i>italic</i>	Italic type indicates book titles, emphasis, or placeholder variables for which you supply particular values.
monospace	Monospace type indicates commands within a paragraph, URLs, code in examples, text that appears on the screen, or text that you enter.

Part I

Depreciation Methods for Europe, Middle East, and Africa

This part contains these chapters:

- [Chapter 1, "About Depreciation Methods for Europe, Middle East, and Africa,"](#)
- [Chapter 2, "Defining Depreciation Methods for France,"](#)
- [Chapter 3, "Defining Depreciation Methods for Germany,"](#)
- [Chapter 4, "Defining Depreciation Methods for Italy,"](#)
- [Chapter 5, "Defining Depreciation Methods for Spain."](#)

About Depreciation Methods for Europe, Middle East, and Africa

Depreciation methods for Europe, the Middle East, and Africa include the following:

- Defining depreciation methods for France
- Calculating derogatory depreciation for France
- Defining depreciation methods for Germany
- Defining depreciation methods for Italy
- Defining depreciation methods for Spain



Defining Depreciation Methods for France

To define the depreciation methods for France, this chapter contains these topics:

- Section 2.1, "Declining Balance - Amortissement Dégressif,"
- Section 2.2, "Straight Line - Amortissement Linéaire Pro Rata Temporis,"
- Section 2.3, "Calculating Derogatory Depreciation for France."

2.1 Declining Balance - Amortissement Dégressif

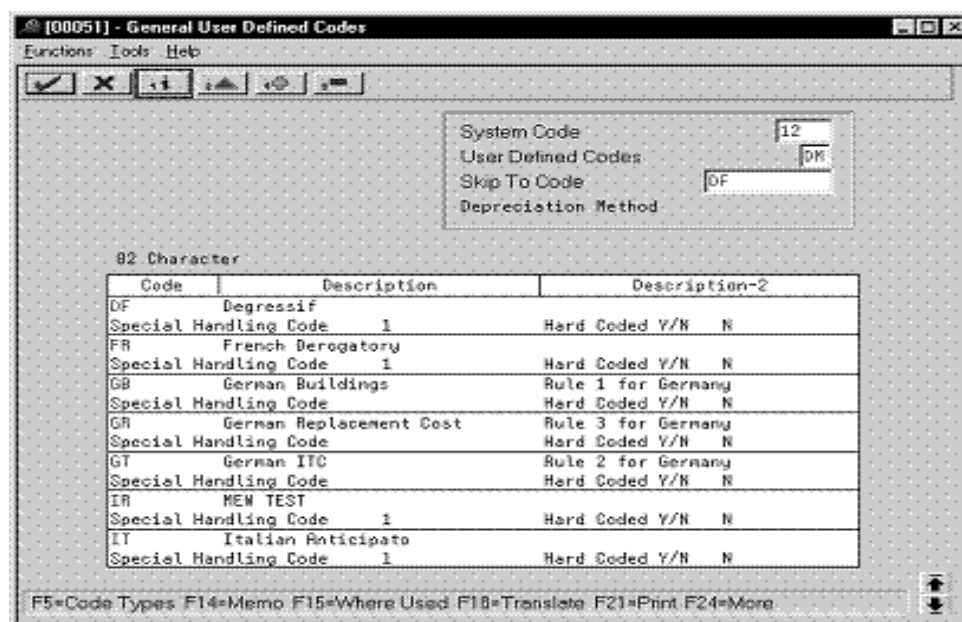
Defining this depreciation method includes the following tasks:

- Adding a user defined code
- Setting up depreciation formulas
- Setting up the depreciation method

2.1.1 Adding a User Defined Code

On General User Defined Codes for Depreciation Method (12/DM), create code DF for Declining Balance - Dégressif.

Figure 2-1 General User Defined Codes screen



Complete the following fields with the values indicated below:

Field	Value
Code	DF
Description	Dégressif
Special Handling Code	1
Hard Coded	N

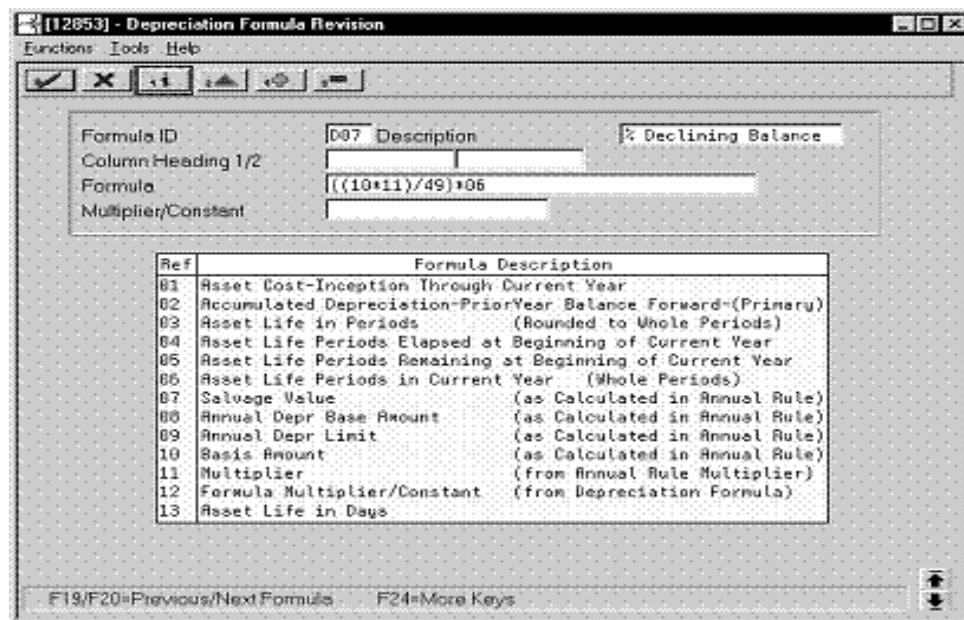
2.1.2 Setting up Depreciation Formulas

On Depreciation Formula Revision, define the following formulas:

- First and subsequent years depreciation
- Last year minus one
- Last year

First and Subsequent Years Depreciation

Figure 2-2 Depreciation Formula Revision screen (First and Subsequent Years)



Complete the following fields with the values indicated below:

Field	Value
Formula ID	D07
Description	% Declining Balance
Formula	$((10 * 11) / 49) * 06$

Last Year Minus One

Figure 2-3 Depreciation Formula Revision screen (Last Year Minus One)

The screenshot shows a software window titled "[12853] - Depreciation Formula Revision". It contains a form with the following fields:

- Formula ID: D22
- Description: Dégressif Last Yr-1
- Column Heading 1/2: (empty)
- Formula: (10*12)
- Multiplier/Constant: 0.500000

Below the form is a table with the following columns: Ref, Formula Description.

Ref	Formula Description
01	Asset Cost-Inception Through Current Year
02	Accumulated Depreciation-PriorYear Balance Forward-(Primary)
03	Asset Life in Periods (Rounded to Whole Periods)
04	Asset Life Periods Elapsed at Beginning of Current Year
05	Asset Life Periods Remaining at Beginning of Current Year
06	Asset Life Periods in Current Year (Whole Periods)
07	Salvage Value (as Calculated in Annual Rule)
08	Annual Depr Base Amount (as Calculated in Annual Rule)
09	Annual Depr Limit (as Calculated in Annual Rule)
10	Basis Amount (as Calculated in Annual Rule)
11	Multiplier (from Annual Rule Multiplier)
12	Formula Multiplier/Constant (from Depreciation Formula)
13	Asset Life in Days

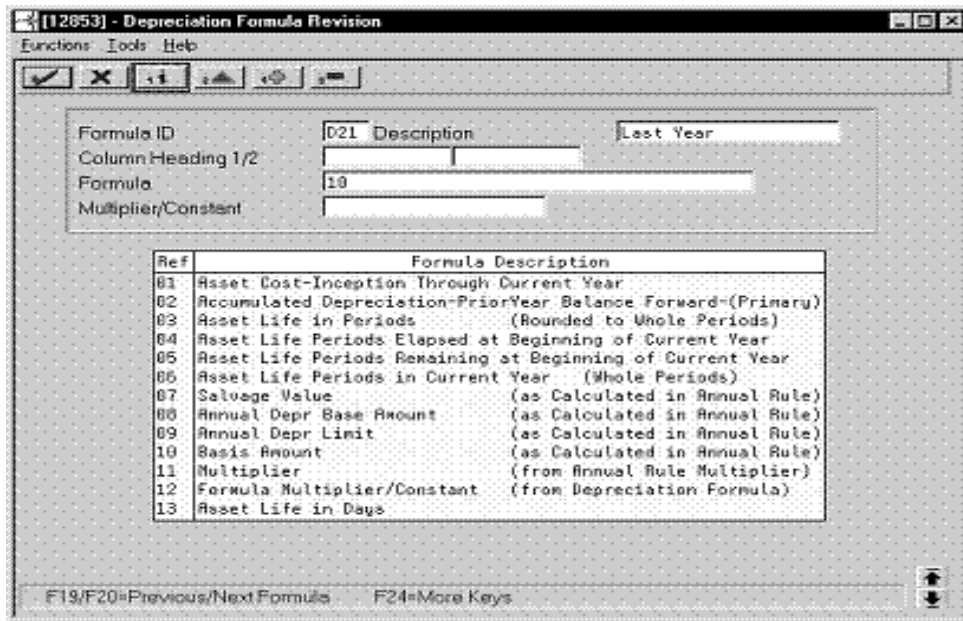
At the bottom of the window, there are instructions: F19/F20=Previous/Next Formula and F24=More Keys.

Complete the following fields with the values indicated below:

Field	Value
Formula ID	D22
Description	Dégressif Last Yr - 1
Formula	(10*12)
Multiplier/Constant	0.500000

Last Year

Figure 2-4 Depreciation Formula Revision screen (Last Year)



Complete the following fields with the values indicated below:

Field	Value
Formula ID	D21
Description	Last Year
Formula	10

2.1.3 Setting Up the Depreciation Method

On Depreciation Rule Revisions, set up the depreciation method.

Setting up the depreciation method includes the following tasks:

- Setting up reference information and conventions
- Attaching the formulas to depreciation method DF

2.1.3.1 Setting Up Reference Information and Conventions

Figure 2-5 Depreciation Rule Revisions screen (Reference)

The screenshot shows a software window titled "[12851] - Depreciation Rule Revisions". It contains several input fields and a table. The fields are: Depreciation Method (DF), Rule Description (Dégressif), Life(Periods) (48), Initial Term Apport (blank), Compute Direction (R), In Service From/Thru (01/01/2005), and Effect From/Thru (01/01/2005). Below these are "Rule Conventions" checkboxes for various options like "No override", "Modified Depreciation Start Date", etc. At the bottom is a table with columns: P, Life, Yr, IS, Annual, Per, Depreciation, Formulas, S, C.

P	Life	Yr	IS	Annual	Per	Depreciation	Formulas	S	C
	1	2		.37500000		D07 % Declining Balance	504 NBV Beg Year Primar	1	
	3	3				D22 Dégressif Last Yr-1	504 NBV Beg Year Primar	1	
	4	4				D21 Last Year	504 NBV Beg Year Primar	1	

Complete the following fields with the values indicated below:

Field	Value
Depreciation Method	DF
Rule Description	Dégressif
Life (Periods)	48
Initial Term Apport	Blank (defaults to 1st day of 1st month)
Compute Direction	R
In Service From/Thru	01/01/2005
Effective From/Thru	01/01/2005

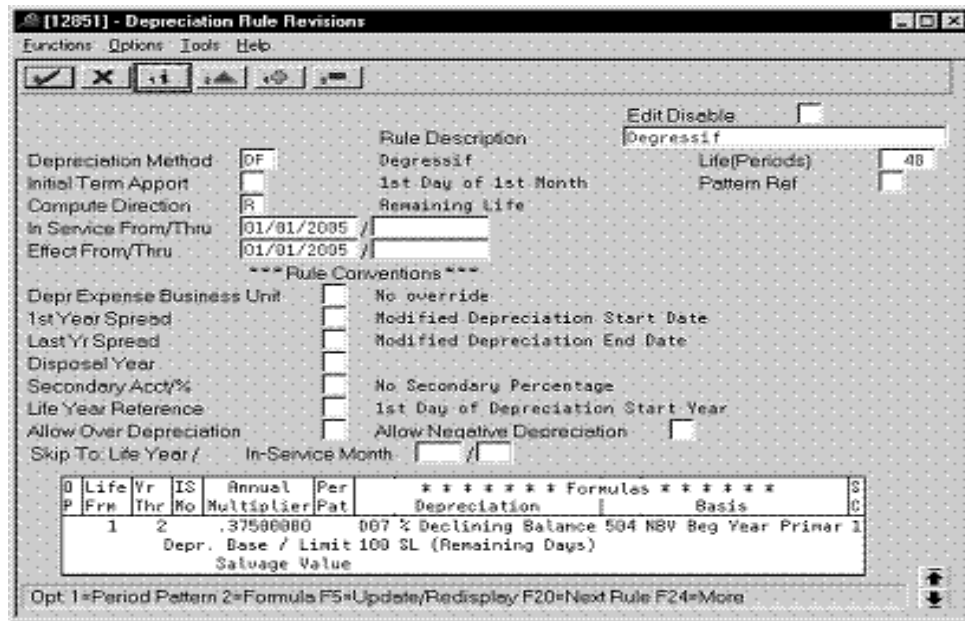
2.1.3.2 Attaching the Formulas to Depreciation Method DF

Attach the following formulas to the depreciation method:

- First Record: Life Years 1 and 2
- Second Record: Life Year 3
- Third Record: Life Year 4

First Record: Life Years 1 and 2

Figure 2-6 Depreciation Rule Revisions screen (Life Years 1 and 2)

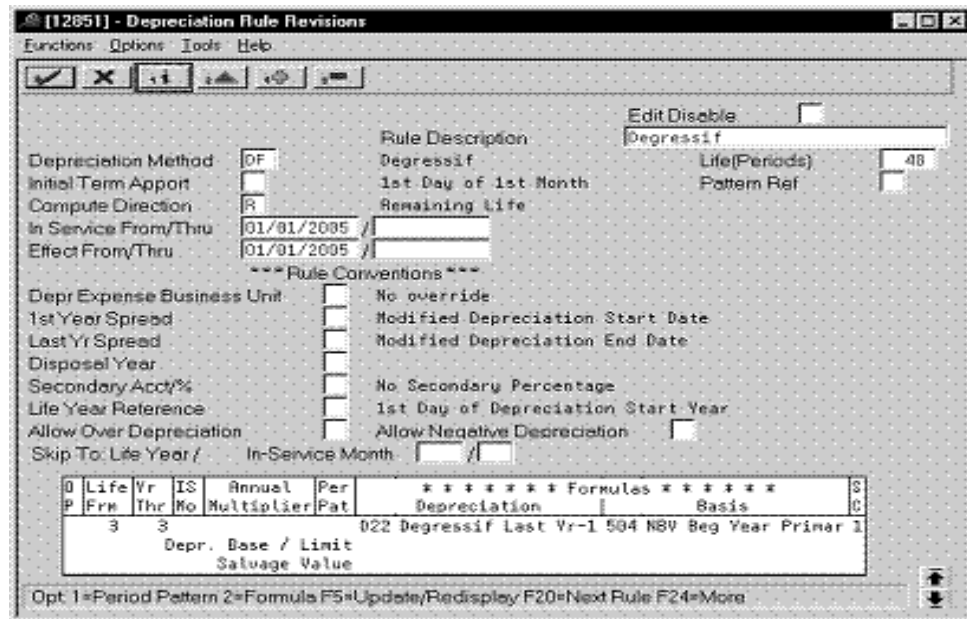


Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	1
Life Yr Thr	2
Annual Multiplier	0.37500000
Depreciation	D07
Basis	504
SC (Secondary Percentage Continuation)	1
Depr. Base/Limit	100

Second Record: Life Year 3

Figure 2-7 Depreciation Rule Revisions screen (Life Year 3)

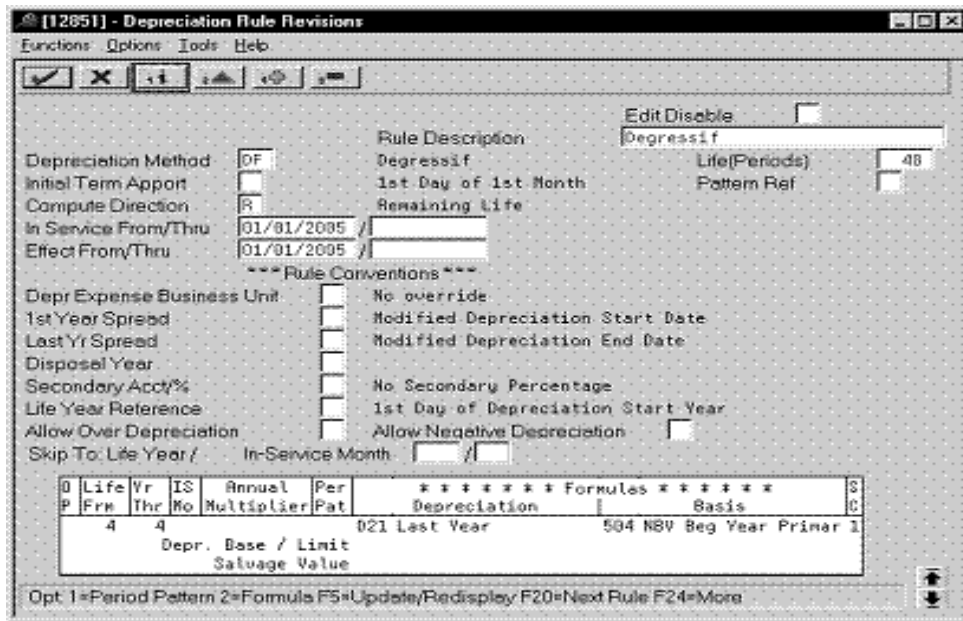


Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	3
Life Yr Thr	3
Depreciation	D22
Basis	504
SC (Secondary Percentage Continuation)	1

Third Record: Life Year 4

Figure 2-8 Depreciation Rule Revisions screen (Life Year 4)



Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	4
Life Yr Thr	4
Depreciation	D21
Basis	504
SC (Secondary Percentage Continuation)	1

2.2 Straight Line - Amortissement Linéaire Pro Rata Temporis

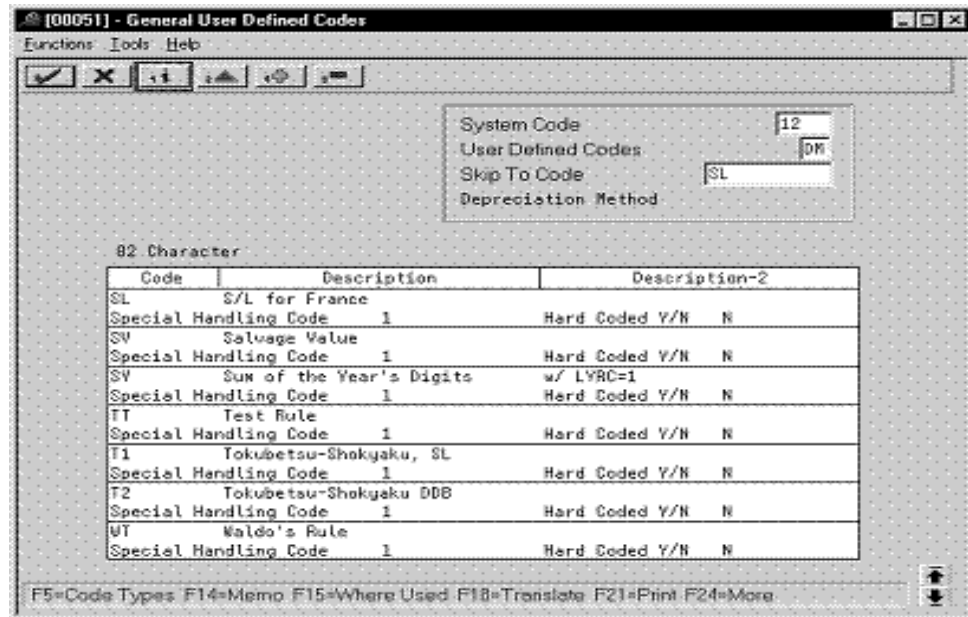
Defining this depreciation method includes the following tasks:

- Adding a user defined code
- Setting up depreciation formulas
- Setting up the depreciation method

2.2.1 Adding a User Defined Code

On General User Defined Codes for Depreciation Method (12/DM), create code SL for Straight Line.

Figure 2-9 General User Defined Codes screen (Straight Line)



Complete the following fields with the values indicated below:

Field	Value
Code	SL
Description	S/L for France
Special Handling Code	1
Hard Coded	N

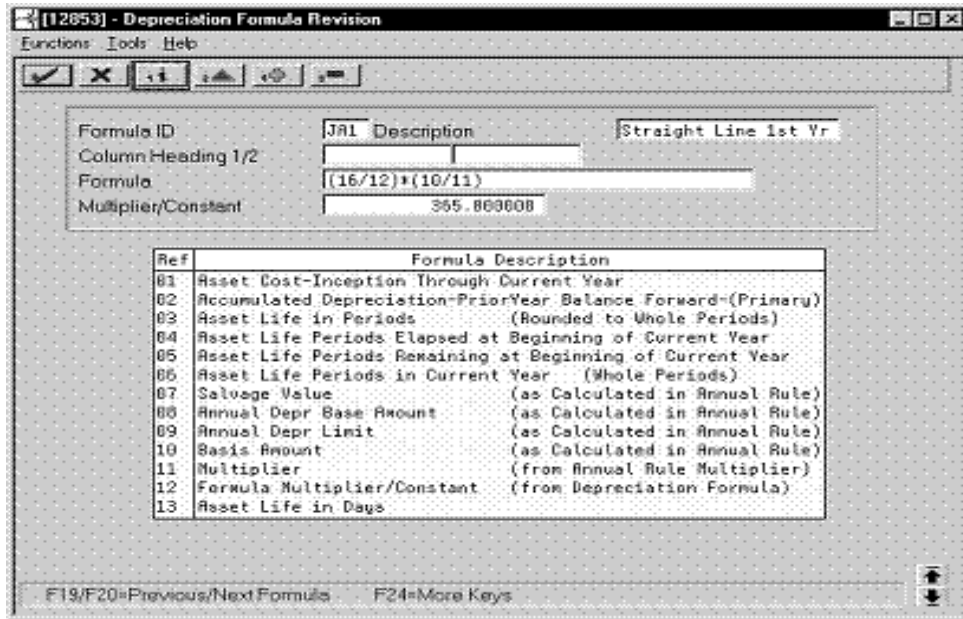
2.2.2 Setting Up Depreciation Formulas

On Depreciation Formula Revision, define the following formulas:

- First year depreciation
- Years 2 through 5
- Remaining days

First Year Depreciation

Figure 2-10 Depreciation Formula Revisions screen (First Year)

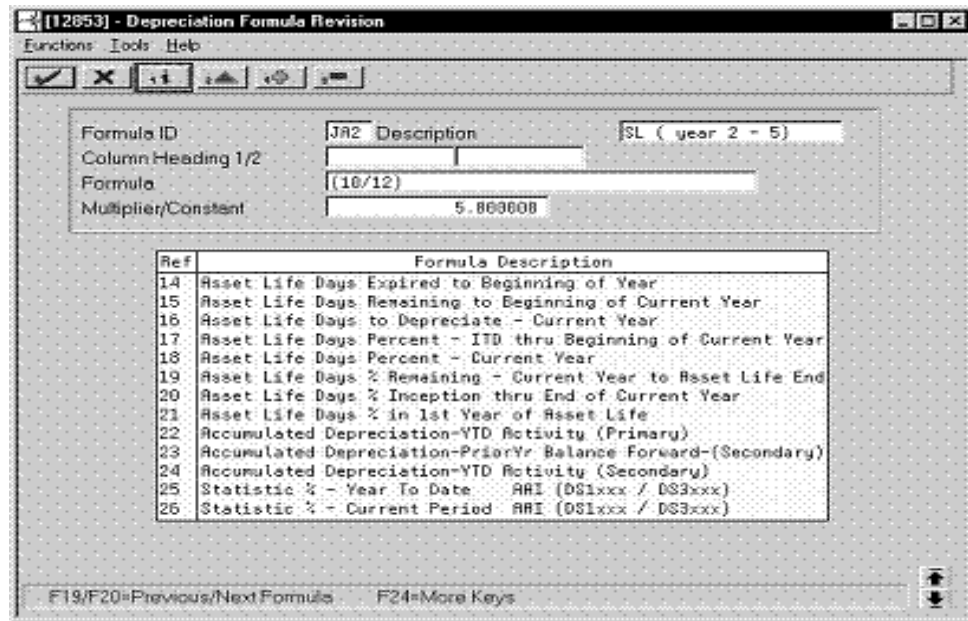


Complete the following fields with the values indicated below:

Field	Value
Formula ID	JA1
Description	Straight Line 1st Yr
Formula	$(16/12) * (10/11)$
Multiplier/Constant	365.000000

Years 2 through 5

Figure 2-11 Depreciation Formula Revision screen (Years 2 through 5)

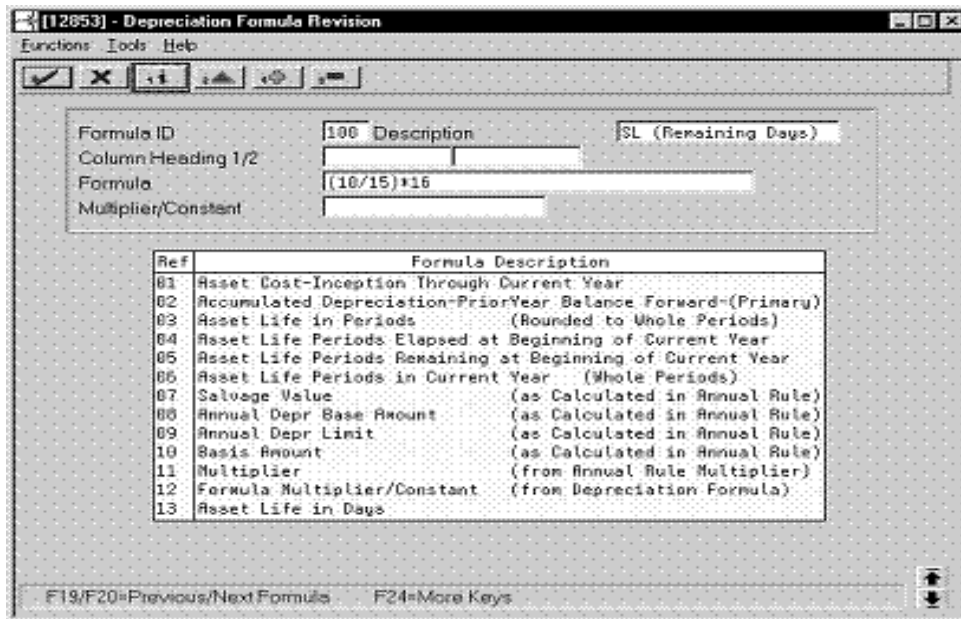


Complete the following fields with the values indicated below:

Field	Value
Formula ID	JA2
Description	S/L (year 2 - 5)
Formula	(10/12)
Multiplier/Constant	5.000000

Remaining Days

Figure 2-12 Depreciation Formula Revision screen (Remaining Days)



Complete the following fields with the values indicated below:

Field	Value
Formula ID	100
Description	SL (Remaining Days)
Formula	(10/15)*16

2.2.3 Setting Up the Depreciation Method

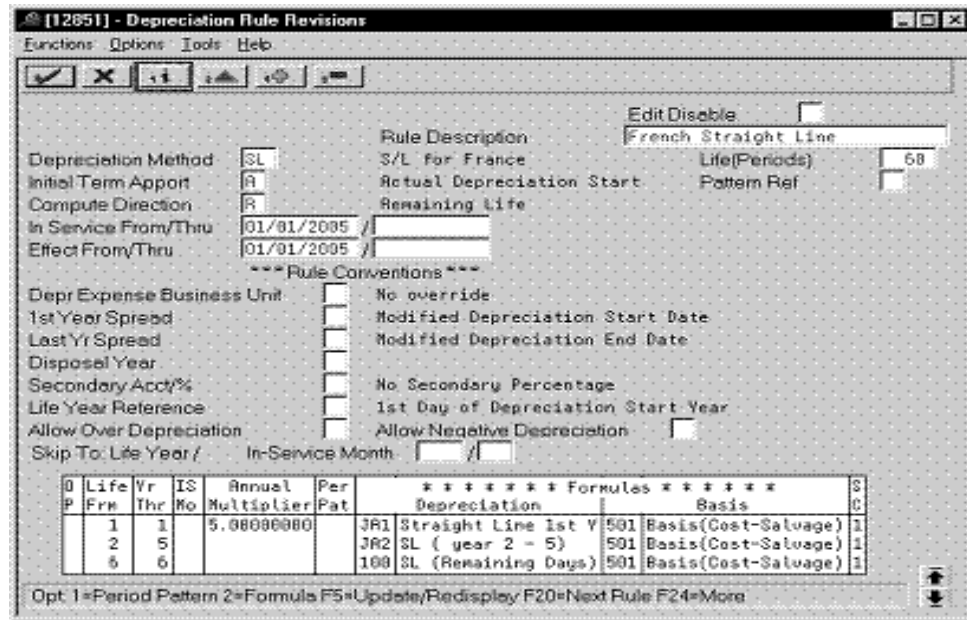
On Depreciation Rule Revisions, set up the depreciation method.

Setting up the depreciation method includes the following tasks:

- Setting up reference information and conventions
- Attaching the formulas to depreciation method SL

2.2.3.1 Setting Up Reference Information and Conventions

Figure 2-13 Depreciation Rule Revisions screen (Reference)



Complete the following fields with the values indicated below:

Field	Value
Depreciation Method	SL
Rule Description	French Straight Line
Life (Periods)	60
Initial Term Apport	A
Compute Direction	R
In Service From/Thru	01/01/2005
Effective From/Thru	01/01/2005

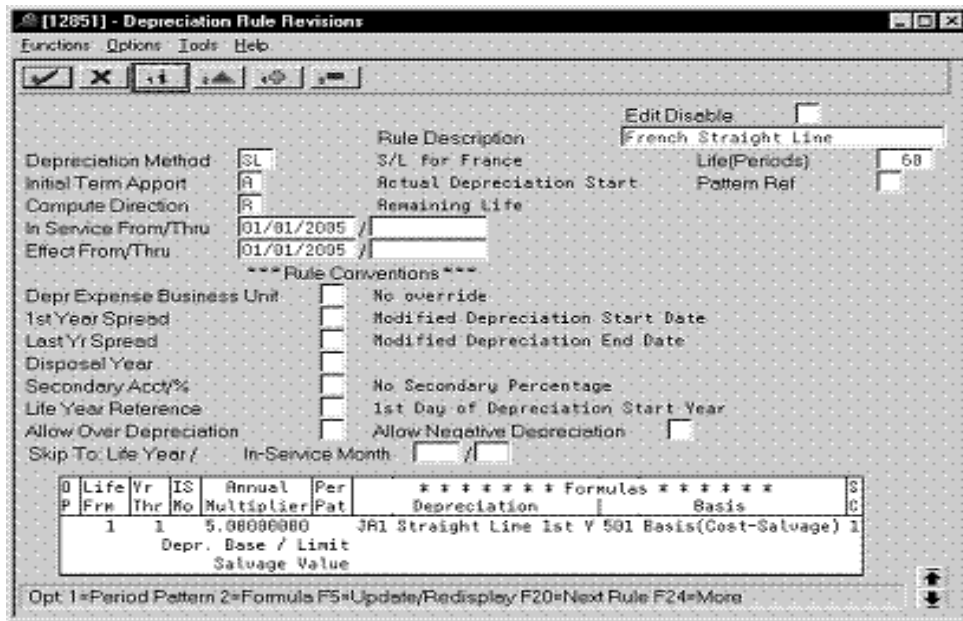
2.2.3.2 Attaching the Formulas to Depreciation Method SL

Attach the following formulas to the depreciation method:

- First Record: Life Year 1
- Second Record: Life Years 2 through 5
- Third Record: Life Year 6

First Record: Life Year 1

Figure 2-14 Depreciation Rule Revisions screen (Life Year 1)

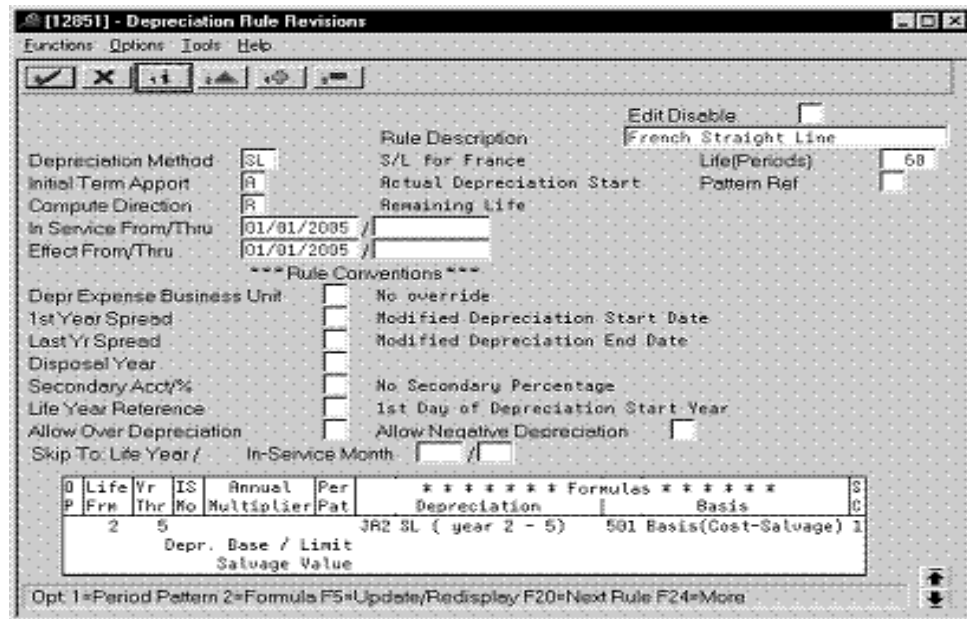


Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	1
Life Yr Thr	1
Annual Multiplier	5
Depreciation	JA1
Basis	501
SC (Secondary Percentage Continuation)	1

Second Record: Life Years 2 through 5

Figure 2-15 Depreciation Rule Revisions screen (Life Years 2 through 5)

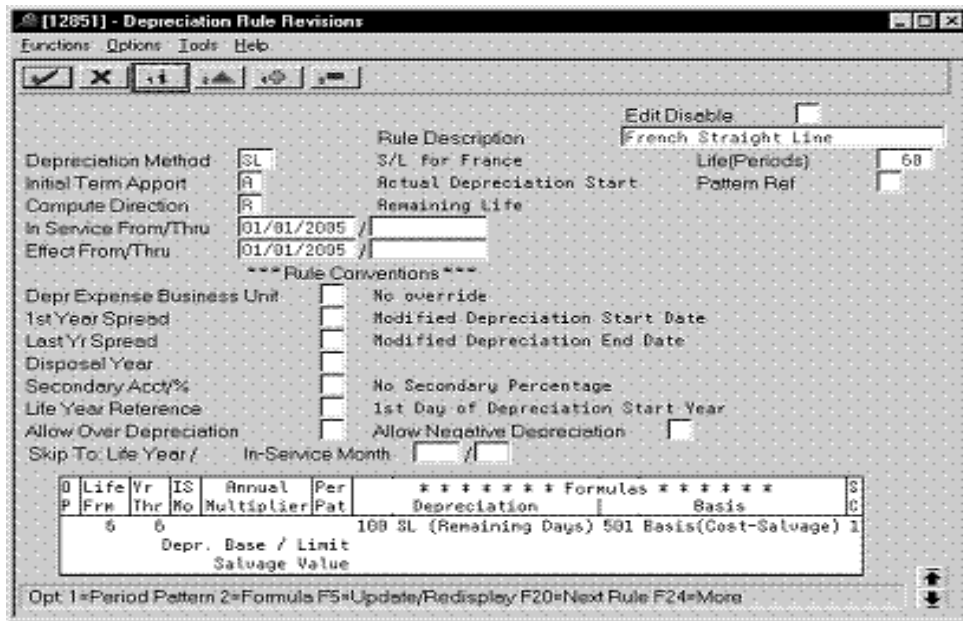


Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	2
Life Yr Thr	5
Depreciation	JA2
Basis	501
SC (Secondary Percentage Continuation)	1

Third Record: Life Year 6

Figure 2–16 Depreciation Rule Revisions screen (Life Year 6)



Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	6
Life Yr Thr	6
Depreciation	100
Basis	501
SC (Secondary Percentage Continuation)	1

2.3 Calculating Derogatory Depreciation for France

Derogatory depreciation is the difference between the straight line and the declining balance depreciation methods.

J.D. Edwards software allows you to calculate two different types of depreciation for the same asset. To do this, you use two ledger types:

- Ledger type AA for Straight Line depreciation based on the number of days (Pro Rata Temporis)
- Ledger type AX for Declining Balance depreciation (Dégressif)

At the end of every period, after you calculate the depreciation on the above ledger types, you should perform the following procedure to create the entries that are necessary for justifying the derogatory depreciation.

To calculate derogatory depreciation

1. Use the STAR tool to select entries where the depreciation for the period in the AX ledger (Declining Balance) is greater than that in the AA ledger (Straight Line).

2. Create a journal entry in the AA ledger type to:
 - Debit the Derogatory Depreciation account (Balance Sheet). This is the French legal Chart of Accounts account 145 Amortissements Dérogatoires.
 - Credit the Exceptional Expenses Allowance (Income Statement). This is the French legal Chart of Accounts account 687 Dotations Exceptionnelles.
3. Use World Writer to flag a field of the F0911 file so that the entries that have been flagged do not get selected again for posting to the Fixed Assets system.
4. Use the STAR tool to select entries where the depreciation for the period in the AX ledger (Declining Balance) is less than that in the AA ledger (Straight Line).
5. Create a journal entry in the AA ledger type to:
 - Debit the Regulated Reserves (Income Statement). This is the French legal Chart of Accounts account 787 Reprise Dotations Exceptionnelles.
 - Credit the Derogatory Depreciation account (Balance Sheet). This is the French legal Chart of Accounts account 145 Amortissements Dérogatoires.
6. When the item is disposed, it is necessary to justify the Derogatory Depreciation account (French account 145 Amortissements Dérogatoires) by item number. To do this, use the STAR tool to generate a journal entry by asset number (account included in the AAI FX range).

Defining Depreciation Methods for Germany

To define the depreciation methods for Germany, this chapter contains these topics:

- [Section 3.1, "Building,"](#)
- [Section 3.2, "Declining Balance,"](#)
- [Section 3.3, "Investment Tax Credit,"](#)
- [Section 3.4, "Replacement Cost."](#)

3.1 Building

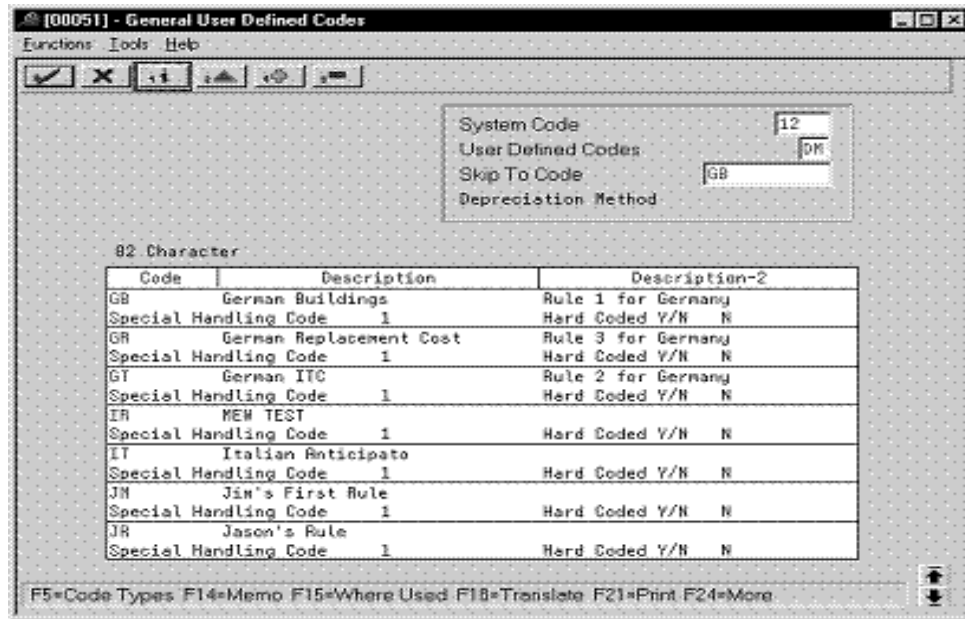
Defining this depreciation method includes the following tasks:

- Adding a user defined code
- Setting up depreciation formulas
- Setting up the depreciation method

3.1.1 Adding a User Defined Code

On General User Defined Codes for Depreciation Method (12/DM), create code GB for German Buildings.

Figure 3-1 General User Defined Codes screen (GB)



Complete the following fields with the values indicated below:

Field	Value
Code	GB
Description	German Buildings
Special Handling Code	1
Hard Coded	N

3.1.2 Setting Up Depreciation Formulas

On Depreciation Formula Revision, define the following formula:

Figure 3-2 Depreciation Formula Revision screen

Ref	Formula Description
01	Asset Cost-Inception Through Current Year
02	Accumulated Depreciation-Prior Year Balance Forward-(Primary)
03	Asset Life in Periods (Rounded to Whole Periods)
04	Asset Life Periods Elapsed at Beginning of Current Year
05	Asset Life Periods Remaining at Beginning of Current Year
06	Asset Life Periods in Current Year (Whole Periods)
07	Salvage Value (as Calculated in Annual Rule)
08	Annual Depr Base Amount (as Calculated in Annual Rule)
09	Annual Depr Limit (as Calculated in Annual Rule)
10	Basis Amount (as Calculated in Annual Rule)
11	Multiplier (from Annual Rule Multiplier)
12	Formula Multiplier/Constant (from Depreciation Formula)
13	Asset Life in Days

Complete the following fields with the values indicated below:

Field	Value
Formula ID	DE1
Description	German Building #1
Column Heading 1/2	Item Bal %
Formula	$((10 * 11) * (06 / 49))$

3.1.3 Setting Up the Depreciation Method

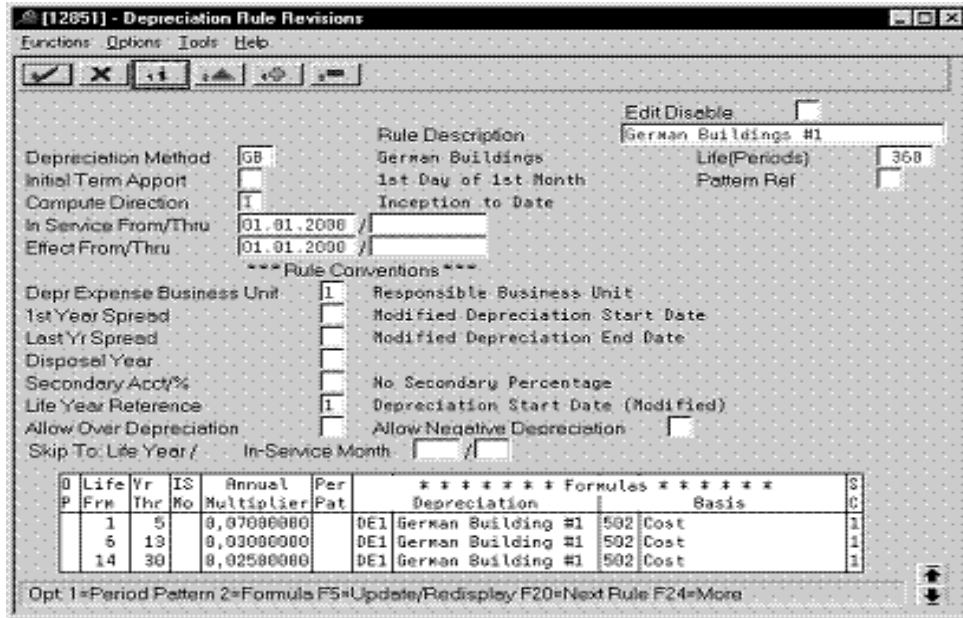
On Depreciation Rule Revisions, set up the depreciation method.

Setting up the depreciation method includes the following tasks:

- Setting up reference information and conventions
- Attaching the formulas to depreciation method GB

3.1.3.1 Setting Up Reference Information and Conventions

Figure 3-3 Depreciation Rule Revisions screen (Reference)



Complete the following fields with the values indicated below:

Field	Value
Depreciation Method	GB
Rule Description	German Buildings #1
Life (Periods)	360
Initial Term Apport	Blank (defaults to 1st day of 1st month)
Compute Direction	I
In Service From/Thru	01/01/2000
Effective From/Thru	01/01/2000
Depr Expense Business Unit	1
Life Year Reference	1

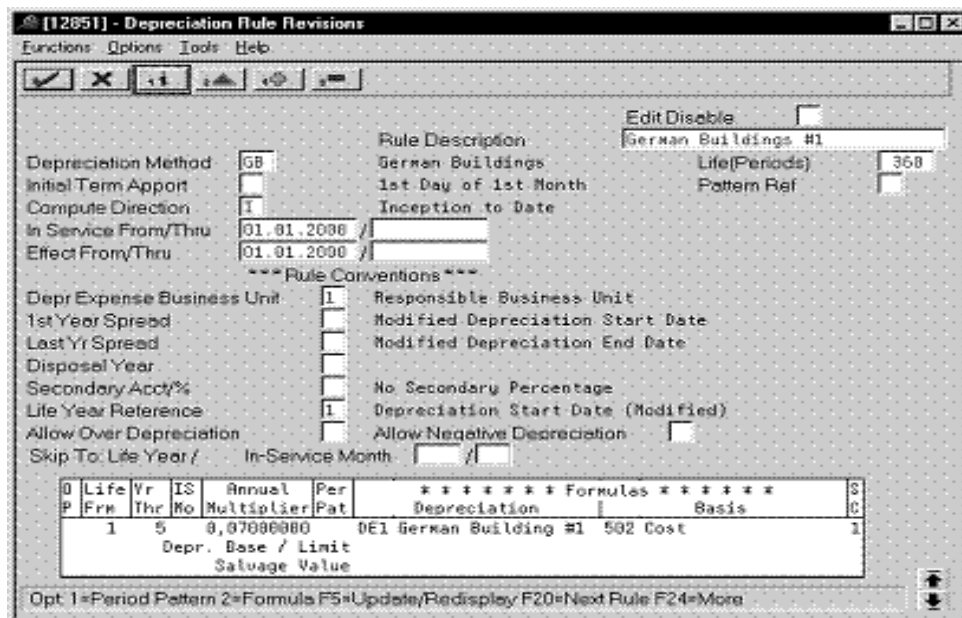
3.1.3.2 Attaching the Formulas to Depreciation Method GB

Attach the following formulas to the depreciation method:

- First Record: Life Years 1 through 5
- Second Record: Life Years 6 through 13
- Third Record: Life Years 14 through 30

First Record: Life Years 1 through 5

Figure 3-4 Depreciation Rule Revisions screen (Life Years 1 through 5)

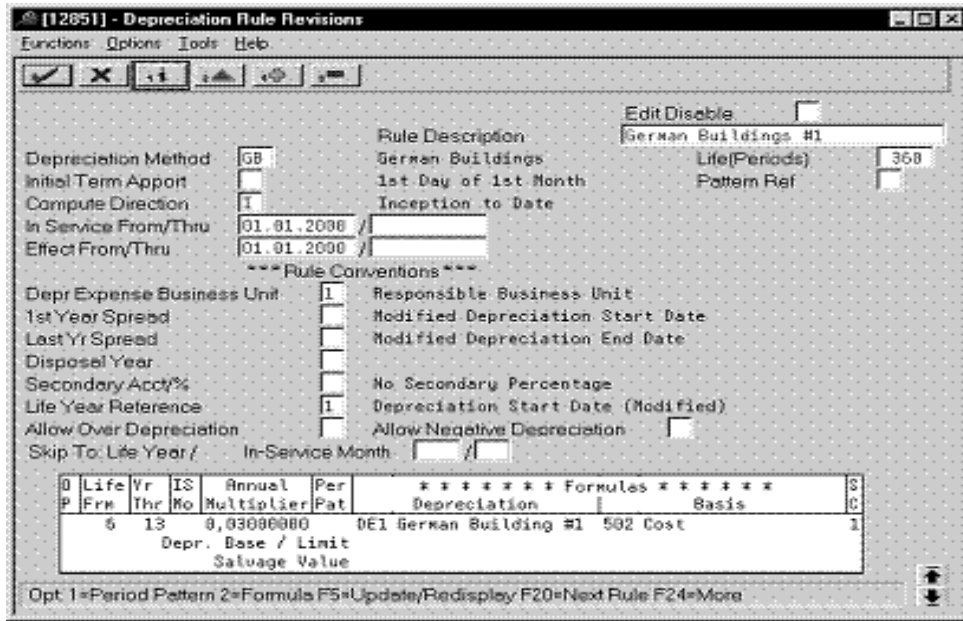


Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	1
Life Yr Thr	5
Annual Multiplier	0.07000000
Depreciation	DE1
Basis	502
SC (Secondary Percentage Continuation)	1

Second Record: Life Years 6 through 13

Figure 3-5 Depreciation Rule Revisions screen (Life Years 6 through 13)



Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	6
Life Yr Thr	13
Annual Multiplier	0.03000000
Depreciation	DE1
Basis	502
SC (Secondary Percentage Continuation)	1

Third Record: Life Years 14 through 30

Figure 3-6 Depreciation Rule Revisions screen (Life Years 14 through 30)

The screenshot shows a software window titled "[12851] - Depreciation Rule Revisions". It contains several input fields and a table. The fields include:

- Depreciation Method: GB
- Initial Term Apport:
- Compute Direction: 1
- In Service From/Thru: 01.01.2000 /
- Effect From/Thru: 01.01.2000 /
- Rule Description: German Buildings
- 1st Day of 1st Month: Inception to Date
- Life(Periods): 360
- Pattern Ref:
- Rule Conventions:
 - Depr Expense Business Unit: 1
 - 1st Year Spread:
 - Last Yr Spread:
 - Disposal Year:
 - Secondary Accty%:
 - Life Year Reference: 1
 - Allow Over Depreciation:
 - Skip To: Life Year / In-Service Month: /
 - Responsible Business Unit:
 - Modified Depreciation Start Date:
 - Modified Depreciation End Date:
 - No Secondary Percentage:
 - Depreciation Start Date (Modified):
 - Allow Negative Depreciation:

At the bottom, there is a table with columns: P, Life Yr, Frm, Thr, Mo, Annual Multiplier, Per, Pat, Formulas, Basis, and C. The table contains one row of data:

P	Life Yr	Frm	Thr	Mo	Annual Multiplier	Per	Pat	Formulas	Basis	C
	14		30		0,02500000		DE1	German Building #1 502 Cost		1

Below the table, it says "Depr. Base / Limit Salvage Value". At the very bottom, there are options: "Opt 1=Period Pattern 2=Formulas F5=Update/Redisplay F20=Next Rule F24=More".

Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	14
Life Yr Thr	30
Annual Multiplier	0.02500000
Depreciation	DE1
Basis	502
SC (Secondary Percentage Continuation)	1

3.2 Declining Balance

Defining this depreciation method includes the following task:

- Setting up depreciation formulas

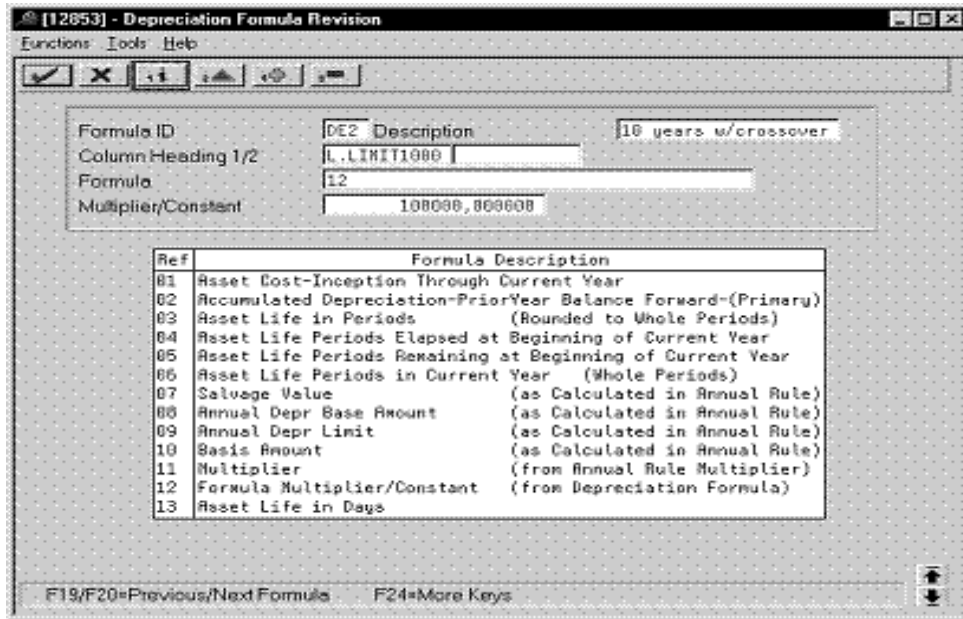
3.2.1 Setting up Depreciation Formulas

On Depreciation Formula Revision, define the following formulas:

- Lower Limit 1000
- Upper Limit 2500
- Cost Less Salvage

Lower Limit 1000

Figure 3-7 Depreciation Formula Revision screen (Lower Limit 1000)



Complete the following fields with the values indicated below:

Field	Value
Formula ID	DE2
Description	10 years w/crossover
Column Heading 1/2	L.Limit1000
Formula	12
Multiplier/Constant	100000.000000

Upper Limit 2500

Figure 3-8 Depreciation Formula Revision screen (Upper Limit 2500)

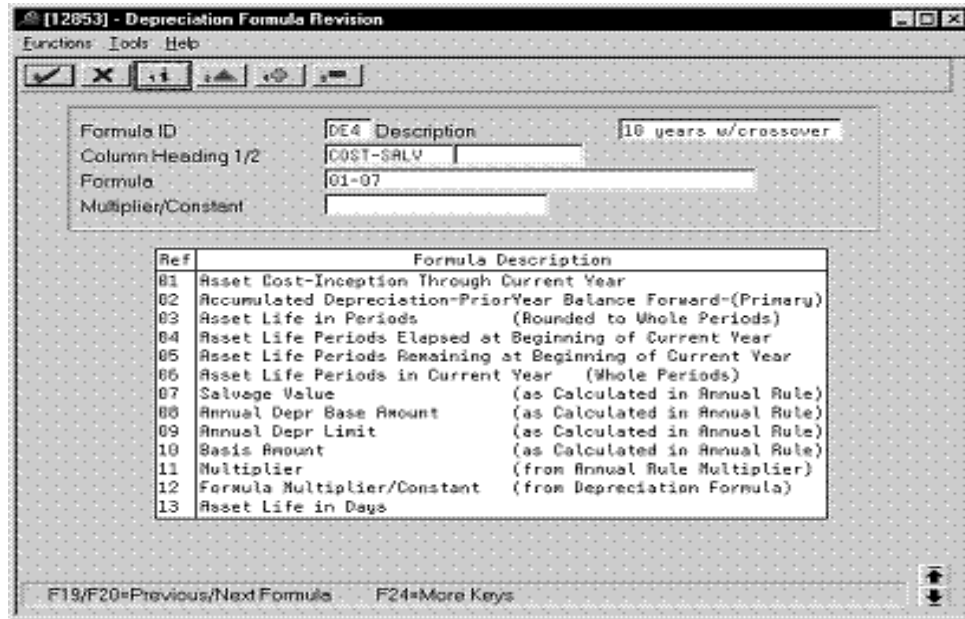
Ref	Formula Description
01	Asset Cost-Inception Through Current Year
02	Accumulated Depreciation-PriorYear Balance Forward-(Primary)
03	Asset Life in Periods (Rounded to Whole Periods)
04	Asset Life Periods Elapsed at Beginning of Current Year
05	Asset Life Periods Remaining at Beginning of Current Year
06	Asset Life Periods in Current Year (Whole Periods)
07	Salvage Value (as Calculated in Annual Rule)
08	Annual Depr Base Amount (as Calculated in Annual Rule)
09	Annual Depr Limit (as Calculated in Annual Rule)
10	Basis Amount (as Calculated in Annual Rule)
11	Multiplier (from Annual Rule Multiplier)
12	Formula Multiplier/Constant (from Depreciation Formula)
13	Asset Life in Days

Complete the following fields with the values indicated below:

Field	Value
Formula ID	DE3
Description	10 years w/crossover
Column Heading 1/2	U.Limit2500
Formula	12
Multiplier/Constant	250000.000000

Cost Less Salvage

Figure 3-9 Depreciation Formula Revision screen (Cost Less Salvage)



Complete the following fields with the values indicated below:

Field	Value
Formula ID	DE4
Description	10 years w/crossover
Column Heading 1/2	Cost-Salv
Formula	01 - 07

3.3 Investment Tax Credit

Defining this depreciation method includes the following tasks:

- Adding a user defined code
- Setting up depreciation formulas
- Setting up the depreciation method

3.3.1 Adding a User Defined Code

On General User Defined Codes for Depreciation Method (12/DM), create code GT for German Investment Tax Credit (ITC).

Figure 3–10 General User Defined Codes screen (GT)

System Code: 12
 User Defined Codes: DM
 Skip To Code: GT
 Depreciation Method:

Code	Description	Description-2
GT	German ITC	Rule 2 for Germany
Special Handling Code	1	Hard Coded Y/N N
IR	MEM TEST	
Special Handling Code	1	Hard Coded Y/N N
IT	Italian Anticipate	
Special Handling Code	1	Hard Coded Y/N N
JM	Jin's First Rule	
Special Handling Code	1	Hard Coded Y/N N
JR	Jason's Rule	
Special Handling Code	1	Hard Coded Y/N N
KC	Kevin C's Depreciation Method	
Special Handling Code		Hard Coded Y/N N
KE	Korean DE Capital Expenditure	
Special Handling Code		Hard Coded Y/N N

F5=Code Types F14=Memo F15=Where Used F18=Translate F21=Print F24=More

Complete the following fields with the values indicated below:

Field	Value
Code	GT
Description	German ITC
Special Handling Code	1
Hard Coded	N

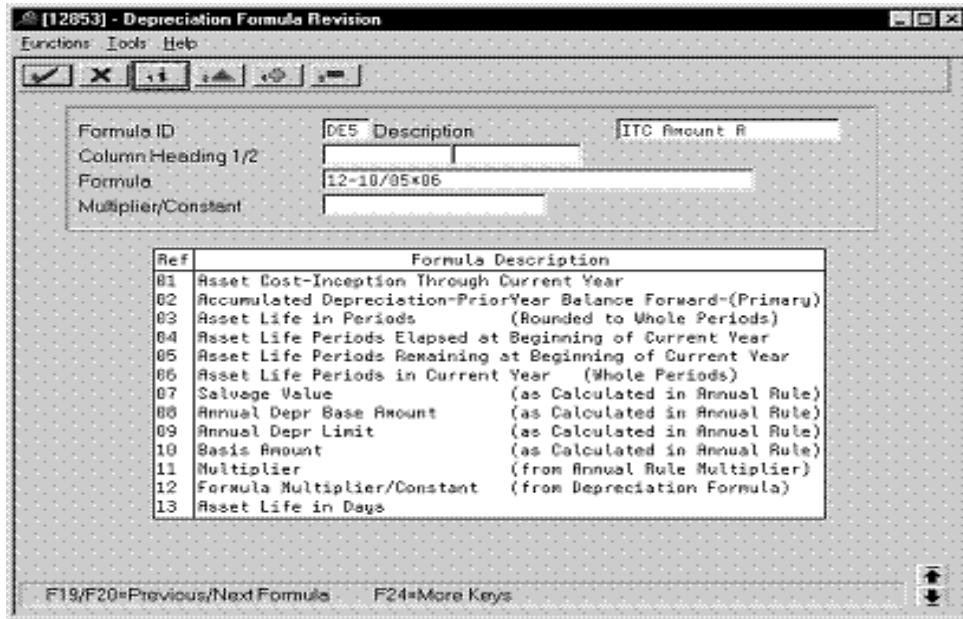
3.3.2 Setting Up Depreciation Formulas

On Depreciation Formula Revision, define the following formulas:

- ITC Amount A
- ITC Amount B

ITC Amount A

Figure 3-11 Depreciation Formula Revision screen (ITC Amount A)



Complete the following fields with the values indicated below:

Field	Value
Formula ID	DE5
Description	ITC Amount A
Formula	12-10/05*06

ITC Amount B

Figure 3–12 Depreciation Formula Revision screen (ITC Amount B)

Ref	Formula Description
01	Asset Cost-Inception Through Current Year
02	Accumulated Depreciation-PriorYear Balance Forward-(Primary)
03	Asset Life in Periods (Rounded to Whole Periods)
04	Asset Life Periods Elapsed at Beginning of Current Year
05	Asset Life Periods Remaining at Beginning of Current Year
06	Asset Life Periods in Current Year (Whole Periods)
07	Salvage Value (as Calculated in Annual Rule)
08	Annual Depr Base Amount (as Calculated in Annual Rule)
09	Annual Depr Limit (as Calculated in Annual Rule)
10	Basis Amount (as Calculated in Annual Rule)
11	Multiplier (from Annual Rule Multiplier)
12	Formula Multiplier/Constant (from Depreciation Formula)
13	Asset Life in Days

Complete the following fields with the values indicated below:

Field	Value
Formula ID	DE6
Description	ITC Amount B
Formula	42

3.3.3 Setting Up the Depreciation Method

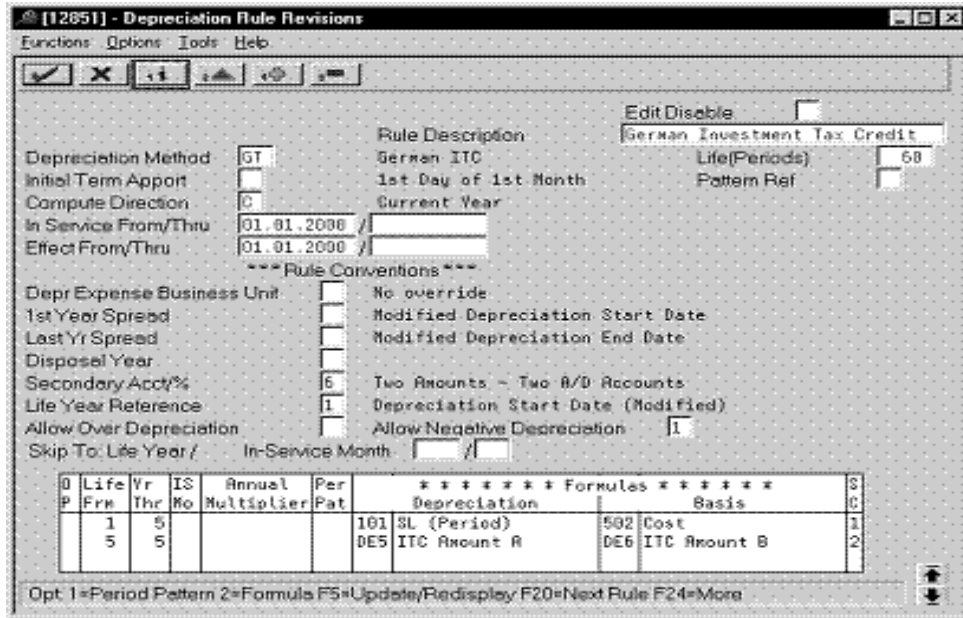
On Depreciation Rule Revisions, set up the depreciation method.

Setting up the depreciation method includes the following tasks:

- Setting up reference information and conventions
- Attaching the formulas to depreciation method GT

3.3.3.1 Setting Up Reference Information and Conventions

Figure 3-13 Depreciation Rule Revisions screen (Reference)



Complete the following fields with the values indicated below:

Field	Value
Depreciation Method	GT
Rule Description	German Investment Tax Credit
Life (Periods)	60
Initial Term Apport	Blank (defaults to 1st day of 1st month)
Compute Direction	C
In Service From/Thru	01.01.2000
Effective From/Thru	01.01.2000
Secondary Acct/%	6
Life Year Reference	1
Allow Negative Depreciation	1

3.3.3.2 Attaching the Formulas to Depreciation Method GT

Attach the following formulas to the depreciation method:

- First Record: Life Years 1 through 5
- Second Record: Life Year 5

First Record: Life Years 1 through 5

Figure 3-14 Depreciation Rule Revisions screen (Life Years 1 through 5)

The screenshot shows a software window titled "[12851] - Depreciation Rule Revisions". It contains several input fields and a table. The fields include:

- Depreciation Method: GT
- Initial Term Apport:
- Compute Direction: 0
- In Service From/Thru: 01.01.2006 /
- Effect From/Thru: 01.01.2000 /
- Rule Description: German ITC
- 1st Day of 1st Month: Current Year
- Life(Periods): 50
- Pattern Ref:
- Edit/Disable:

Below these fields is a section titled "Rule Conventions" with several checkboxes and values:

- Depr Expense Business Unit: No override
- 1st Year Spread: Modified Depreciation Start Date
- Last Yr Spread: Modified Depreciation End Date
- Disposal Year:
- Secondary Accty%: 6 Two Accounts - Two A/D Accounts
- Life Year Reference: 1 Depreciation Start Date (Modified)
- Allow Over Depreciation: Allow Negative Depreciation:
- Skip To: Life Year / In-Service Month: /

At the bottom, there is a table with columns: P, Life Yr, IS, Annual, Per, Depreciation, Basis, and C. The table contains one row of data:

P	Life Yr	IS	Annual	Per	Depreciation	Basis	C
0	1	5			101 SL (Period)	502 Cost	1

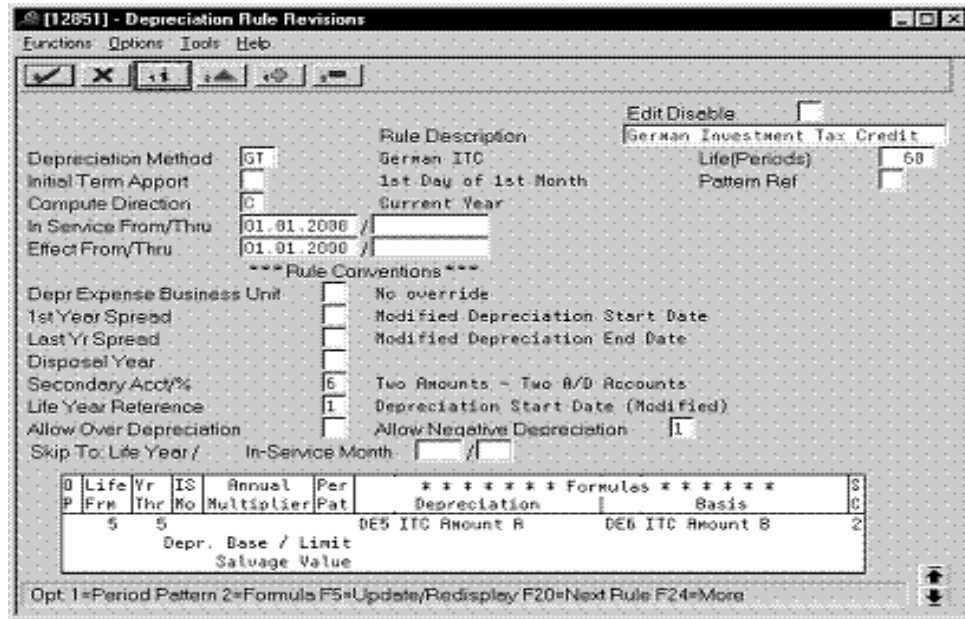
Below the table, it says "Depr. Base / Limit" and "Salvage Value". At the very bottom, there are options: "Opt 1=Period Pattern 2=Formulas F5=Update/Redisplay F20=Next Rule F24=More".

Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	1
Life Yr Thr	5
Depreciation	101
Basis	502
SC (Secondary Percentage Continuation)	1

Second Record: Life Year 5

Figure 3–15 Depreciation Rule Revisions screen (Life Year 5)



Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	5
Life Yr Thr	5
Depreciation	DE5
Basis	DE6
SC (Secondary Percentage Continuation)	2

3.4 Replacement Cost

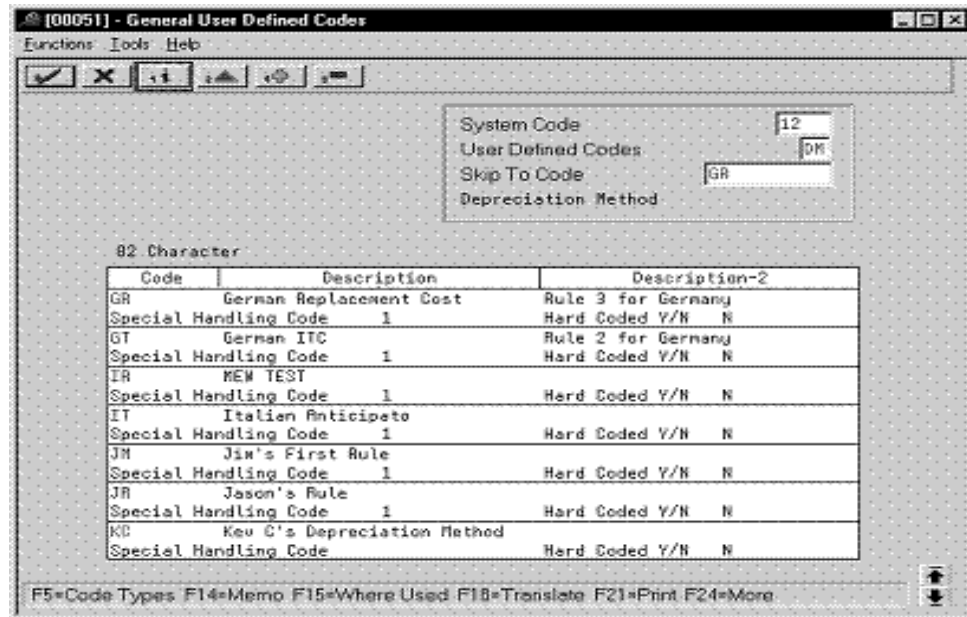
Defining this depreciation method includes the following tasks:

- Adding a user defined code
- Setting up depreciation formulas
- Setting up the depreciation method

3.4.1 Adding a User Defined Code

On General User Defined Codes for Depreciation Method (12/DM), create code GR for German Replacement Cost.

Figure 3-16 General User Defined Codes screen (GR)



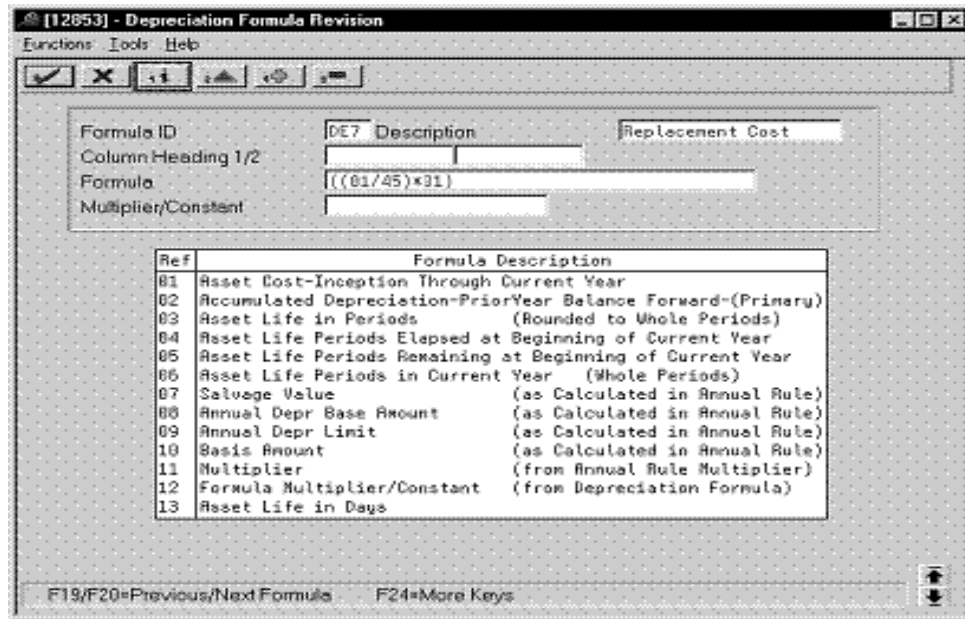
Complete the following fields with the values indicated below:

Field	Value
Code	GR
Description	German Replacement Cost
Special Handling Code	1
Hard Coded	N

3.4.2 Setting Up Depreciation Formulas

On Depreciation Formula Revision, define the following formula:

Figure 3-17 Depreciation Formula Revision screen (GR)



Complete the following fields with the values indicated below:

Field	Value
Formula ID	DE7
Description	Replacement Cost
Formula	((01/45)*31)

3.4.3 Setting Up the Depreciation Method

On Depreciation Rule Revisions, set up the depreciation method.

Setting up the depreciation method includes the following tasks:

- Setting up reference information and conventions
- Attaching the formula to depreciation method GR

3.4.3.1 Setting Up Reference Information and Conventions

Figure 3–18 Depreciation Rule Revisions screen (Reference)

The screenshot shows a software window titled "[12851] - Depreciation Rule Revisions". It contains several input fields and a table. The fields are: Depreciation Method (GR), Rule Description (German Replacement Cost), Life(Periods) (60), Initial Term Apport (blank), 1st Day of 1st Month (blank), Compute Direction (C), Current Year (blank), In Service From/Thru (01.01.1997), Effect From/Thru (01.01.1997), and a section for Rule Conventions with checkboxes for various options like "No override", "Modified Depreciation Start Date", etc. At the bottom, there is a table with columns for Life, Yr, IS, Annual, Per, and Formulas.

Life	Yr	IS	Annual	Per	Formulas
P	Fr	Mo	Multiplier	Pat	Depreciation Basis
1	5				DE? Replacement Cost 502 Cost

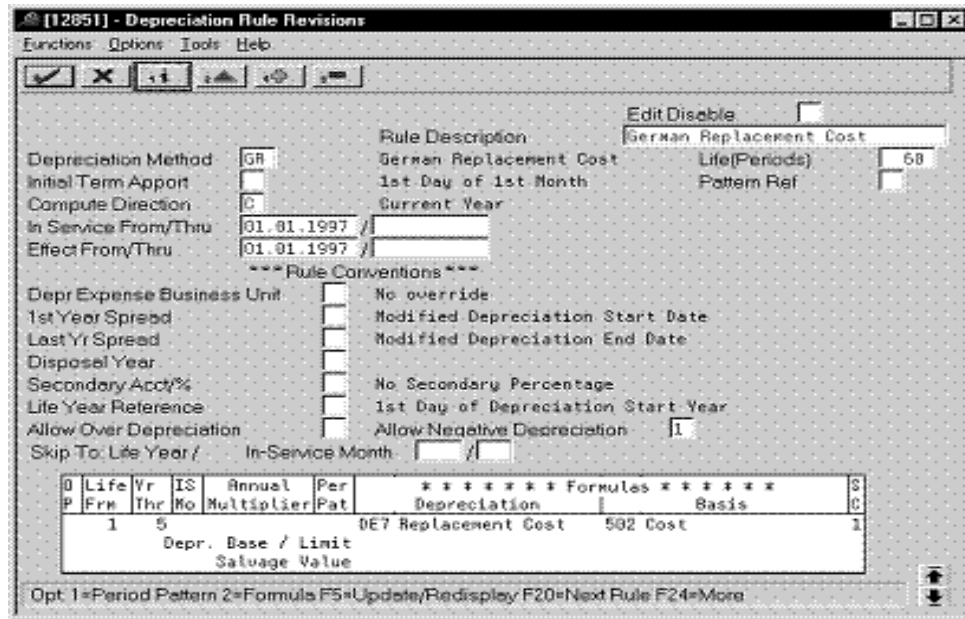
Complete the following fields with the values indicated below:

Field	Value
Depreciation Method	GR
Rule Description	German Replacement Cost
Life (Periods)	60
Initial Term Apport	Blank (defaults to 1st day of 1st month)
Compute Direction	C
In Service From/Thru	01.01.1997
Effective From/Thru	01.01.1997
Allow Negative Depreciation	1

3.4.3.2 Attaching the Formula to Depreciation Method GR

Attach the following formula to the depreciation method:

Figure 3-19 Depreciation Rule Revisions screen (Method GR)



Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	1
Life Yr Thr	5
Depreciation	DE7
Basis	502
SC (Secondary Percentage Continuation)	1

Defining Depreciation Methods for Italy

To define the depreciation method for Italy, this chapter contains the topic:

- [Section 4.1, "Anticipated Depreciation - Ammortamento Anticipato."](#)

4.1 Anticipated Depreciation - Ammortamento Anticipato

Defining this depreciation method includes the following tasks:

- Adding a user defined code
- Setting up depreciation formulas
- Setting up the depreciation method

4.1.1 Adding a User Defined Code

On General User Defined Codes for Depreciation Method (12/DM), create code IT for Ammortamento Anticipato.

Figure 4–1 General User Defined Codes screen (IT)

System Code: 12
 User Defined Codes: DM
 Skip To Code: IT
 Depreciation Method:

Code	Description	Description-2
IT	Italian Anticipato	
Special Handling Code	1	Hard Coded Y/N N
JM	Jim's First Rule	
Special Handling Code	1	Hard Coded Y/N N
JR	Jason's Rule	
Special Handling Code	1	Hard Coded Y/N N
KC	Kev C's Depreciation Method	
Special Handling Code		Hard Coded Y/N N
KI	Kim's Rule	
Special Handling Code	1	Hard Coded Y/N N
KM	KIM'S RULE	
Special Handling Code	1	Hard Coded Y/N N
LB	Lee's test rule	
Special Handling Code	1	Hard Coded Y/N N

F5=Code Types F14=Memo F15=Where Used F18=Translate F21=Print F24=More

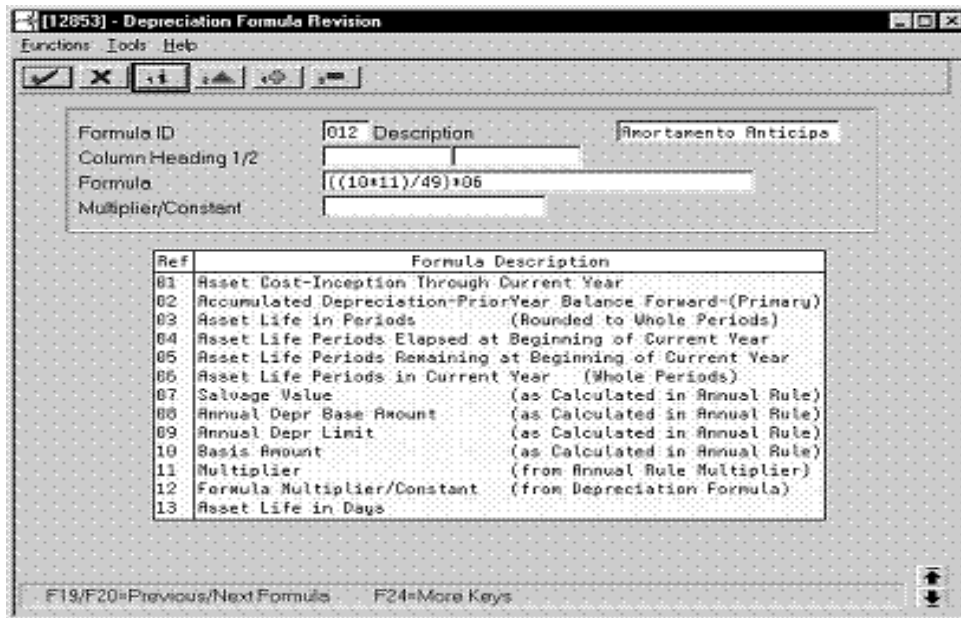
Complete the following fields with the values indicated below:

Field	Value
Code	IT
Description	Italian Anticipato
Special Handling Code	1
Hard Coded	N

4.1.2 Setting Up Depreciation Formulas

On Depreciation Formula Revision, define following formula:

Figure 4-2 Depreciation Formula Revision screen (Last Year)



Complete the following fields with the values indicated below:

Field	Value
Formula ID	012
Description	Ammortamento Anticipato
Formula	$((10*11)/49)*06$

4.1.3 Setting Up the Depreciation Method

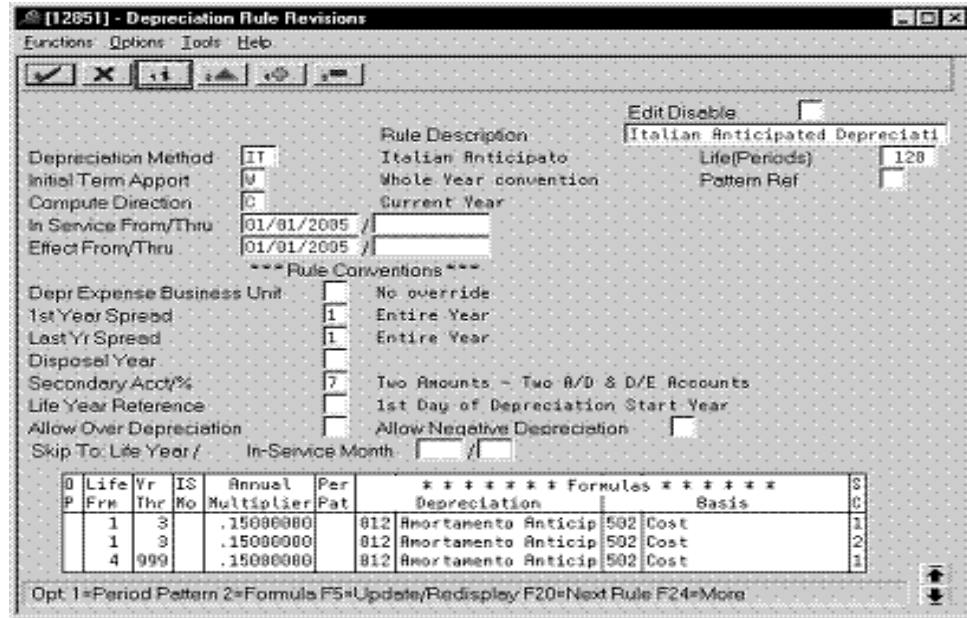
On Depreciation Rule Revisions, set up the depreciation method.

Setting up the depreciation method includes the following tasks:

- Setting up reference information and conventions
- Attaching the formulas to depreciation method IT

4.1.3.1 Setting Up Reference Information and Conventions

Figure 4-3 Depreciation Rule Revisions screen (Reference)



Complete the following fields with the values indicated below:

Field	Value
Depreciation Method	IT
Rule Description	Italian Anticipated Depreciation
Life (Periods)	120
Initial Term Apport	W
Compute Direction	C
In Service From/Thru	01/01/2005
Effective From/Thru	01/01/2005
1st Year Spread	1
Last Year Spread	1
Secondary Acct/%	7

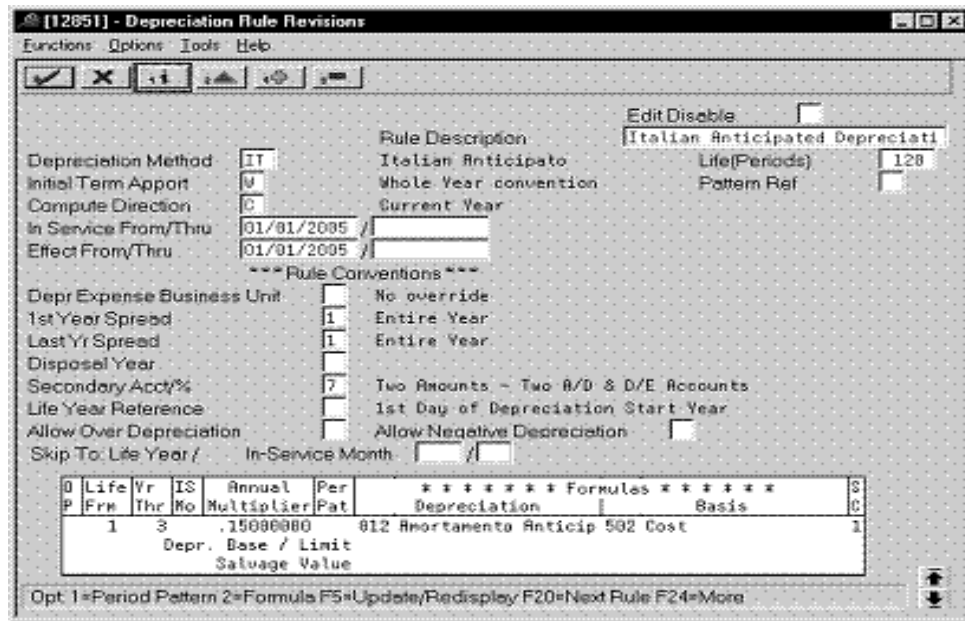
4.1.3.2 Attaching the Formulas to Depreciation Method IT

Attach the following formulas to the depreciation method:

- First Record: Life Years 1 through 3
- Second Record: Life Years 1 through 3
- Third Record: Life Years 4 through 999

First Record: Life Years 1 through 3

Figure 4-4 Depreciation Rule Revisions screen (First Record)

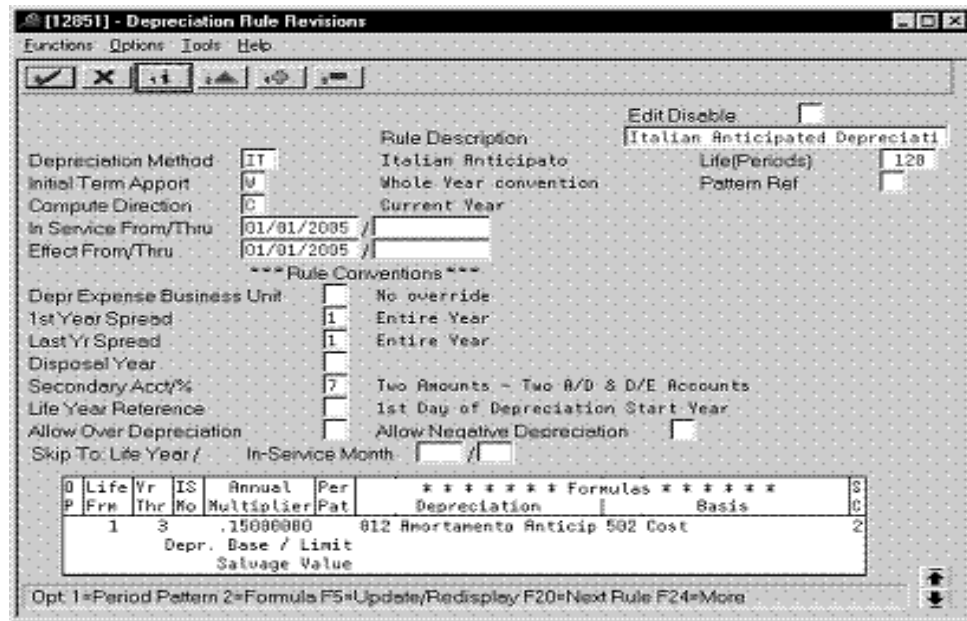


Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	1
Life Yr Thr	3
Annual Multiplier	0.15000000
Depreciation	012
Basis	502
SC (Secondary Percentage Continuation)	1

Second Record: Life Years 1 through 3

Figure 4-5 Depreciation Rule Revisions screen (Second Record)

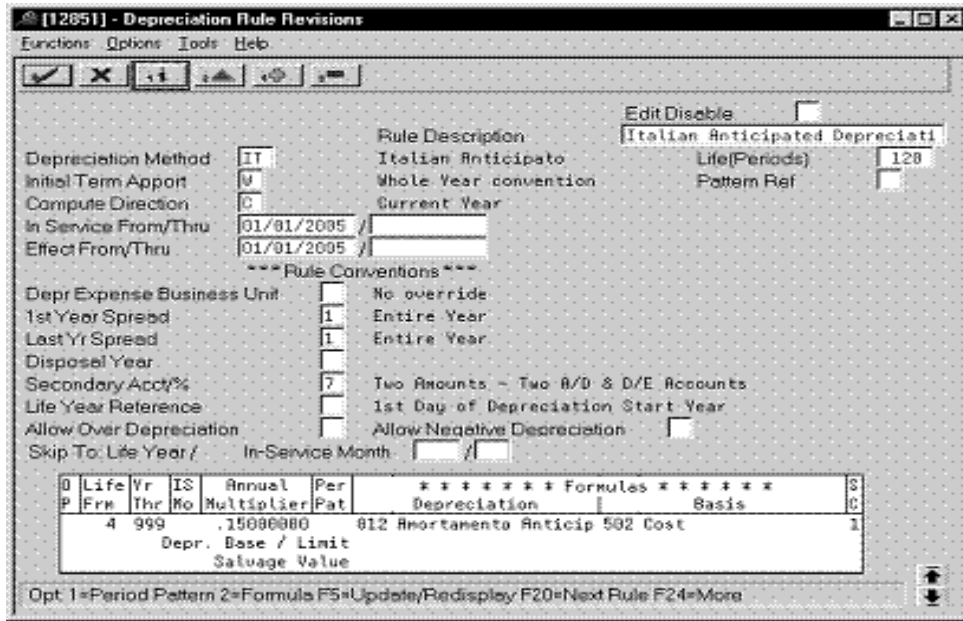


Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	1
Life Yr Thr	3
Annual Multiplier	0.15000000
Depreciation	012
Basis	502
SC (Secondary Percentage Continuation)	2

Third Record: Life Years 4 through 99

Figure 4-6 Depreciation Rule Revisions screen (Life Years 4 through 99)



Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	4
Life Yr Thr	999
Annual Multiplier	0.15000000
Depreciation	012
Basis	502
SC (Secondary Percentage Continuation)	1

Defining Depreciation Methods for Spain

To define the depreciation method for Spain, this chapter contains the topic:

- [Section 5.1, "Declining Balance."](#)

5.1 Declining Balance

Defining this depreciation method includes the following tasks:

- Adding a user defined code
- Setting up depreciation formulas
- Setting up the depreciation method

5.1.1 Adding a User Defined Code

On General User Defined Codes for Depreciation Method (12/DM), create code PS for Declining Balance depreciation.

Figure 5–1 General User Defined Codes screen (PS)

System Code: 12
 User Defined Codes: DM
 Skip To Code: PS
 Depreciation Method:

Code	Description	Description-2
PS	Declining Balance - Spain	
Special Handling Code	1	Hard Coded Y/N N
SL	S/L for France	
Special Handling Code	1	Hard Coded Y/N N
SV	Salvage Value	
Special Handling Code	1	Hard Coded Y/N N
SY	Sum of the Year's Digits	w/ LYRC=1
Special Handling Code	1	Hard Coded Y/N N
TT	Test Rule	
Special Handling Code	1	Hard Coded Y/N N
F1	Tokubetsu-Shokuyaku, SL	
Special Handling Code	1	Hard Coded Y/N N
T2	Tokubetsu-Shokuyaku DOB	
Special Handling Code	1	Hard Coded Y/N N

F5=Code Types F14=Memo F15=Where Used F18=Translate F21=Print F24=More

Complete the following fields with the values indicated below:

Field	Value
Code	PS
Description	Declining Balance - Spain
Special Handling Code	1
Hard Coded	N

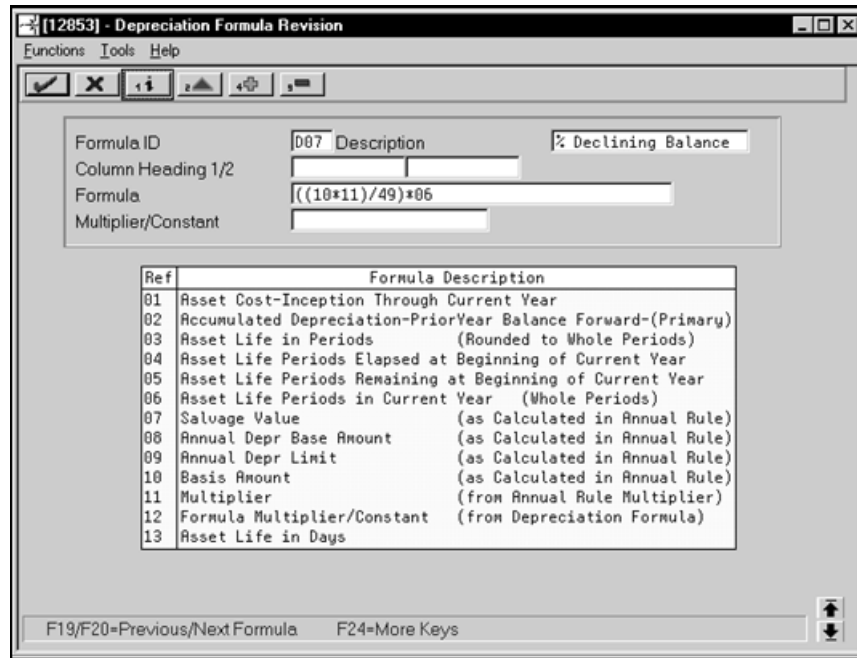
5.1.2 Setting Up Depreciation Formulas

On Depreciation Formula Revision, define the following formulas:

- First and subsequent years depreciation
- Last year

First and Subsequent Years Depreciation

Figure 5–2 Depreciation Formula Revisions screen (First and Subsequent Years)



Complete the following fields with the values indicated below:

Field	Value
Formula ID	D07
Description	% Declining Balance
Formula	((10/11)/49)*06

Last Year

Figure 5-3 Depreciation Formula Revision screen (Last Year)

Ref	Formula Description
01	Asset Cost-Inception Through Current Year
02	Accumulated Depreciation-PriorYear Balance Forward-(Primary)
03	Asset Life in Periods (Rounded to Whole Periods)
04	Asset Life Periods Elapsed at Beginning of Current Year
05	Asset Life Periods Remaining at Beginning of Current Year
06	Asset Life Periods in Current Year (Whole Periods)
07	Salvage Value (as Calculated in Annual Rule)
08	Annual Depr Base Amount (as Calculated in Annual Rule)
09	Annual Depr Limit (as Calculated in Annual Rule)
10	Basis Amount (as Calculated in Annual Rule)
11	Multiplier (from Annual Rule Multiplier)
12	Formula Multiplier/Constant (from Depreciation Formula)
13	Asset Life in Days

Complete the following fields with the values indicated below:

Field	Value
Formula ID	D21
Description	Last Year
Formula	10

5.1.3 Setting Up the Depreciation Method

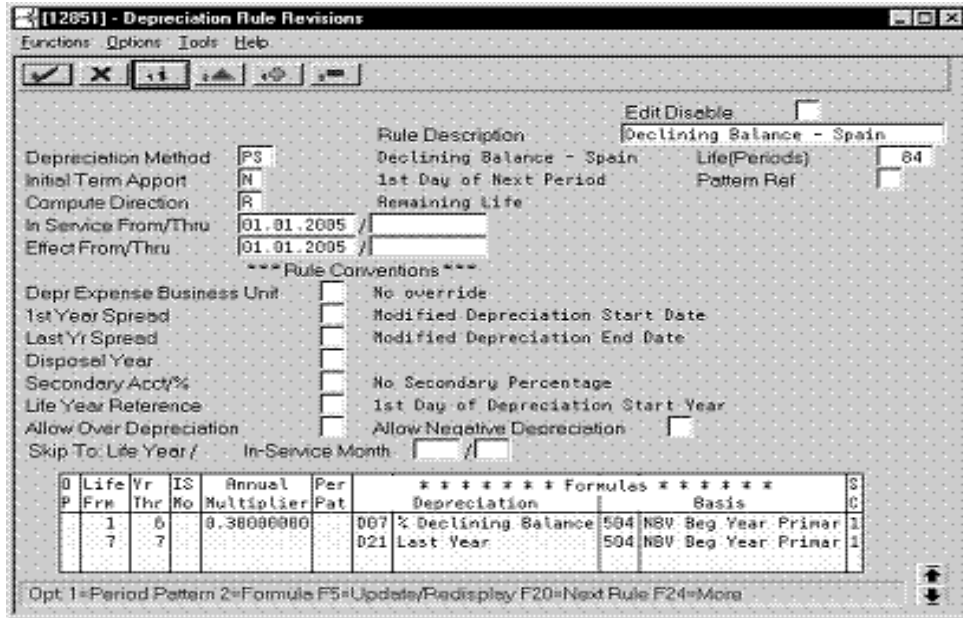
On Depreciation Rule Revisions, set up the depreciation method.

Setting up the depreciation method includes the following tasks:

- Setting up reference information and conventions
- Attaching the formulas to depreciation method PS

5.1.3.1 Setting Up Reference Information and Conventions

Figure 5-4 Depreciation Rule Revisions screen (Reference)



Complete the following fields with the values indicated below:

Field	Value
Depreciation Method	PS
Rule Description	Declining Balance - Spain
Life (Periods)	84
Initial Term Apport	N
Compute Direction	R
In Service From/Thru	01.01.2005
Effective From/Thru	01.01.2005

5.1.3.2 Attaching the Formulas to Depreciation Method PS

Attach the following formulas to the depreciation method:

- First Record: Life Years 1 through 6
- Second Record: Life Year 7

First Record: Life Years 1 through 6

Figure 5-5 Depreciation Rule Revisions screen (Life Years 1 through 6)

The screenshot shows a software window titled "[12851] - Depreciation Rule Revisions". It contains several input fields and a table. The fields are:

- Depreciation Method: PS
- Initial Term Apport: N
- Compute Direction: R
- In Service From/Thru: 01/01/2005 /
- Effect From/Thru: 01/01/2005 /
- Rule Description: Declining Balance - Spain
- Life(Periods): 64
- Pattern Ref: []
- Remaining Life: []
- Rule Conventions:
 - Depr Expense Business Unit: [] No override
 - 1st Year Spread: [] Modified Depreciation Start Date
 - Last Yr Spread: [] Modified Depreciation End Date
 - Disposal Year: []
 - Secondary Accty%: [] No Secondary Percentage
 - Life Year Reference: [] 1st Day of Depreciation Start Year
 - Allow Over Depreciation: [] Allow Negative Depreciation []
 - Skip To: Life Year / In-Service Month: [] / []

At the bottom, there is a table with columns: P, Life Yr, Frm, Thr, Mo, Annual Multiplier, Per, Pat, Formulas, Basis, and S. The table contains one row of data:

P	Life Yr	Frm	Thr	Mo	Annual Multiplier	Per	Pat	Formulas	Basis	S
0	1	6			.38000000	007	% Declining Balance	504 NSV Beg Year Primar	1	

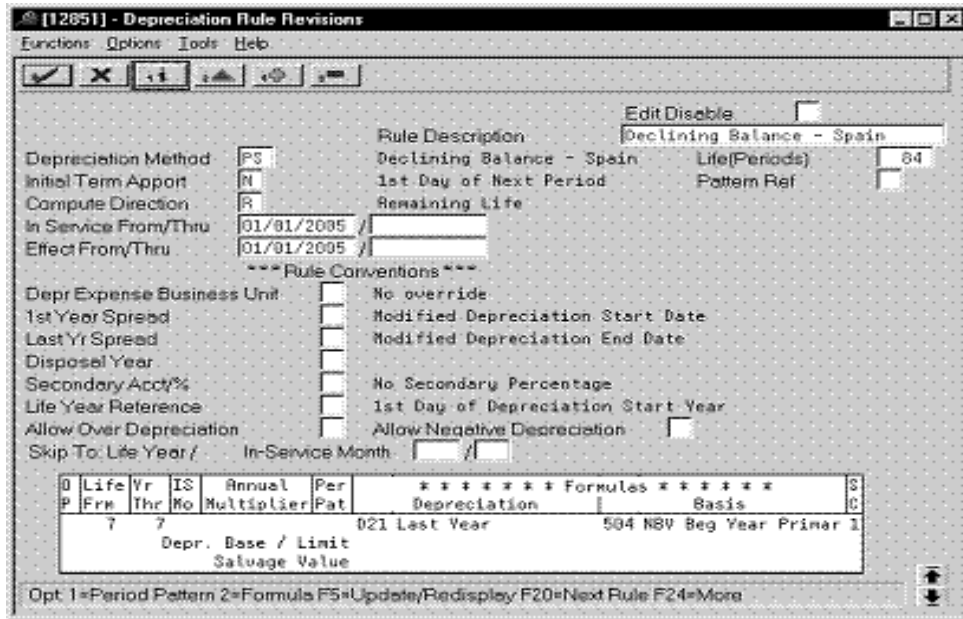
Below the table, it says "Depr. Base / Limit Salvage Value". At the very bottom, there is a footer: "Opt 1=Period Pattern 2=Formula F5=Update/Redisplay F20=Next Rule F24=More".

Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	1
Life Yr Thr	6
Annual Multiplier	0.30000000
Depreciation	D07
Basis	504
SC (Secondary Percentage Continuation)	1

Second Record: Life Year 7

Figure 5-6 Depreciation Rule Revisions screen (Life Year 7)



Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	7
Life Yr Thr	7
Depreciation	D21
Basis	504
SC (Secondary Percentage Continuation)	1

Part II

Depreciation Methods for Asia and the Pacific

This part contains these chapters:

- [Chapter 6, "About Depreciation Methods for Asia and the Pacific,"](#)
- [Chapter 7, "Defining Depreciation Methods for Japan,"](#)
- [Chapter 8, "Defining Depreciation Methods for Korea."](#)

About Depreciation Methods for Asia and the Pacific

Depreciation methods for Asia and the Pacific includes the following:

- Defining depreciation methods for Japan
- Defining depreciation methods for Korea

Defining Depreciation Methods for Japan

To define the depreciation methods for Japan, this chapter contains these topics:

- [Section 7.1, "Salvage Value,"](#)
- [Section 7.2, "Zoka-Shokyaku \(Straight Line\),"](#)
- [Section 7.3, "Zoka-Shokyaku \(Double Declining Balance\),"](#)
- [Section 7.4, "Tokubetsu-Shokyaku \(Straight Line\),"](#)
- [Section 7.5, "Tokubetsu-Shokyaku \(Double Declining Balance\),"](#)
- [Section 7.6, "Warimashi-Shokyaku \(Straight Line\),"](#)
- [Section 7.7, "Warimashi-Shokyaku \(Double Declining Balance\)."](#)

7.1 Salvage Value

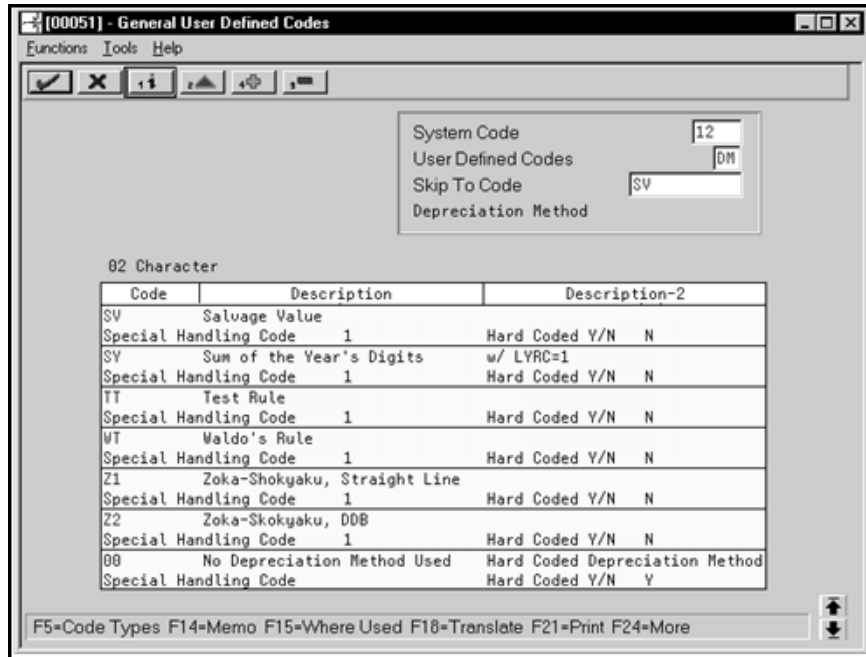
Defining this depreciation method includes the following tasks:

- Adding a user defined code
- Setting up depreciation formulas
- Setting up the depreciation method

7.1.1 Adding a User Defined Code

On General User Defined Codes for Depreciation Method (12/DM), create code SV for Salvage Value.

Figure 7-1 General User Defined Codes screen (SV)



Complete the following fields with the values indicated below:

Field	Value
Code	SV
Description	Salvage Value
Special Handling Code	1
Hard Coded	N

7.1.2 Setting Up Depreciation Formulas

On Depreciation Formula Revision, define the following formulas:

- Basis
- Salvage amount
- First to final year
- Beyond asset life

Basis

Figure 7-2 Depreciation Formula Revision screen (Basis)

Formula ID	Description	Multiplier/Constant
B01	Basis	
	Column Heading 1/2	
	Formula	01-07
	Multiplier/Constant	

Ref	Formula Description
01	Asset Cost-Inception Through Current Year
02	Accumulated Depreciation-Prior Year Balance Forward-(Primary)
03	Asset Life in Periods (Rounded to Whole Periods)
04	Asset Life Periods Elapsed at Beginning of Current Year
05	Asset Life Periods Remaining at Beginning of Current Year
06	Asset Life Periods in Current Year (Whole Periods)
07	Salvage Value (as Calculated in Annual Rule)
08	Annual Depr Base Amount (as Calculated in Annual Rule)
09	Annual Depr Limit (as Calculated in Annual Rule)
10	Basis Amount (as Calculated in Annual Rule)
11	Multiplier (from Annual Rule Multiplier)
12	Formula Multiplier/Constant (from Depreciation Formula)
13	Asset Life in Days

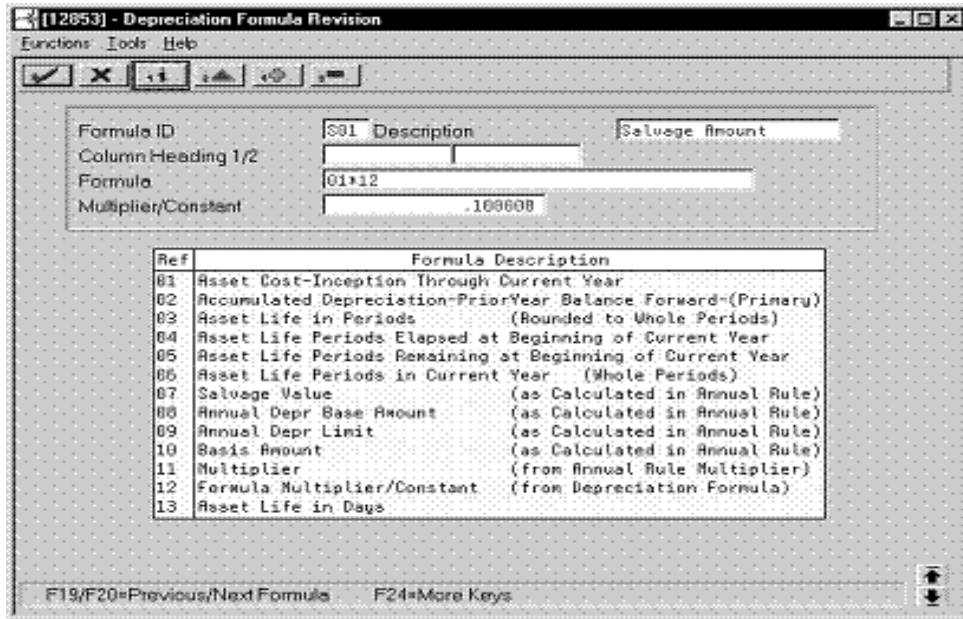
F19/F20=Previous/Next Formula F24=More Keys

Complete the following fields with the values indicated below:

Field	Value
Formula ID	B01
Description	Basis
Formula	01-07

Salvage Amount

Figure 7-3 Depreciation Formula Revision screen (Salvage Amount)



Complete the following fields with the values indicated below:

Field	Value
Formula ID	S01
Description	Salvage Amount
Formula	01*12
Multiplier/Constant	.100000

First to Final Year

Figure 7-4 Depreciation Formula Revision screen (First to Final Year)

Formula ID	Description
A11	1st to Final Year
Column Heading 1/2	
Formula	10/03*49
Multiplier/Constant	

Ref	Formula Description
01	Asset Cost-Inception Through Current Year
02	Accumulated Depreciation-PriorYear Balance Forward-(Primary)
03	Asset Life in Periods (Rounded to Whole Periods)
04	Asset Life Periods Elapsed at Beginning of Current Year
05	Asset Life Periods Remaining at Beginning of Current Year
06	Asset Life Periods in Current Year (Whole Periods)
07	Salvage Value (as Calculated in Annual Rule)
08	Annual Depr Base Amount (as Calculated in Annual Rule)
09	Annual Depr Limit (as Calculated in Annual Rule)
10	Basis Amount (as Calculated in Annual Rule)
11	Multiplier (from Annual Rule Multiplier)
12	Formula Multiplier/Constant (from Depreciation Formula)
13	Asset Life in Days

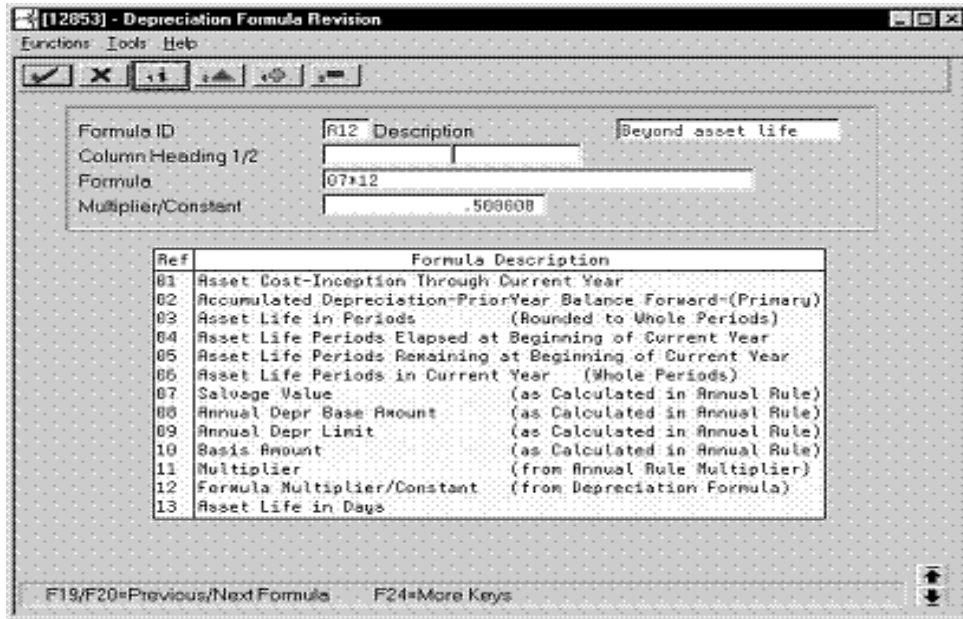
F19/F20=Previous/Next Formula F24=More Keys

Complete the following fields with the values indicated below:

Field	Value
Formula ID	A11
Description	1st to Final Year
Formula	10/03*49

Beyond Asset Life

Figure 7-5 Depreciation Formula Revision screen (Beyond Asset Life)



Complete the following fields with the values indicated below:

Field	Value
Formula ID	A12
Description	Beyond asset life
Formula	07*12
Multiplier/Constant	.500000

7.1.3 Setting Up the Depreciation Method

On Depreciation Rule Revisions, set up the depreciation method.

Setting up the depreciation method includes the following tasks:

- Setting up reference information and conventions
- Attaching the formulas to depreciation method SV

7.1.3.1 Setting Up Reference Information and Conventions

Figure 7-6 Depreciation Rule Revisions screen (Reference)

Functions: Options Tools Help

Depreciation Method: SV
 Initial Term Apport: A
 Compute Direction: C
 In Service From/Thru: 01.01.2006 / 31.01.2003
 Effect From/Thru: 01.01.1900 /

Rule Description: Japan - Salvage Value
 Salvage Value: Life(Periods): 36
 Actual Depreciation Start: Current Year
 Pattern Ref:

*** Rule Conventions ***
 Depr Expense Business Unit: No override
 1st Year Spread: Modified Depreciation Start Date
 Last Yr Spread: Modified Depreciation End Date
 Disposal Year:
 Secondary Acct%: No Secondary Percentage
 Life Year Reference: 1st Day of Depreciation Start Year
 Allow Over Depreciation: Allow Negative Depreciation:
 Skip To: Lts Year / In-Service Month: /

0	Life	Yr	IS	Annual	Per	***** Formulas *****		S
P	Frn	Thr	No	Multiplier	Pat	Depreciation	Basis	C
	1	3				#11 1st to Final Year	B01 Basis	1

Opt 1=Period Pattern 2=Formula F5=Update/Redisplay F20=Next Rule F24=More

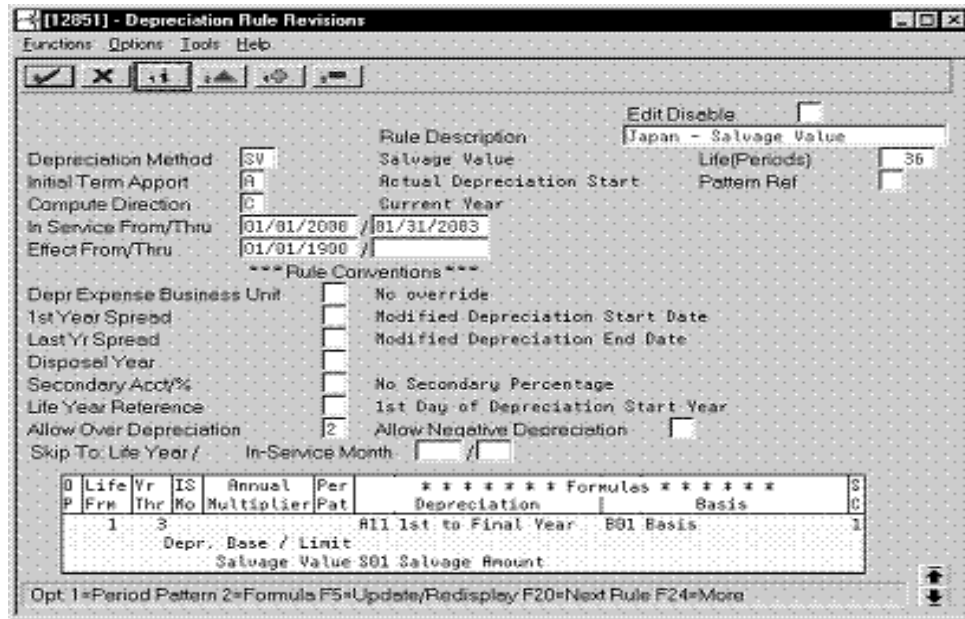
Complete the following fields with the values indicated below:

Field	Value
Depreciation Method	SV
Rule Description	Japan - Salvage Value
Life (Periods)	36
Initial Term Apport	A
Compute Direction	C
In Service From/Thru	01.01.00 / 01.31.03
Allow Over Depreciation	2

7.1.3.2 Attaching the Formula to Depreciation Method SV

Attach the following formula to the depreciation method:

Figure 7-7 Depreciation Rule Revisions screen (Method SV)



Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	1
Life Yr Thr	3
Depreciation	A11
Basis	B01
SC (Secondary Percentage Confirmation)	1
Salvage Value	S01

7.2 Zoka-Shokyaku (Straight Line)

Defining this depreciation method includes the following tasks:

- Adding a user defined code
- Setting up depreciation formulas
- Setting up the depreciation method

7.2.1 Adding a User Defined Code

On General User Defined Codes for Depreciation Method (12/DM), create code Z1 for Zoka-Shokyaku, Straight Line.

Figure 7-8 General User Defined Codes screen (Z1)

System Code: 12
 User Defined Codes: DM
 Skip To Code: Z1
 Depreciation Method:

Code	Description	Description-2
Z1	Zoka-Shokyaku, Straight Line	
Special Handling Code	1	Hard Coded Y/N N
Z2	Zoka-Shokyaku, DDB	
Special Handling Code	1	Hard Coded Y/N N
00	No Depreciation Method Used	Hard Coded Depreciation Method
Special Handling Code		Hard Coded Y/N Y
01	Straight Line Method	" " " "
Special Handling Code	1	Hard Coded Y/N Y
02	Sum of the Year's Digits	" " " "
Special Handling Code	1	Hard Coded Y/N Y
03	125% Declining Bal w/Cross Ovr	" " " "
Special Handling Code	1	Hard Coded Y/N Y
04	150% Declining Bal w/Cross Ovr	" " " "
Special Handling Code	1	Hard Coded Y/N Y

F5=Code Types F14=Memo F15=Where Used F18=Translate F21=Print F24=More

Complete the following fields with the values indicated below:

Field	Value
Code	Z1
Description	Zoka-Shokyaku, Straight Line
Special Handling Code	1
Hard Coded	N

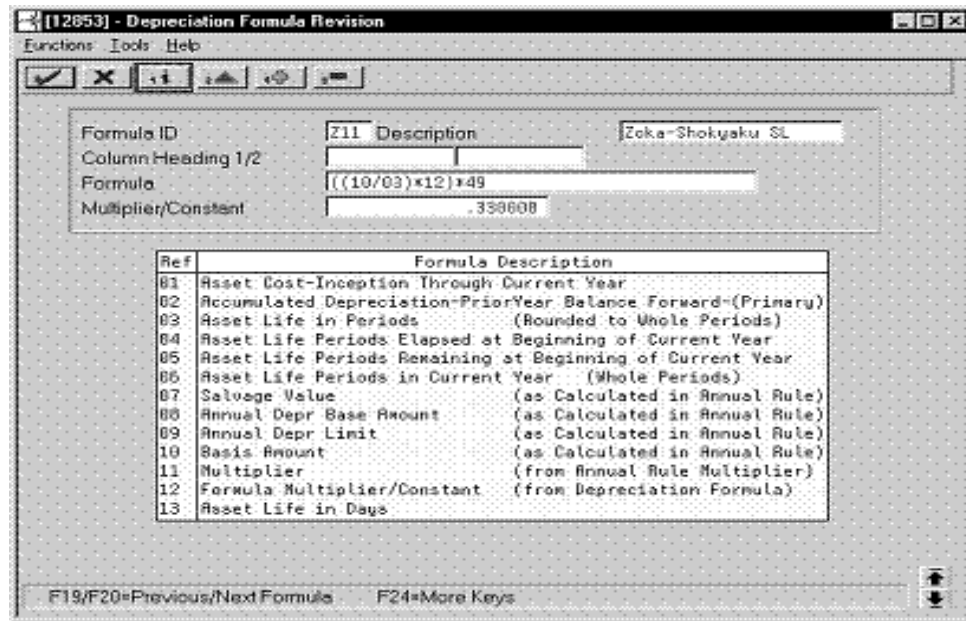
7.2.2 Setting Up Depreciation Formulas

On Depreciation Formula Revision, define the following formulas:

- First and subsequent years depreciation
- Final year depreciation

First and Subsequent Years Depreciation

Figure 7-9 Depreciation Formula Revision screen (First and Subsequent Years)



Complete the following fields with the values indicated below:

Field	Value
Formula ID	Z11
Description	Zoka-Shokyaku SL
Formula	$((10/03)*12)*49$
Multiplier/Constant	.330000

Final Year Depreciation

Figure 7-10 Depreciation Formula Revision screen (Final Year)

Ref	Formula Description
01	Asset Cost-Inception Through Current Year
02	Accumulated Depreciation-PriorYear Balance Forward-(Primary)
03	Asset Life in Periods (Rounded to Whole Periods)
04	Asset Life Periods Elapsed at Beginning of Current Year
05	Asset Life Periods Remaining at Beginning of Current Year
06	Asset Life Periods in Current Year (Whole Periods)
07	Salvage Value (as Calculated in Annual Rule)
08	Annual Depr Base Amount (as Calculated in Annual Rule)
09	Annual Depr Limit (as Calculated in Annual Rule)
10	Basis Amount (as Calculated in Annual Rule)
11	Multiplier (from Annual Rule Multiplier)
12	Formula Multiplier/Constant (from Depreciation Formula)
13	Asset Life in Days

Complete the following fields with the values indicated below:

Field	Value
Formula ID	Z12
Description	Zoka-Shokyaku Final
Formula	10+02

7.2.3 Setting Up the Depreciation Method

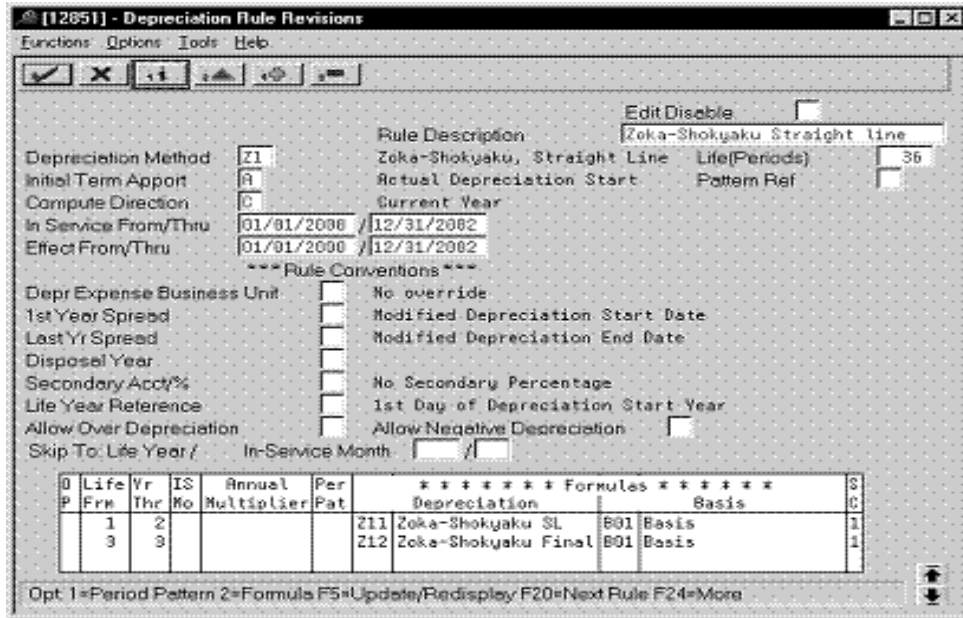
On Depreciation Rule Revisions, set up the depreciation method.

Setting up the depreciation method includes the following tasks:

- Setting up reference information and conventions
- Attaching the formulas to depreciation method Z1

7.2.3.1 Setting Up Reference Information and Conventions

Figure 7-11 Depreciation Rule Revisions screen (Reference)



Complete the following fields with the values indicated below:

Field	Value
Depreciation Method	Z1
Rule Description	Zoka-Shokyaku Straight Line
Life (Periods)	36
Initial Term Apport	A
Compute Direction	C
In Service From/Thru	01/01/00 / 12/31/02
Effective From/Thru	01/01/00 / 12/31/02

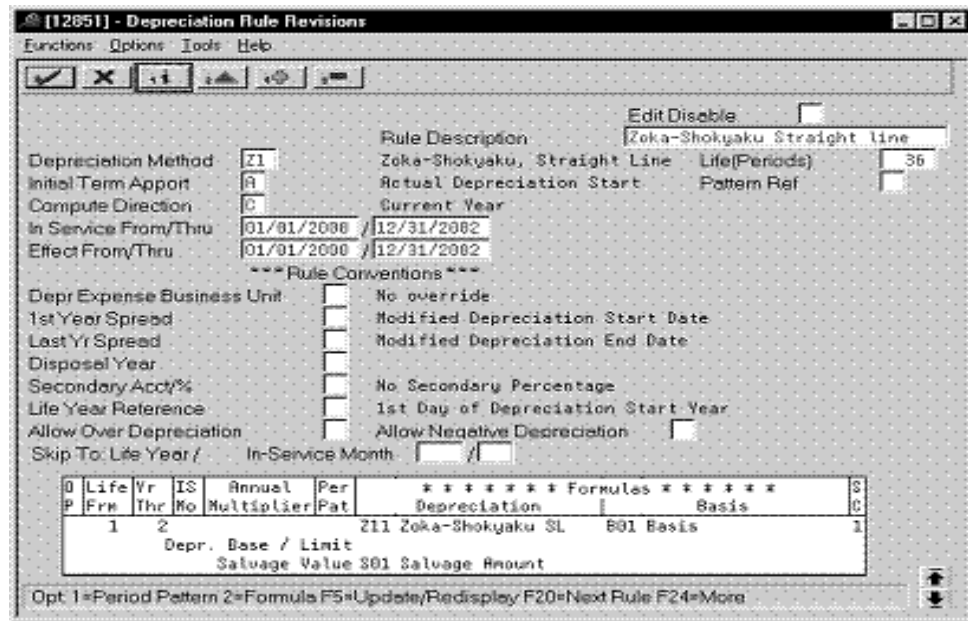
7.2.3.2 Attaching the Formulas to Depreciation Method Z1

Attach the following formulas to the depreciation method:

- First Record: Life Years 1 through 2
- Second Record: Life Year 3

First Record: Life Years 1 through 2

Figure 7-12 Depreciation Rule Revisions screen (Life Years 1 through 2)

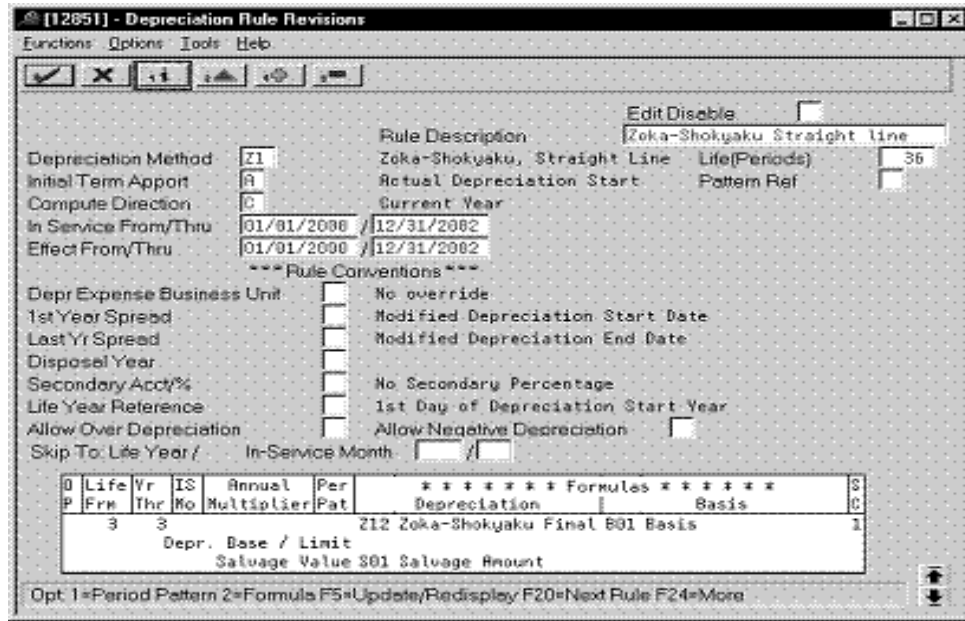


Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	1
Life Yr Thr	2
Depreciation	Z11
Basis	B01
SC (Secondary Percentage Confirmation)	1
Salvage Value	S01

Second Record: Life Year 3

Figure 7-13 Depreciation Rule Revisions screen (Life Year 3)



Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	3
Life Yr Thr	3
Depreciation	Z12
Basis	B01
SC (Secondary Percentage Confirmation)	1
Salvage Value	S01

7.3 Zoka-Shokyaku (Double Declining Balance)

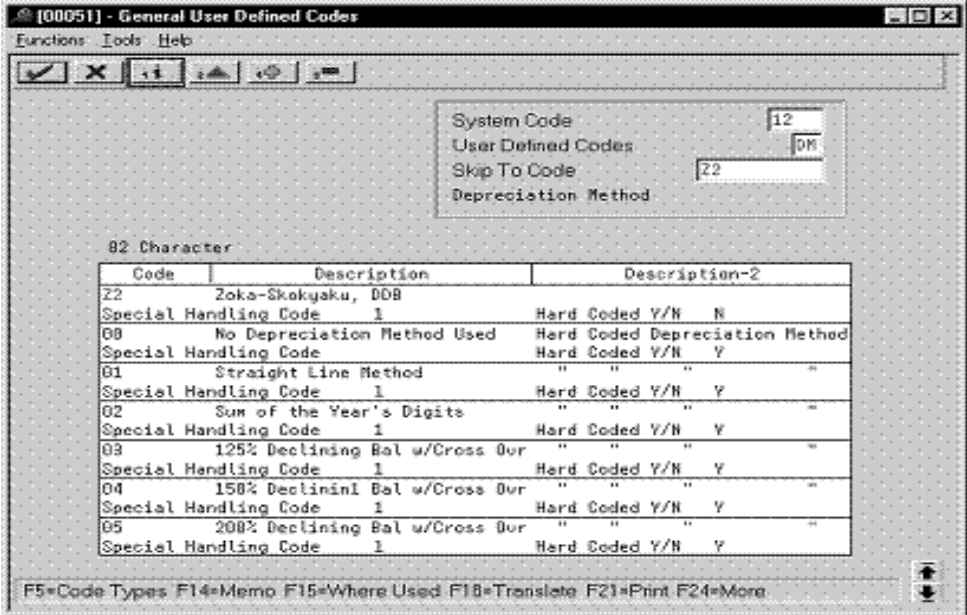
Defining this depreciation method includes the following tasks:

- Adding a user defined code
- Setting up depreciation formulas
- Setting up the depreciation method

7.3.1 Adding a User Defined Code

On General User Defined Codes for Depreciation Method (12/DM), create code Z2 for Zoka-Shokyaku, Double Declining Balance.

Figure 7-14 General User Defined Codes screen (Z2)



Complete the following fields with the values indicated below:

Field	Value
Code	Z2
Description	Zoka-Shokyaku, DDB
Special Handling Code	1
Hard Coded	N

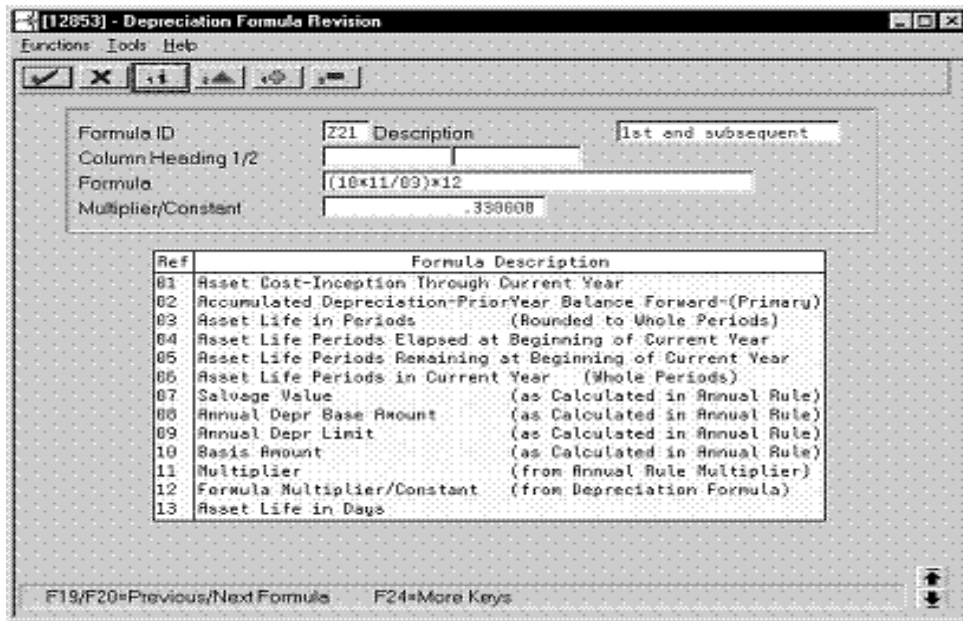
7.3.2 Setting Up Depreciation Formulas

On Depreciation Formula Revision, define the following formulas:

- First and subsequent years depreciation
- Final year depreciation

First and Subsequent Years Depreciation

Figure 7-15 Depreciation Formula Revision screen (First and Subsequent Years)

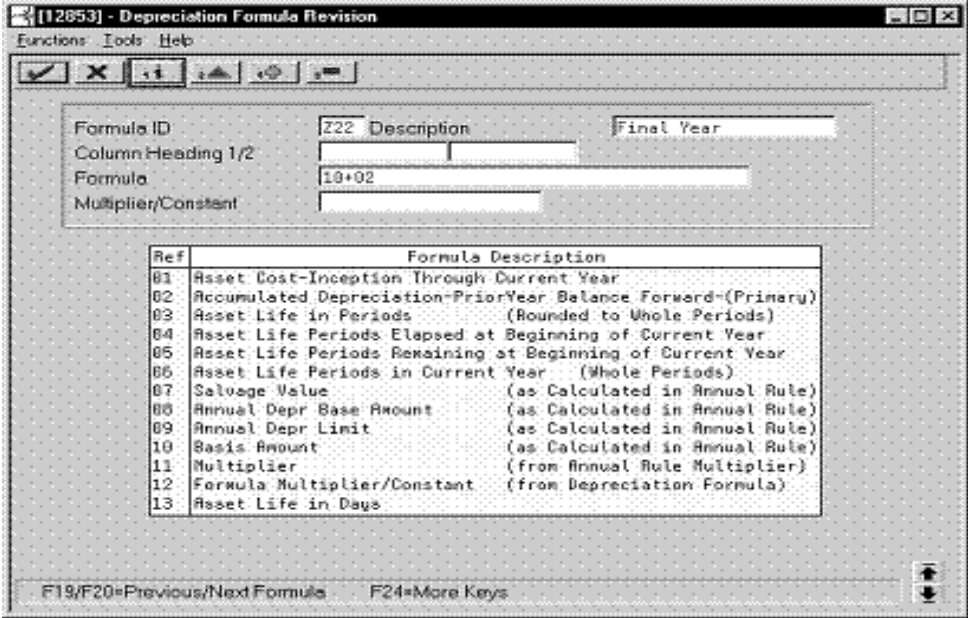


Complete the following fields with the values indicated below:

Field	Value
Formula ID	Z21
Description	1st and subsequent
Formula	$(10 \times 11 / 03) \times 12$
Multiplier/Constant	.330000

Final Year Depreciation

Figure 7-16 Depreciation Formula Revision screen (Final Year)



Complete the following fields with the values indicated below:

Field	Value
Formula ID	Z22
Description	Final Year
Formula	10+02

7.3.3 Setting Up the Depreciation Method

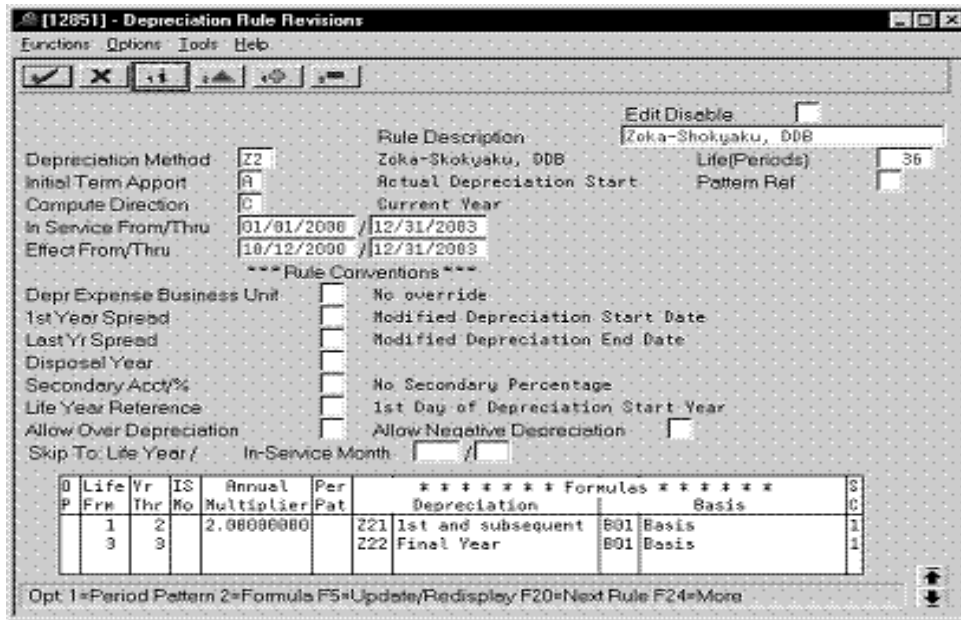
On Depreciation Rule Revisions, set up the depreciation method.

Setting up the depreciation method includes the following tasks:

- Setting up reference information and conventions
- Attaching the formulas to depreciation method Z2

7.3.3.1 Setting Up Reference Information and Conventions

Figure 7-17 Depreciation Rule Revisions screen (Reference)



Complete the following fields with the values indicated below:

Field	Value
Depreciation Method	Z2
Rule Description	Zoka-Shokyaku, DDB
Life (Periods)	36
Initial Term Apport	A
Compute Direction	C
In Service From/Thru	01/01/00 / 12/31/03
Effective From/Thru	01/01/00 / 12/31/03

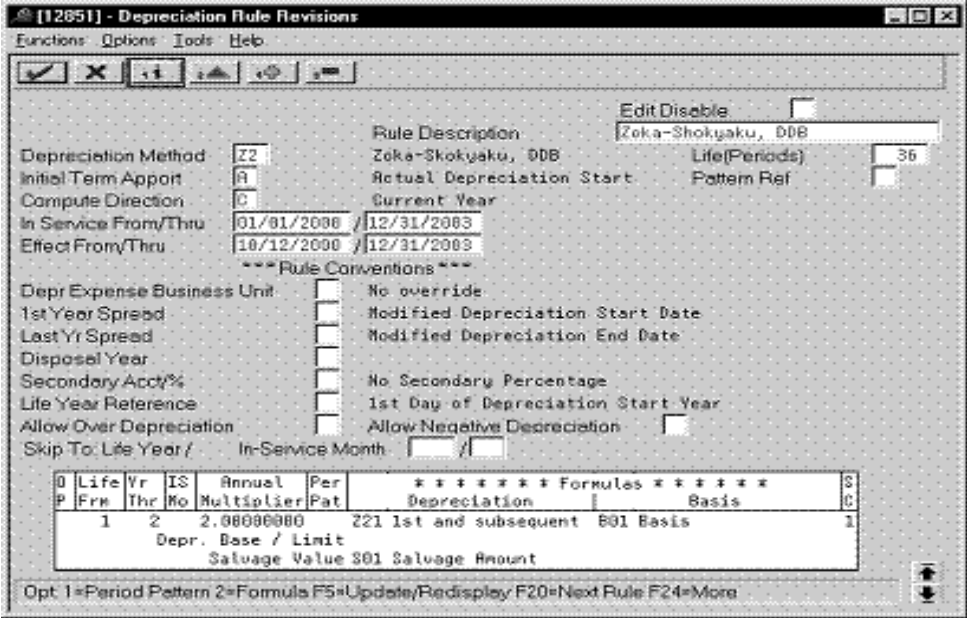
7.3.3.2 Attaching the Formulas to Depreciation Method Z2

Attach the following formulas to the depreciation method:

- First Record: Life Years 1 through 2
- Second Record: Life Year 3

First Record: Life Years 1 through 2

Figure 7-18 Depreciation Rule Revisions screen (Life Years 1 and 2)

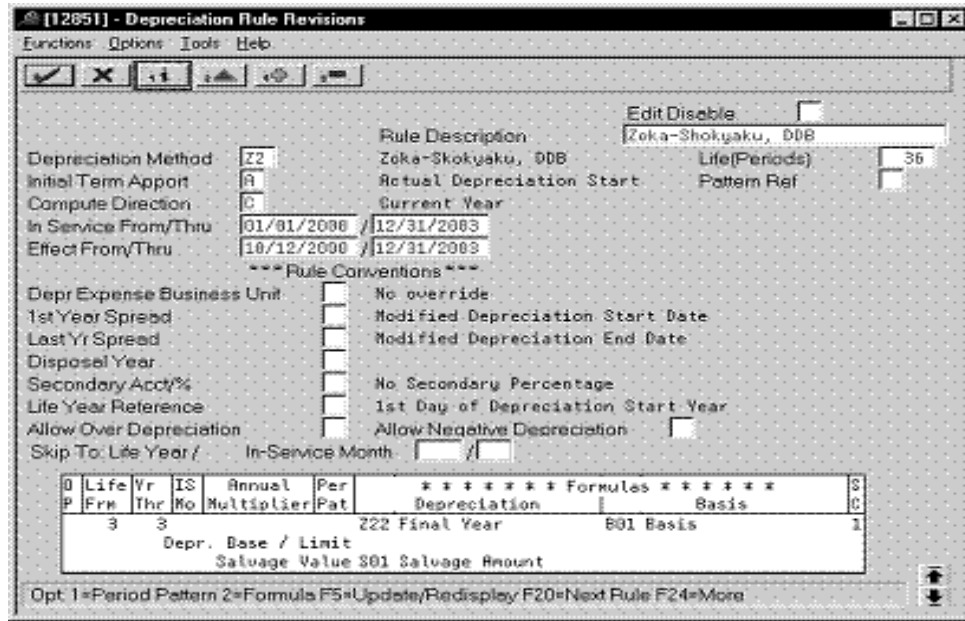


Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	1
Life Yr Thr	2
Annual Multiplier	2
Depreciation	Z21
Basis	B01
SC (Secondary Percentage Confirmation)	1
Salvage Value	S01

Second Record: Life Year 3

Figure 7-19 Depreciation Rule Revisions screen (Life Year 3)



Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	3
Life Yr Thr	3
Depreciation	Z22
Basis	B01
SC (Secondary Percentage Confirmation)	1
Salvage Value	S01

7.4 Tokubetsu-Shokyaku (Straight Line)

Defining this depreciation method includes the following tasks:

- Adding a user defined code
- Setting up depreciation formulas
- Setting up the depreciation method

7.4.1 Adding a User Defined Code

On General User Defined Codes for Depreciation Method (12/DM), create code T1 for Tokubetsu-Shokyaku, Straight Line.

Figure 7-20 General User Defined Codes screen (T1)

System Code: 12
 User Defined Codes: DM
 Skip To Code: T1
 Depreciation Method:

Code	Description	Description-2
T1	Tokubetsu-Shokyaku, SL	
Special Handling Code	1	Hard Coded Y/N N
T2	Tokubetsu-Shokyaku DDB	
Special Handling Code	1	Hard Coded Y/N N
U1	Waldo's Rule	
Special Handling Code	1	Hard Coded Y/N N
U1	Warimashi-Shokyaku SL	
Special Handling Code	1	Hard Coded Y/N N
U2	Warimashi-Shokyaku DDB	
Special Handling Code	1	Hard Coded Y/N N
Z1	Zoka-Shokyaku, Straight Line	
Special Handling Code	1	Hard Coded Y/N N
Z2	Zoka-Shokyaku, DDB	
Special Handling Code	1	Hard Coded Y/N N

F5=Code Types F14=Memo F15=Where Used F18=Translate F21=Print F24=More

Complete the following fields with the values indicated below:

Field	Value
Code	T1
Description	Tokubetsu-Shokyaku, SL
Special Handling Code	1
Hard Coded	N

7.4.2 Setting Up Depreciation Formulas

On Depreciation Formula Revision, define the following formulas:

- First year depreciation
- Second and subsequent years depreciation
- Final year depreciation

First Year Depreciation

Figure 7-21 Depreciation Formula Revision screen (First Year)

Ref	Formula Description
01	Asset Cost-Inception Through Current Year
02	Accumulated Depreciation-PriorYear Balance Forward-(Primary)
03	Asset Life in Periods (Rounded to Whole Periods)
04	Asset Life Periods Elapsed at Beginning of Current Year
05	Asset Life Periods Remaining at Beginning of Current Year
06	Asset Life Periods in Current Year (Whole Periods)
07	Salvage Value (as Calculated in Annual Rule)
08	Annual Depr Base Amount (as Calculated in Annual Rule)
09	Annual Depr Limit (as Calculated in Annual Rule)
10	Basis Amount (as Calculated in Annual Rule)
11	Multiplier (from Annual Rule Multiplier)
12	Formula Multiplier/Constant (from Depreciation Formula)
13	Asset Life in Days

Complete the following fields with the values indicated below:

Field	Value
Formula ID	T11
Description	1st year depreciation
Formula	$((10/03)+(10/03*12))*49$
Multiplier/Constant	.330000

Second and Subsequent Years Depreciation

Figure 7-22 Depreciation Formula Revision screen (Second and Subsequent Years)

Ref	Formula Description
01	Asset Cost-Inception Through Current Year
02	Accumulated Depreciation-PriorYear Balance Forward-(Primary)
03	Asset Life in Periods (Rounded to Whole Periods)
04	Asset Life Periods Elapsed at Beginning of Current Year
05	Asset Life Periods Remaining at Beginning of Current Year
06	Asset Life Periods in Current Year (Whole Periods)
07	Salvage Value (as Calculated in Annual Rule)
08	Annual Depr Base Amount (as Calculated in Annual Rule)
09	Annual Depr Limit (as Calculated in Annual Rule)
10	Basis Amount (as Calculated in Annual Rule)
11	Multiplier (from Annual Rule Multiplier)
12	Formula Multiplier/Constant (from Depreciation Formula)
13	Asset Life in Days

Complete the following fields with the values indicated below:

Field	Value
Formula ID	T12
Description	2nd and subsequent
Formula	(10/03)*49

Final Year Depreciation

Figure 7-23 Depreciation Formula Revision screen (Final Year)

Ref	Formula Description
01	Asset Cost-Inception Through Current Year
02	Accumulated Depreciation-Prior Year Balance Forward-(Primary)
03	Asset Life in Periods (Rounded to Whole Periods)
04	Asset Life Periods Elapsed at Beginning of Current Year
05	Asset Life Periods Remaining at Beginning of Current Year
06	Asset Life Periods in Current Year (Whole Periods)
07	Salvage Value (as Calculated in Annual Rule)
08	Annual Depr Base Amount (as Calculated in Annual Rule)
09	Annual Depr Limit (as Calculated in Annual Rule)
10	Basis Amount (as Calculated in Annual Rule)
11	Multiplier (from Annual Rule Multiplier)
12	Formula Multiplier/Constant (from Depreciation Formula)
13	Asset Life in Days

Complete the following fields with the values indicated below:

Field	Value
Formula ID	T13
Description	Final year depreciation
Formula	10+02

7.4.3 Setting Up the Depreciation Method

On Depreciation Rule Revisions, set up the depreciation method.

Setting up the depreciation method includes the following tasks:

- Setting up reference information and conventions
- Attaching the formulas to depreciation method T1

7.4.3.1 Setting Up Reference Information and Conventions

Figure 7-24 Depreciation Rule Revisions screen (Reference)

Life Yr	IS No	Annual Multiplier	Per Pat	Formulas
1	1			T11 1st year depreciati B01 Basis
2	2			T12 2nd and subsequent B01 Basis
3	3			T13 Final year deprecia B01 Basis

Complete the following fields with the values indicated below:

Field	Value
Depreciation Method	T1
Rule Description	Tokubetsu-Shokiyaku, SL
Life (Periods)	36
Initial Term Apport	A
Compute Direction	C
In Service From/Thru	01/01/00 / 12/31/02
Effective From/Thru	01/01/00 / 12/31/02

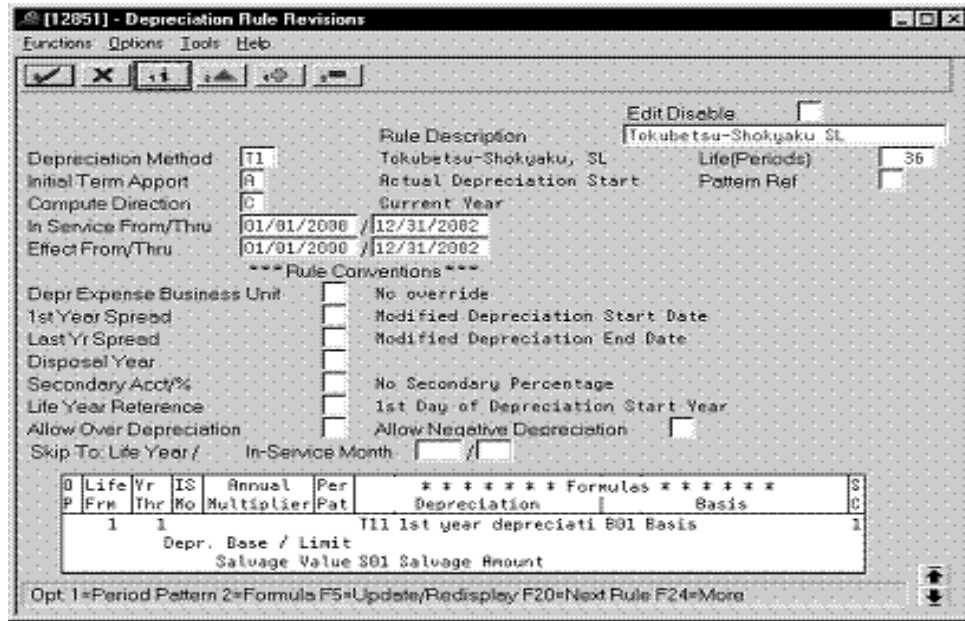
7.4.3.2 Attaching the Formulas to Depreciation Method T1

Attach the following formulas to the depreciation method:

- First Record: Life Year 1
- Second Record: Life Year 2
- Third Record: Life Year 3

First Record: Life Year 1

Figure 7-25 Depreciation Rule Revisions screen (Life Year 1)



Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	1
Life Yr Thr	1
Depreciation	T11
Basis	B01
SC (Secondary Percentage Confirmation)	1
Salvage Value	S01

Second Record: Life Year 2

Figure 7-26 Depreciation Rule Revisions screen (Life Year 2)

Functions Options Tools Help

Depreciation Method: T1
 Initial Term Apport: A
 Compute Direction: 0
 In Service From/Thru: 01/01/2000 / 12/31/2002
 Effect From/Thru: 01/01/2000 / 12/31/2002

Rule Description: Tokubetsu-Shokuyaku, SL
 Life(Periods): 36
 Actual Depreciation Start: Current Year
 Pattern Ref:

*** Rule Conventions ***

Depr Expense Business Unit: No override
 1st Yr Spread: Modified Depreciation Start Date
 Last Yr Spread: Modified Depreciation End Date
 Disposal Year:
 Secondary Accty%: No Secondary Percentage
 Life Year Reference: 1st Day of Depreciation Start Year
 Allow Over Depreciation: Allow Negative Depreciation:

Skip To: Life Year / In-Service Month: /

Life Yr	IS	Annual Multiplier	Per	Depreciation	Basis	SC
2	2	T12	2nd and subsequent	B01	Basis	1

Depr. Base / Limit
 Salvage Value S01 Salvage Amount

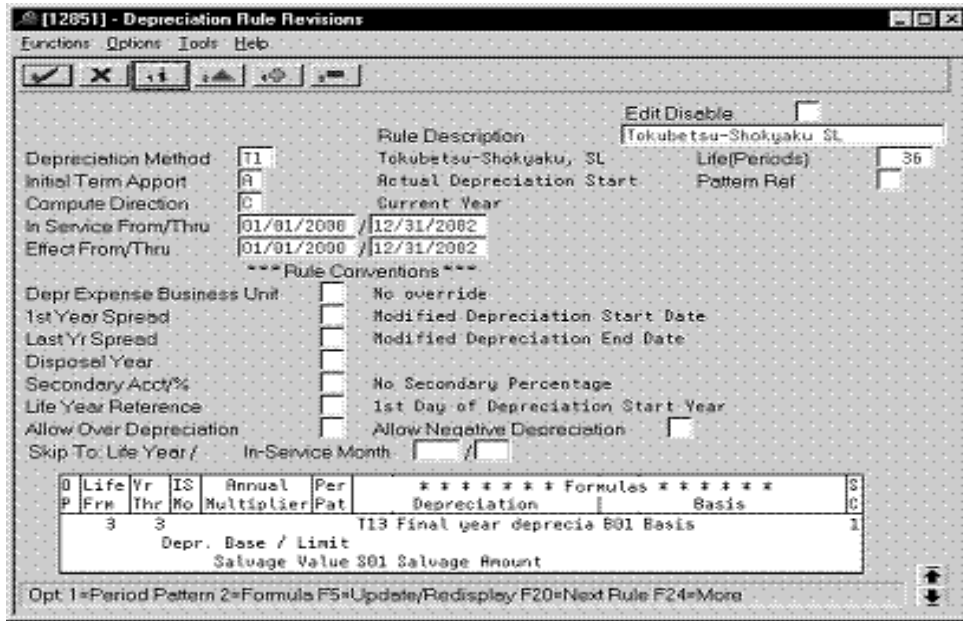
Opt 1=Period Pattern 2=Formulas F5=Update/Redisplay F20=Next Rule F24=More

Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	2
Life Yr Thr	2
Depreciation	T12
Basis	B01
SC (Secondary Percentage Confirmation)	1
Salvage Value	S01

Third Record: Life Year 3

Figure 7-27 Depreciation Rule Revisions screen (Life Year 3)



Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	3
Life Yr Thr	3
Depreciation	T13
Basis	B01
SC (Secondary Percentage Confirmation)	1
Salvage Value	S01

7.5 Tokubetsu-Shokyaku (Double Declining Balance)

Defining this depreciation method includes the following tasks:

- Adding a user defined code
- Setting up depreciation formulas
- Setting up the depreciation method

7.5.1 Adding a User Defined Code

On General User Defined Codes for Depreciation Method (12/DM), create code T2 for Tokubetsu-Shokyaku, Double Declining Balance.

Figure 7-28 General User Defined Codes screen (T2)

System Code: 12
 User Defined Codes: DM
 Skip To Code: T2
 Depreciation Method:

Code	Description	Description-2
T2	Tokubetsu-Shokiyaku DDB	
	Special Handling Code 1	Hard Coded Y/N N
WT	Waldo's Rule	
	Special Handling Code 1	Hard Coded Y/N N
Z1	Zoka-Shokiyaku, Straight Line	
	Special Handling Code 1	Hard Coded Y/N N
Z2	Zoka-Shokiyaku, DDB	
	Special Handling Code 1	Hard Coded Y/N N
00	No Depreciation Method Used	Hard Coded Depreciation Method
	Special Handling Code	Hard Coded Y/N Y
01	Straight Line Method	" " " "
	Special Handling Code 1	Hard Coded Y/N Y
02	Sum of the Year's Digits	" " " "
	Special Handling Code 1	Hard Coded Y/N Y

F5=Code Types F14=Memo F15=Where Used F18=Translate F21=Print F24=More

Complete the following fields with the values indicated below:

Field	Value
Code	T2
Description	Tokubetsu-Shokiyaku DDB
Special Handling Code	1
Hard Coded	N

7.5.2 Setting Up Depreciation Formulas

On Depreciation Formula Revision, define the following formulas:

- First year depreciation
- Second and subsequent years depreciation
- Final year depreciation

First Year Depreciation

Figure 7-29 Depreciation Formula Revision screen (First Year)

Ref	Formula Description
01	Asset Cost-Inception Through Current Year
02	Accumulated Depreciation-PriorYear Balance Forward-(Primary)
03	Asset Life in Periods (Rounded to Whole Periods)
04	Asset Life Periods Elapsed at Beginning of Current Year
05	Asset Life Periods Remaining at Beginning of Current Year
06	Asset Life Periods in Current Year (Whole Periods)
07	Salvage Value (as Calculated in Annual Rule)
08	Annual Depr Base Amount (as Calculated in Annual Rule)
09	Annual Depr Limit (as Calculated in Annual Rule)
10	Basis Amount (as Calculated in Annual Rule)
11	Multiplier (from Annual Rule Multiplier)
12	Formula Multiplier/Constant (from Depreciation Formula)
13	Asset Life in Days

Complete the following fields with the values indicated below:

Field	Value
Formula ID	T21
Description	1st year depreciation
Formula	$(10*11/03)+((10*11/03)*12)$
Multiplier/Constant	.330000

Second and Subsequent Years Depreciation

Figure 7-30 Depreciation Formula Revision screen (Second and Subsequent Years)

Ref	Formula Description
01	Asset Cost-Inception Through Current Year
02	Accumulated Depreciation-PriorYear Balance Forward-(Primary)
03	Asset Life in Periods (Rounded to Whole Periods)
04	Asset Life Periods Elapsed at Beginning of Current Year
05	Asset Life Periods Remaining at Beginning of Current Year
06	Asset Life Periods in Current Year (Whole Periods)
07	Salvage Value (as Calculated in Annual Rule)
08	Annual Depr Base Amount (as Calculated in Annual Rule)
09	Annual Depr Limit (as Calculated in Annual Rule)
10	Basis Amount (as Calculated in Annual Rule)
11	Multiplier (from Annual Rule Multiplier)
12	Formula Multiplier/Constant (from Depreciation Formula)
13	Asset Life in Days

Complete the following fields with the values indicated below:

Field	Value
Formula ID	T22
Description	2nd and subsequent
Formula	(10*11/03)

Final Year Depreciation

Figure 7-31 Depreciation Formula Revision screen (Final Year)

Ref	Formula Description
01	Asset Cost-Inception Through Current Year
02	Accumulated Depreciation-Prior Year Balance Forward-(Primary)
03	Asset Life in Periods (Rounded to Whole Periods)
04	Asset Life Periods Elapsed at Beginning of Current Year
05	Asset Life Periods Remaining at Beginning of Current Year
06	Asset Life Periods in Current Year (Whole Periods)
07	Salvage Value (as Calculated in Annual Rule)
08	Annual Depr Base Amount (as Calculated in Annual Rule)
09	Annual Depr Limit (as Calculated in Annual Rule)
10	Basis Amount (as Calculated in Annual Rule)
11	Multiplier (from Annual Rule Multiplier)
12	Formula Multiplier/Constant (from Depreciation Formula)
13	Asset Life in Days

Complete the following fields with the values indicated below:

Field	Value
Formula ID	T23
Description	Final year
Formula	10+02

7.5.3 Setting Up the Depreciation Method

On Depreciation Rule Revisions, set up the depreciation method.

Setting up the depreciation method includes the following tasks:

- Setting up reference information and conventions
- Attaching the formulas to depreciation method T2

7.5.3.1 Setting Up Reference Information and Conventions

Figure 7-32 Depreciation Rule Revisions screen (Reference)

Functions: Options Tools Help

Depreciation Method: T2
 Initial Term Apport: A
 Compute Direction: C
 In Service From/Thru: 01/01/2000 / 12/31/2002
 Effect From/Thru: 01/01/2000 / 12/31/2002

Rule Description: Tokubetsu-Shokyaku DDB
 Life(Periods): 36
 Actual Depreciation Start: Current Year
 Pattern Ref:

*** Rule Conventions ***

Depr Expense Business Unit: No override
 1st Year Spread: Modified Depreciation Start Date
 Last Yr Spread: Modified Depreciation End Date
 Disposal Year:
 Secondary Acct%: No Secondary Percentage
 Life Year Reference: 1st Day of Depreciation Start Year
 Allow Over Depreciation: Allow Negative Depreciation
 Skip To: Lfs Year / In-Service Month: /

0	Life	Yr	IS	Annual	Per	***** Formulas *****		S
P	Frn	Thr	No	Multiplier	Pat	Depreciation	Basis	C
	1	1		2.00000000	T21	1st year depreciati	B01 Basis	1
	2	2		2.00000000	T22	2nd and subsequent	B01 Basis	1
	3	3		2.00000000	T23	Final year	B01 Basis	1

Opt: 1=Period Pattern 2=Formuls F5=Update/Redisplay F20=Next Rule F24=More

Complete the following fields with the values indicated below:

Field	Value
Depreciation Method	T2
Rule Description	Tokubetsu-Shokyaku DDB
Life (Periods)	36
Initial Term Apport	A
Compute Direction	C
In Service From/Thru	01/01/00 / 12/31/02
Effective From/Thru	01/01/00 / 12/31/02

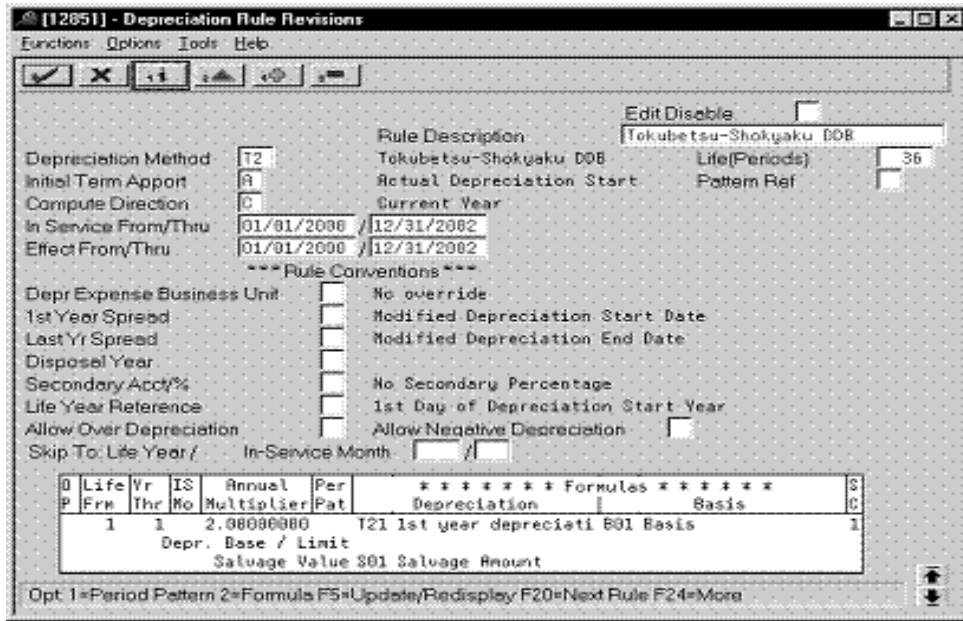
7.5.3.2 Attaching the Formulas to Depreciation Method T2

Attach the following formulas to the depreciation method:

- First Record: Life Year 1
- Second Record: Life Year 2
- Third Record: Life Year 3

First Record: Life Year 1

Figure 7-33 Depreciation Rule Revisions screen (Life Year 1)

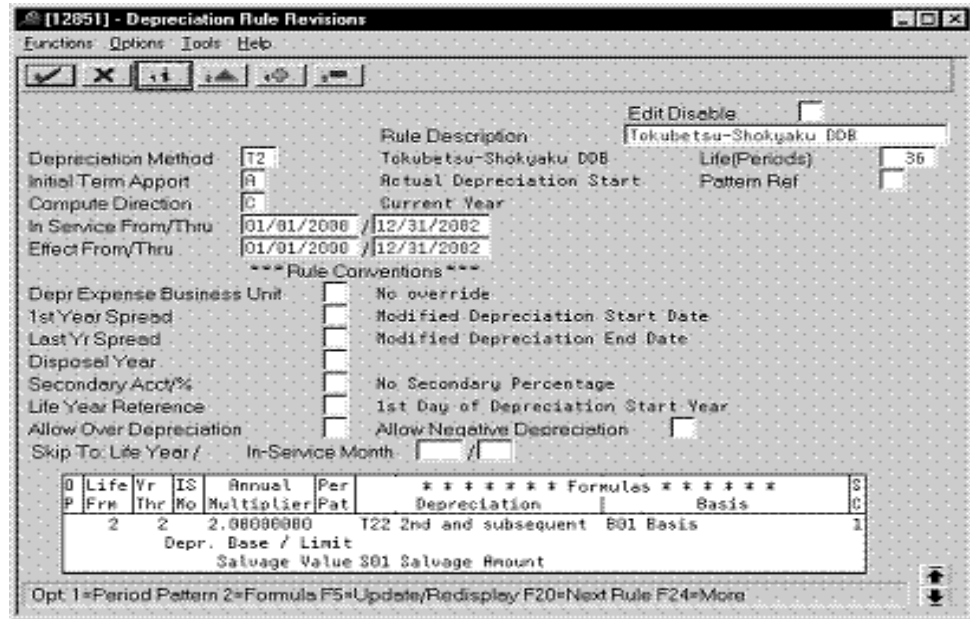


Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	1
Life Yr Thr	1
Annual Multiplier	2
Depreciation	T21
Basis	B01
SC (Secondary Percentage Confirmation)	1
Salvage Value	S01

Second Record: Life Year 2

Figure 7-34 Depreciation Rule Revisions screen (Life Year 2)

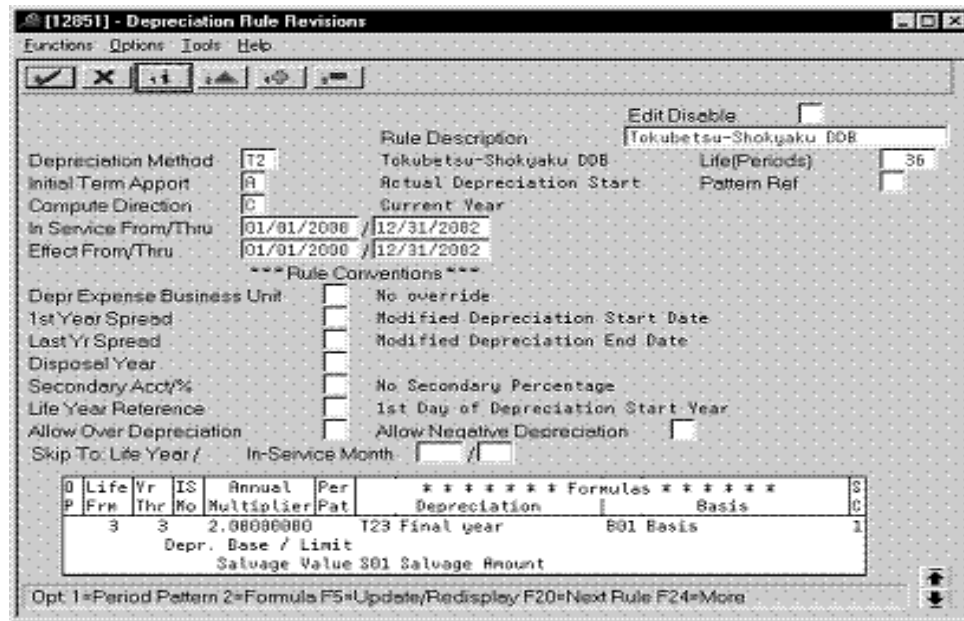


Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	2
Life Yr Thr	2
Annual Multiplier	2.00000000
Depreciation	T22
Basis	B01
SC (Secondary Percentage Confirmation)	1
Salvage Value	S01

Third Record: Life Year 3

Figure 7-35 Depreciation Rule Revisions screen (Life Year 3)



Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	3
Life Yr Thr	3
Annual Multiplier	2.00000000
Depreciation	T23
Basis	B01
SC (Secondary Percentage Confirmation)	1
Salvage Value	S01

7.6 Warimashi-Shokyaku (Straight Line)

Defining this depreciation method includes the following tasks:

- Adding a user defined code
- Setting up depreciation formulas
- Setting up the depreciation method

7.6.1 Adding a User Defined Code

On General User Defined Codes for Depreciation Method (12/DM), create code W1 for Warimashi-Shokyaku, Straight Line.

Figure 7-36 General User Defined Codes screen (W1)

System Code: 12
 User Defined Codes: DM
 Skip To Code: W1
 Depreciation Method:

Code	Description	Description-2
W1	Warimashi-Shokyaku SL	
Special Handling Code	1	Hard Coded Y/N N
Z1	Zoka-Shokyaku, Straight Line	
Special Handling Code	1	Hard Coded Y/N N
Z2	Zoka-Shokyaku, DOB	
Special Handling Code	1	Hard Coded Y/N N
00	No Depreciation Method Used	Hard Coded Depreciation Method
Special Handling Code		Hard Coded Y/N Y
01	Straight Line Method	" " " "
Special Handling Code	1	Hard Coded Y/N Y
02	Sum of the Year's Digits	" " " "
Special Handling Code	1	Hard Coded Y/N Y
03	125% Declining Bal w/Cross Over	" " " "
Special Handling Code	1	Hard Coded Y/N Y

F5=Code Types F14=Memo F15=Where Used F18=Translate F21=Print F24=More

Complete the following fields with the values indicated:

Field	Value
Code	W1
Description	Warimashi-Shokyaku SL
Special Handling Code	1
Hard Coded	N

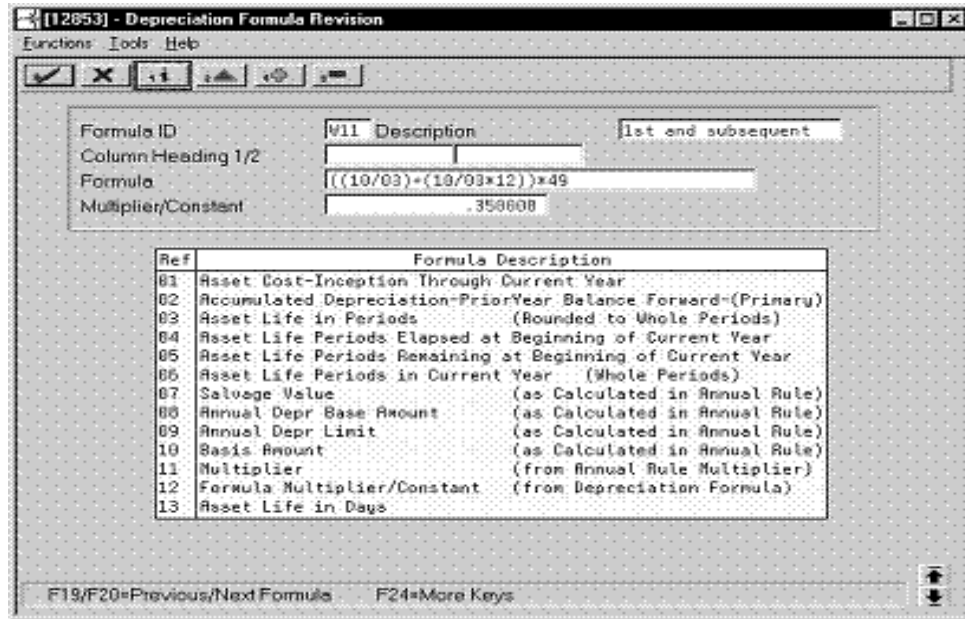
7.6.2 Setting Up Depreciation Formulas

On Depreciation Formula Revision, define the following formulas:

- First and subsequent years depreciation
- Final year depreciation

First and Subsequent Years Depreciation

Figure 7-37 Depreciation Formula Revision screen (First and Subsequent Years)



Complete the following fields with the values indicated below:

Field	Value
Formula ID	W11
Description	1st and subsequent
Formula	$((10/03)+(10/03*12))*49$
Multiplier/Constant	.350000

Final Year Depreciation

Figure 7-38 Depreciation Formula Revision screen (Final Year)

Ref	Formula Description
01	Asset Cost-Inception Through Current Year
02	Accumulated Depreciation-PriorYear Balance Forward-(Primary)
03	Asset Life in Periods (Rounded to Whole Periods)
04	Asset Life Periods Elapsed at Beginning of Current Year
05	Asset Life Periods Remaining at Beginning of Current Year
06	Asset Life Periods in Current Year (Whole Periods)
07	Salvage Value (as Calculated in Annual Rule)
08	Annual Depr Base Amount (as Calculated in Annual Rule)
09	Annual Depr Limit (as Calculated in Annual Rule)
10	Basis Amount (as Calculated in Annual Rule)
11	Multiplier (from Annual Rule Multiplier)
12	Formula Multiplier/Constant (from Depreciation Formula)
13	Asset Life in Days

Complete the following fields with the values indicated below:

Field	Value
Formula ID	W12
Description	Final year depreciation
Formula	10+02

7.6.3 Setting Up the Depreciation Method

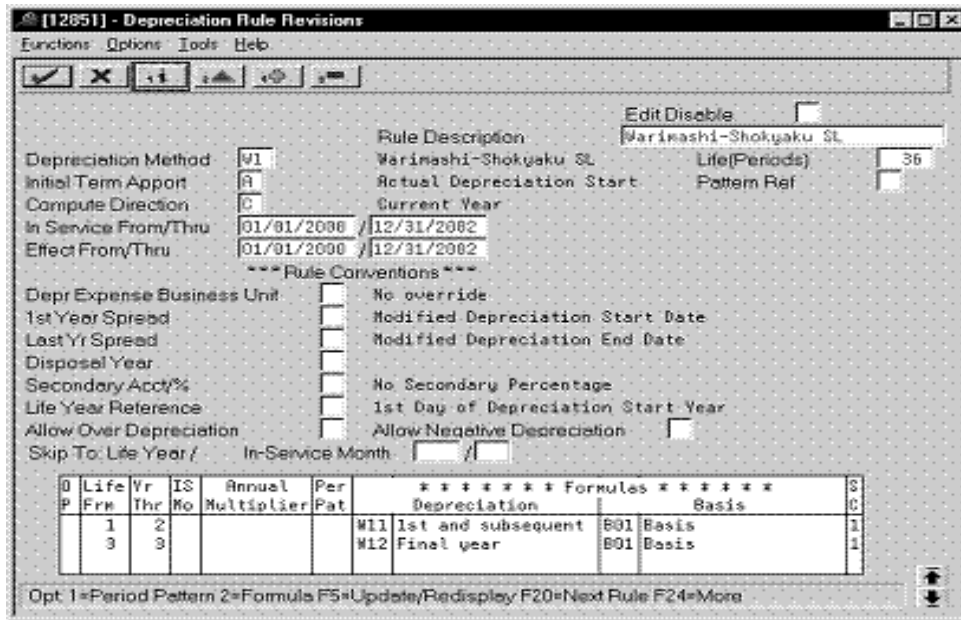
On Depreciation Rule Revisions, set up the depreciation method.

Setting up the depreciation method includes the following tasks:

- Setting up reference information and conventions
- Attaching the formulas to depreciation method W1

7.6.3.1 Setting Up Reference Information and Conventions

Figure 7-39 Depreciation Rule Revisions screen (Reference)



Complete the following fields with the values indicated below:

Field	Value
Depreciation Method	W1
Rule Description	Warimashi-Shokyaku SL
Life (Periods)	36
Initial Term Apport	A
Compute Direction	C
In Service From/Thru	01/01/00 / 12/31/02
Effective From/Thru	01/01/00 / 12/31/02

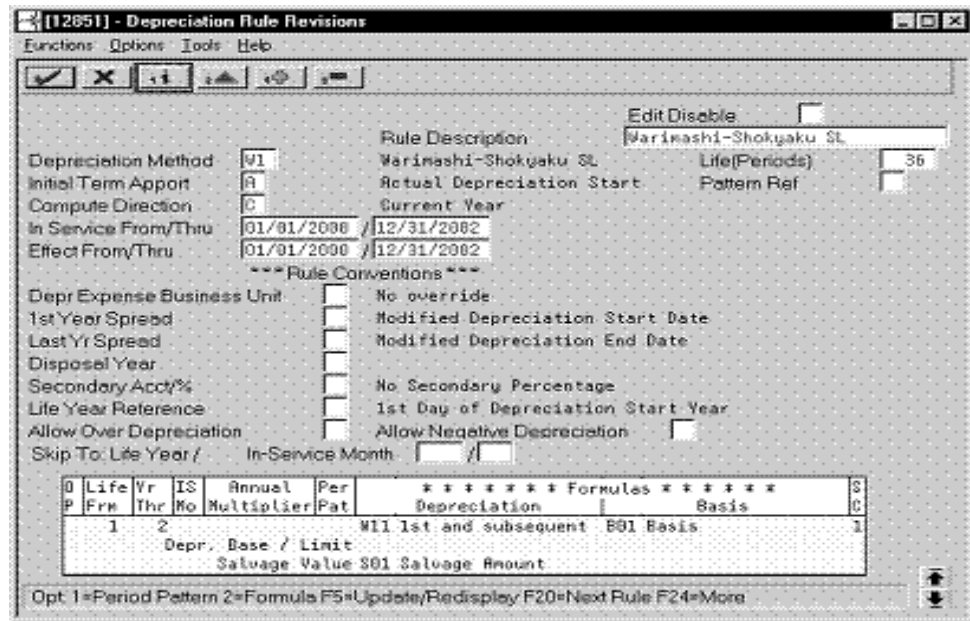
7.6.3.2 Attaching the Formulas to Depreciation Method W1

Attach the following formulas to the depreciation method:

- First Record: Life Years 1 through 2
- Second Record: Life Year 3

First Record: Life Years 1 through 2

Figure 7-40 Depreciation Rule Revisions screen (Life Years 1 through 2)

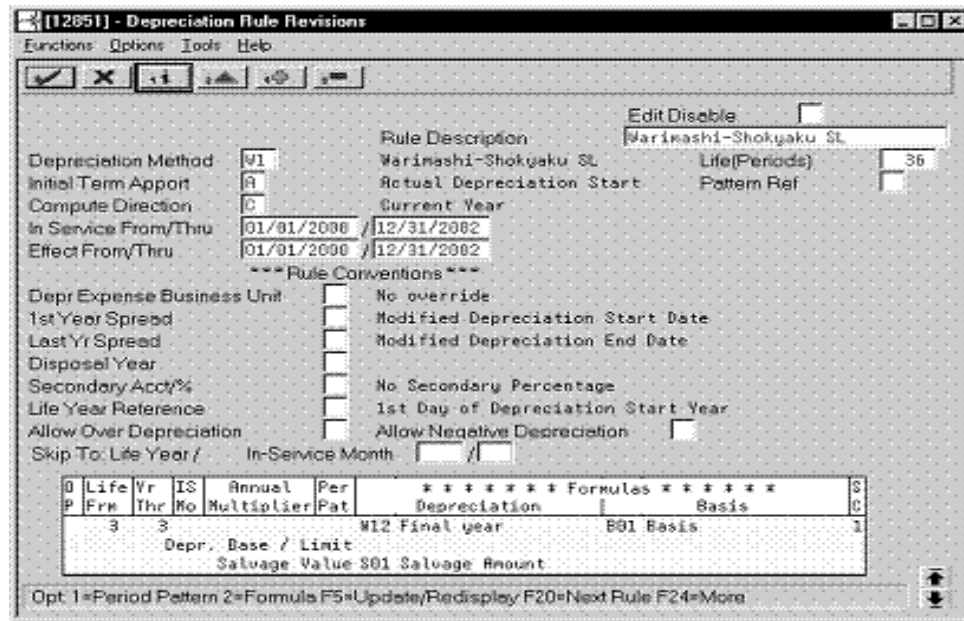


Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	1
Life Yr Thr	2
Depreciation	W11
Basis	B01
SC (Secondary Percentage Confirmation)	1
Salvage Value	S01

Second Record: Life Year 3

Figure 7-41 Depreciation Rule Revisions screen (Life Year 3)



Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	3
Life Yr Thr	3
Depreciation	W12
Basis	B01
SC (Secondary Percentage Confirmation)	1
Salvage Value	S01

7.7 Warimashi-Shokyaku (Double Declining Balance)

Defining this depreciation method includes the following tasks:

- Adding a user defined code
- Setting up depreciation formulas
- Setting up the depreciation method

7.7.1 Adding a User Defined Code

On General User Defined Codes for Depreciation Method (12/DM), create code W2 for Warimashi-Shokyaku, Double Declining Balance.

Figure 7-42 General User Defined Codes screen (W2)

System Code: 12
 User Defined Codes: DM
 Skip To Code: W2
 Depreciation Method:

Code	Description	Description-2
W2	Warimashi-Shokyaku DDB	
	Special Handling Code 1	Hard Coded Y/N N
Z1	Zoka-Shokyaku, Straight Line	
	Special Handling Code 1	Hard Coded Y/N N
Z2	Zoka-Shokyaku, DDB	
	Special Handling Code 1	Hard Coded Y/N N
00	No Depreciation Method Used	Hard Coded Depreciation Method
	Special Handling Code	Hard Coded Y/N Y
01	Straight Line Method	" " " "
	Special Handling Code 1	Hard Coded Y/N Y
02	Sum of the Year's Digits	" " " "
	Special Handling Code 1	Hard Coded Y/N Y
03	125% Declining Bal w/Cross Over	" " " "
	Special Handling Code 1	Hard Coded Y/N Y

F5=Code Types F14=Memo F15=Where Used F18=Translate F21=Print F24=More

Complete the following fields with the values indicated below:

Field	Value
Code	W2
Description	Warimashi-Shokyaku DDB
Special Handling Code	1
Hard Coded	N

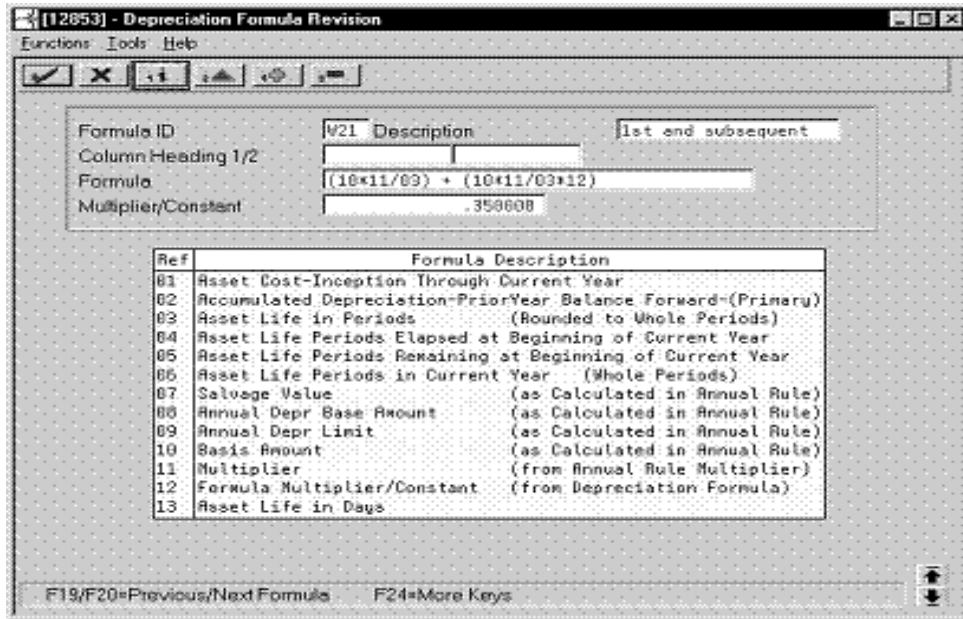
7.7.2 Setting Up Depreciation Formulas

On Depreciation Formula Revision, define the following formulas:

- First and subsequent years depreciation
- Final year depreciation

First and Subsequent Years Depreciation

Figure 7-43 Depreciation Formula Revision screen (First and Subsequent Years)



Complete the following fields with the values indicated below:

Field	Value
Formula ID	W21
Description	1st and subsequent years
Formula	$(10 \times 11 / 03) + (10 \times 11 / 03 \times 12)$
Multiplier/Constant	.350000

Final Year Depreciation

Figure 7-44 Depreciation Formula Revision screen (Final Year)

Ref	Formula Description
01	Asset Cost-Inception Through Current Year
02	Accumulated Depreciation-PriorYear Balance Forward-(Primary)
03	Asset Life in Periods (Rounded to Whole Periods)
04	Asset Life Periods Elapsed at Beginning of Current Year
05	Asset Life Periods Remaining at Beginning of Current Year
06	Asset Life Periods in Current Year (Whole Periods)
07	Salvage Value (as Calculated in Annual Rule)
08	Annual Depr Base Amount (as Calculated in Annual Rule)
09	Annual Depr Limit (as Calculated in Annual Rule)
10	Basis Amount (as Calculated in Annual Rule)
11	Multiplier (from Annual Rule Multiplier)
12	Formula Multiplier/Constant (from Depreciation Formula)
13	Asset Life in Days

Complete the following fields with the values indicated below:

Field	Value
Formula ID	W22
Description	Final year
Formula	10+02

7.7.3 Setting Up the Depreciation Method

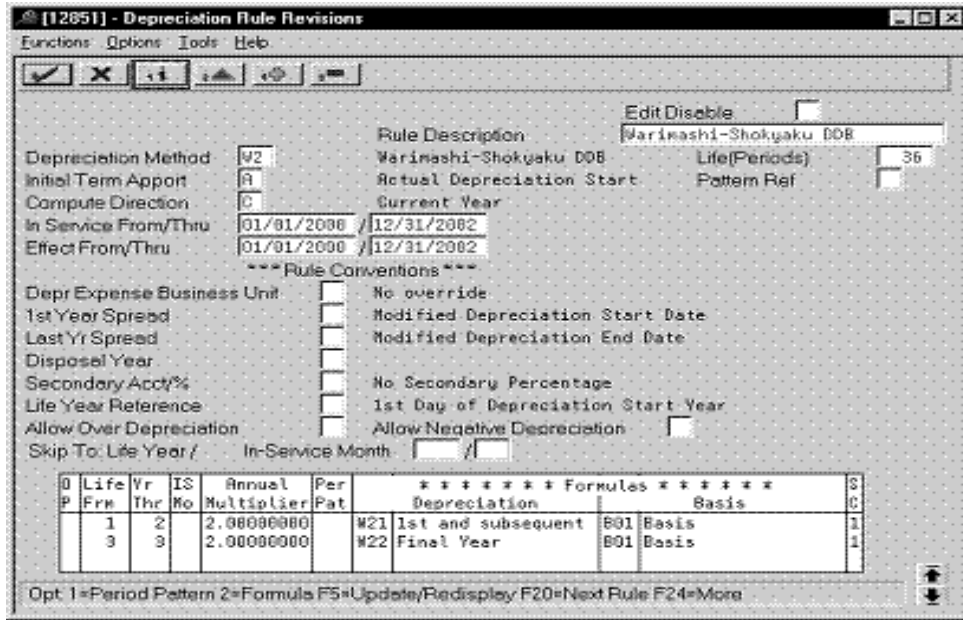
On Depreciation Rule Revisions, set up the depreciation method.

Setting up the depreciation method includes the following tasks:

- Setting up reference information and conventions
- Attaching the formulas to depreciation method W2

7.7.3.1 Setting Up Reference Information and Conventions

Figure 7-45 Depreciation Rule Revisions screen (Reference)



Complete the following fields with the values indicated below:

Field	Value
Rule Description	Warimashi-Shokyaku DDB
Depreciation Method	W2
Life (Periods)	36
Initial Term Apport	A
Compute Direction	C
In Service From/Thru	01/01/00 / 12/31/02
Effective From/Thru	01/01/00 / 12/31/02

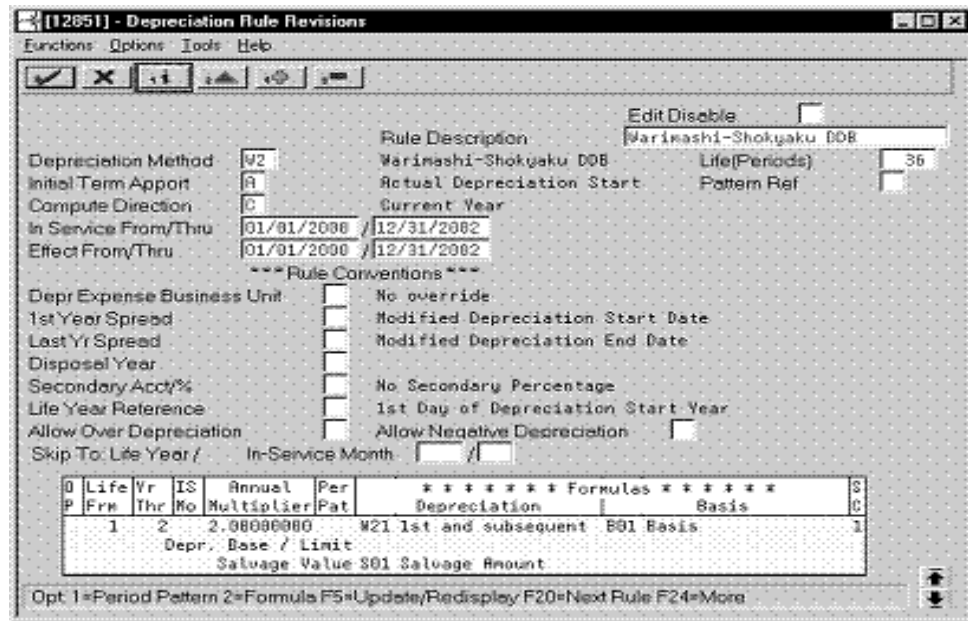
7.7.3.2 Attaching the Formulas to Depreciation Method W2

Attach the following formulas to the depreciation method:

- First Record: Life Years 1 through 2
- Second Record: Life Year 3

First Record: Life Years 1 through 2

Figure 7-46 Depreciation Rule Revisions screen (Life Years 1 through 2)

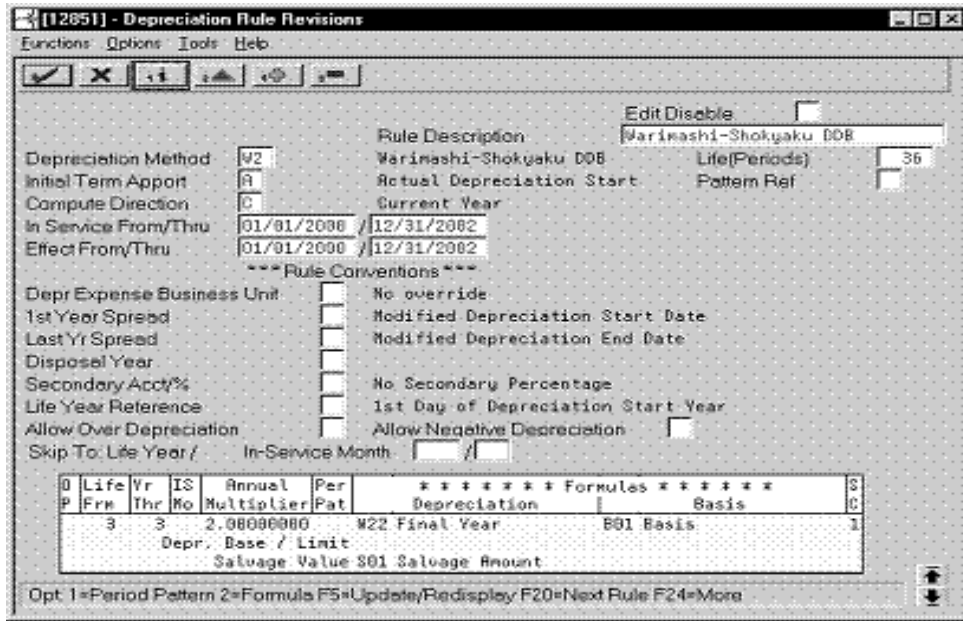


Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	1
Life Yr Thr	2
Annual Multiplier	2.00000000
Depreciation	W21
Basis	B01
SC (Secondary Percentage Confirmation)	1
Salvage Value	S01

Second Record: Life Year 3

Figure 7-47 Depreciation Rule Revisions screen (Life Year 3)



Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	3
Life Yr Thr	3
Annual Multiplier	2.00000000
Depreciation	W22
Basis	B01
SC (Secondary Percentage Confirmation)	1
Salvage Value	S01

Defining Depreciation Methods for Korea

To define the depreciation methods for Korea, this chapter contains these topics:

- Section 8.1, "Frequently Used Depreciation Formulas,"
- Section 8.2, "Normal (Declining Balance),"
- Section 8.3, "Normal (Straight Line),"
- Section 8.4, "Prior to 95 (Declining Balance),"
- Section 8.5, "Prior to 95 (Straight Line),"
- Section 8.6, "Revaluation (Declining Balance),"
- Section 8.7, "Revaluation (Straight Line),"
- Section 8.8, "Capital Expenditure (Declining Balance),"
- Section 8.9, "Capital Expenditure (Straight Line),"
- Section 8.10, "Special Rate (Declining Balance),"
- Section 8.11, "Special Rate (Straight Line),"
- Section 8.12, "Mid-Year (Declining Balance),"
- Section 8.13, "Mid-Year (Straight Line)."

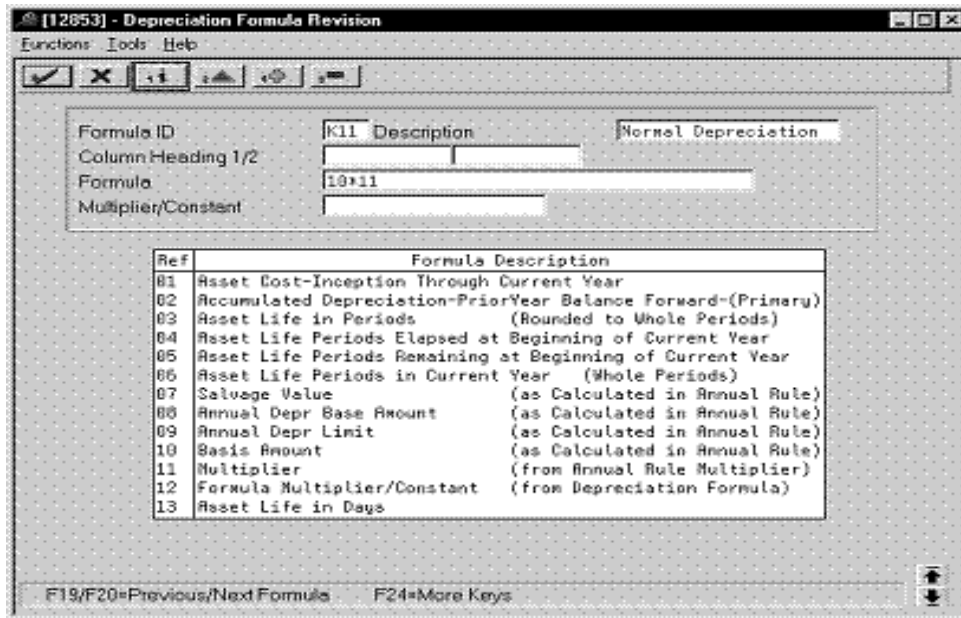
8.1 Frequently Used Depreciation Formulas

On Depreciation Formula Revision, define the following formulas for use with most depreciation methods:

- Normal Depreciation
- Basis Declining Balance
- Latter Half Year Depreciation
- Last Year Depreciation to Salvage

8.1.1 Normal Depreciation

Figure 8-1 Depreciation Formula Revision screen (Normal)

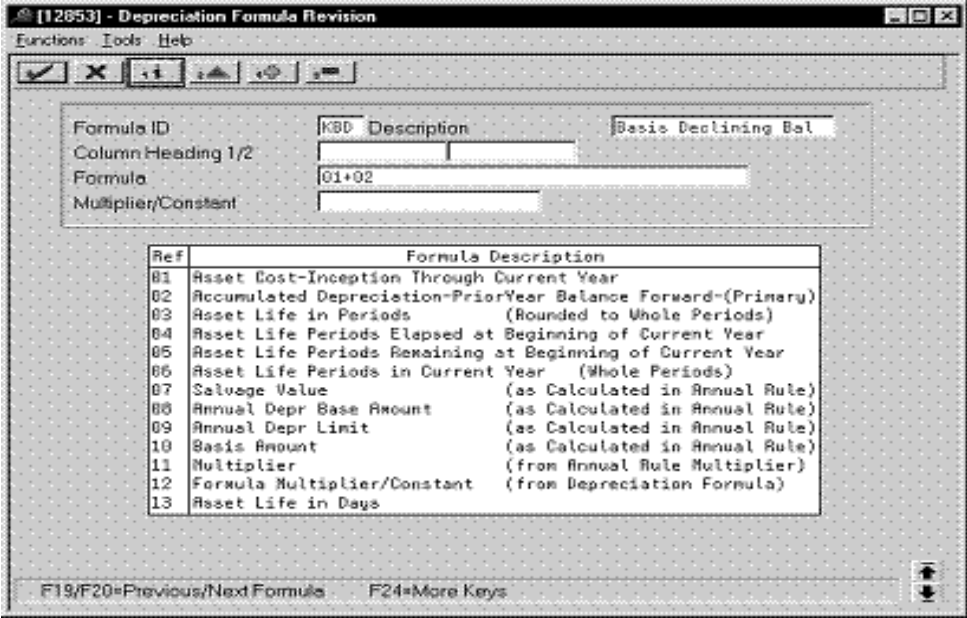


Complete the following fields with the values indicated below:

Field	Value
Formula ID	K11
Description	Normal Depreciation
Formula	10*11

8.1.2 Basis Declining Balance

Figure 8-2 Depreciation Formula Revision screen (Basis Declining Balance)

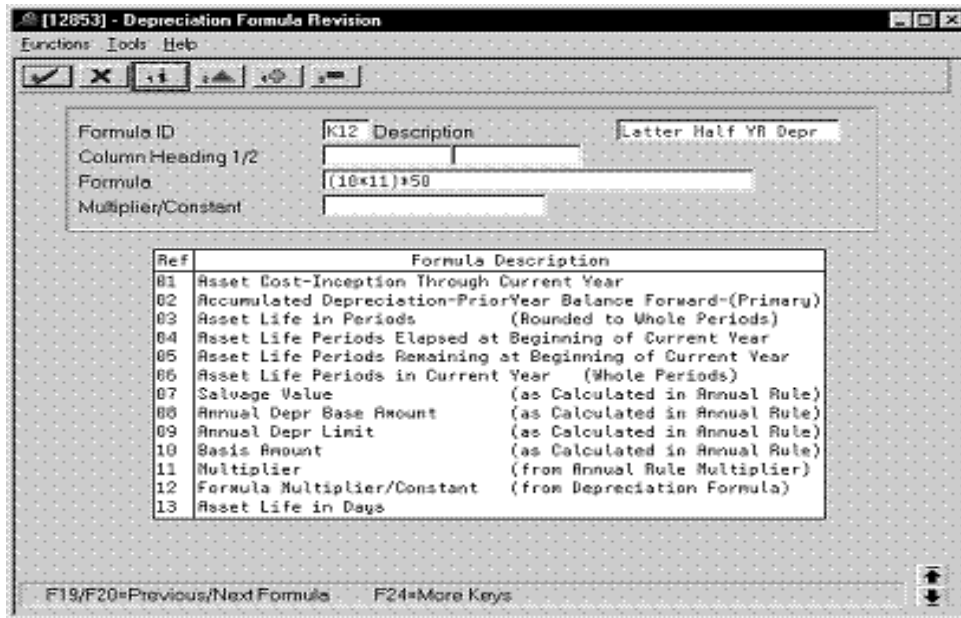


Complete the following fields with the values indicated below:

Field	Value
Formula ID	KBD
Description	Basis Declining Bal
Formula	01+02

8.1.3 Latter Half Year Depreciation

Figure 8-3 Depreciation Formula Revision screen (Latter Half Year)



Complete the following fields with the values indicated below:

Field	Value
Formula ID	K12
Description	Latter Half Yr Depr
Formula	(10*11)*50

8.1.4 Last Year Depreciation to Salvage

Figure 8-4 Depreciation Formula Revision screen (Last Year to Salvage)

Ref	Formula Description
01	Asset Cost-Inception Through Current Year
02	Accumulated Depreciation-PriorYear Balance Forward-(Primary)
03	Asset Life in Periods (Rounded to Whole Periods)
04	Asset Life Periods Elapsed at Beginning of Current Year
05	Asset Life Periods Remaining at Beginning of Current Year
06	Asset Life Periods in Current Year (Whole Periods)
07	Salvage Value (as Calculated in Annual Rule)
08	Annual Depr Base Amount (as Calculated in Annual Rule)
09	Annual Depr Limit (as Calculated in Annual Rule)
10	Basis Amount (as Calculated in Annual Rule)
11	Multiplier (from Annual Rule Multiplier)
12	Formula Multiplier/Constant (from Depreciation Formula)
13	Asset Life in Days

Complete the following fields with the values indicated below:

Field	Value
Formula ID	K22
Description	Lst Yr Dpr to Slv
Formula	01+02-46

8.2 Normal (Declining Balance)

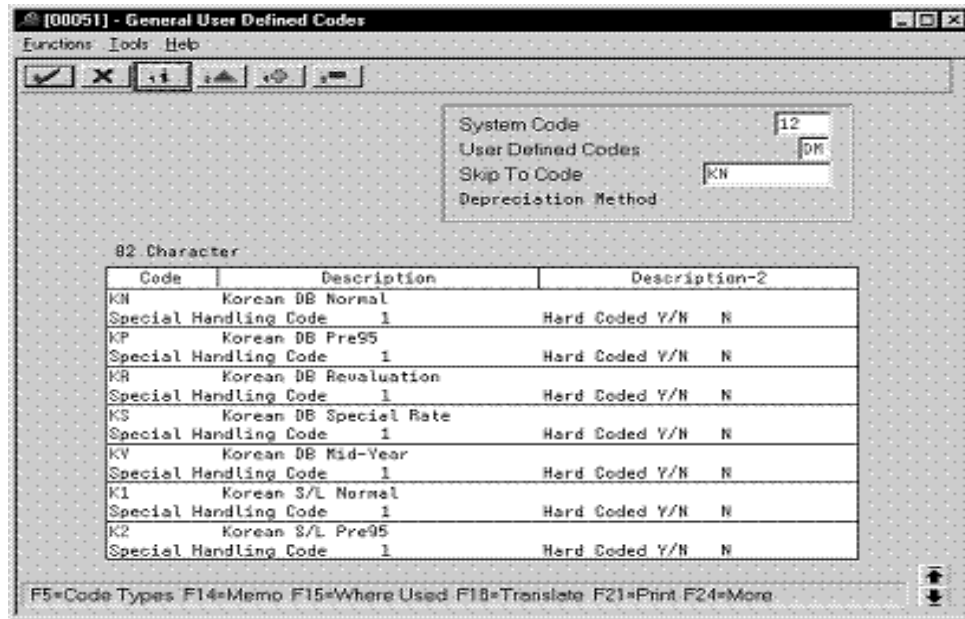
Defining this depreciation method includes the following tasks:

- Adding a user defined code
- Setting up the depreciation method

8.2.1 Adding a User Defined Code

On General User Defined Codes for Depreciation Method (12/DM), create code KN for Korean Declining Balance Normal.

Figure 8-5 General User Defined Codes screen (KN)



Complete the following fields with the values indicated below:

Field	Value
Code	KN
Description	Korean DB Normal
Special Handling Code	1
Hard Coded	N

8.2.2 Setting Up the Depreciation Method

On Depreciation Rule Revisions, set up the depreciation method.

Setting up the depreciation method includes the following tasks:

- Setting up reference information and conventions
- Attaching the formulas to depreciation method KN

8.2.2.1 Setting Up Reference Information and Conventions

Figure 8-6 Depreciation Rule Revisions screen (Reference)

Functions: Options Tools Help

Depreciation Method: KN
 Initial Term Apport: W
 Compute Direction: C
 In Service From/Thru: 01/01/1986 /
 Effect From/Thru: 01/01/1986 /

Rule Description: Korean DB Normal
 Life(Periods): 48
 Pattern Ref:

*** Rule Conventions ***
 Depr Expense Business Unit: No override
 1st Year Spread: 1 Entire Year
 Last Yr Spread: Modified Depreciation End Date
 Disposal Year:
 Secondary Acct%: No Secondary Percentage
 Life Year Reference: 1st Day of Depreciation Start Year
 Allow Over Depreciation: 2 Allow Negative Depreciation:
 Skip To: Lts Year / In-Service Month: /

0	Life	Yr	IS	Annual	Per	***** Formulas *****		S
P	Frn	Thr	No	Multiplier	Pat	Depreciation	Basis	C
	1	3		.52888888		K11 Normal Depreciation	KBD Basis Declining Bal	1
	4	999				K22 1st Yr Dpr to Slv D		1

Opt 1=Period Pattern 2=Formuls F5=Update/Redisplay F20=Next Rule F24=More

Complete the following fields with the values indicated below:

Field	Value
Depreciation Method	KN
Rule Description	Korean DB Normal
Life (Periods)	48
Initial Term Apport	W
Compute Direction	C
1st Year Spread	1
Allow Over Depreciation	2

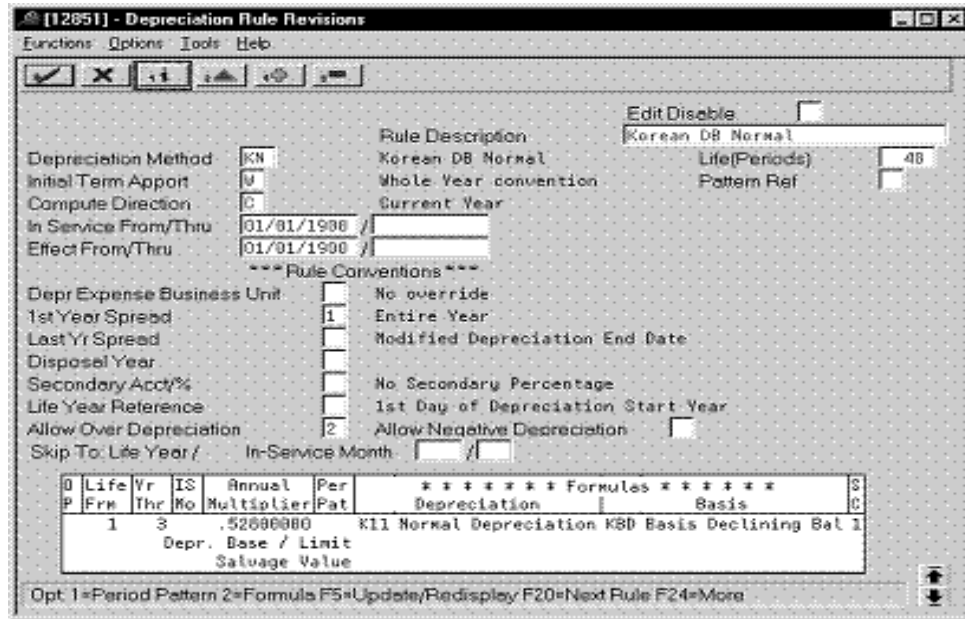
8.2.2.2 Attaching the Formulas to Depreciation Method KN

Attach the following formulas to the depreciation method:

- First Record: Life Years 1 through 3
- Second Record: Life Years 4 through 999

First Record: Life Years 1 through 3

Figure 8-7 Depreciation Rule Revisions screen (Life Years 1 through 3)



Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	1
Life Yr Thr	3
Annual Multiplier	.52800000
Depreciation	K11
Basis	KBD
SC (Secondary Percentage Continuation)	1

Second Record: Life Years 4 through 999

Figure 8–8 Depreciation Rule Revisions screen (Life Years 4 through 999)

Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	4
Life Yr Thr	999
Depreciation	K22
SC (Secondary Percentage Continuation)	1

8.3 Normal (Straight Line)

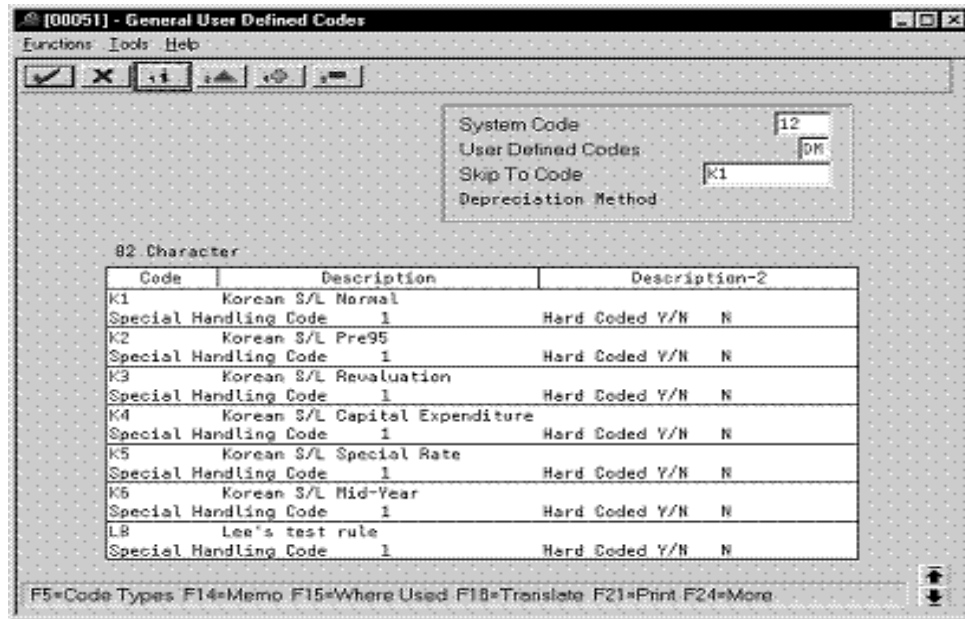
Defining this depreciation method includes the following tasks:

- Adding a user defined code
- Setting up the depreciation method

8.3.1 Adding a User Defined Code

On General User Defined Codes for Depreciation Method (12/DM), create code K1 for Korean Straight Line Normal.

Figure 8-9 General User Defined Codes screen (K1)



Complete the following fields with the values indicated below:

Field	Value
Code	K1
Description	Korean S/L Normal
Special Handling Code	1
Hard Coded	N

8.3.2 Setting Up the Depreciation Method

On Depreciation Rule Revisions, set up the depreciation method.

Setting up the depreciation method includes the following tasks:

- Setting up reference information and conventions
- Attaching the formulas to depreciation method K1

8.3.2.1 Setting Up Reference Information and Conventions

Figure 8-10 Depreciation Rule Revisions screen (Reference)

The screenshot shows the 'Depreciation Rule Revisions' window with the following fields and values:

- Depreciation Method: K1
- Initial Term Apport: W
- Compute Direction: C
- In Service From/Thru: 01/01/1986 /
- Effect From/Thru: 01/01/1986 /
- Rule Description: Korean S/L Normal
- Life(Periods): 48
- Pattern Ref:
- Current Year:
- *** Rule Conventions ***
- Depr Expense Business Unit: No override
- 1st Year Spread: 1 Entire Year
- Last Yr Spread: Modified Depreciation End Date
- Disposal Year:
- Secondary Acct/%: 2 Lesser of Amount 1 or 2
- Life Year Reference: 1st Day of Depreciation Start Year
- Allow Over Depreciation: Allow Negative Depreciation
- Skip To: Lts Year / In-Service Month: /

0	Life	Yr	IS	Annual	Per	***** Formulas *****		S
P	Frn	Thr	No	Multiplier	Pat	Depreciation	Basis	C
	1	3		.25000000	K11	Normal Depreciation		1
	4	999			K22	1st Yr Dpr to Slv D		1

Opt 1=Period Pattern 2=Formuls F5=Update/Redisplay F20=Next Rule F24=More

Complete the following fields with the values indicated below:

Field	Value
Depreciation Method	K1
Rule Description	Korean S/L Normal
Life (Periods)	48
Initial Term Apport	W
Compute Direction	C
1st Year Spread	1
Secondary Acct/%	2

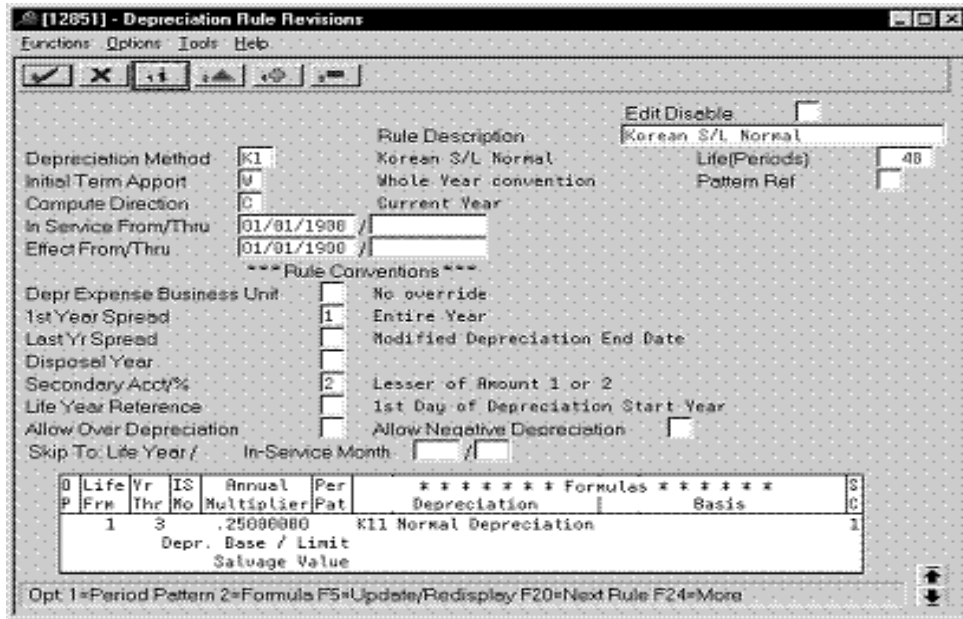
8.3.2.2 Attaching the Formulas to Depreciation Method K1

Attach the following formulas to the depreciation method:

- First Record: Life Years 1 through 3
- Second Record: Life Years 4 through 999

First Record: Life Years 1 through 3

Figure 8-11 Depreciation Rule Revisions screen (Life Years 1 through 3)

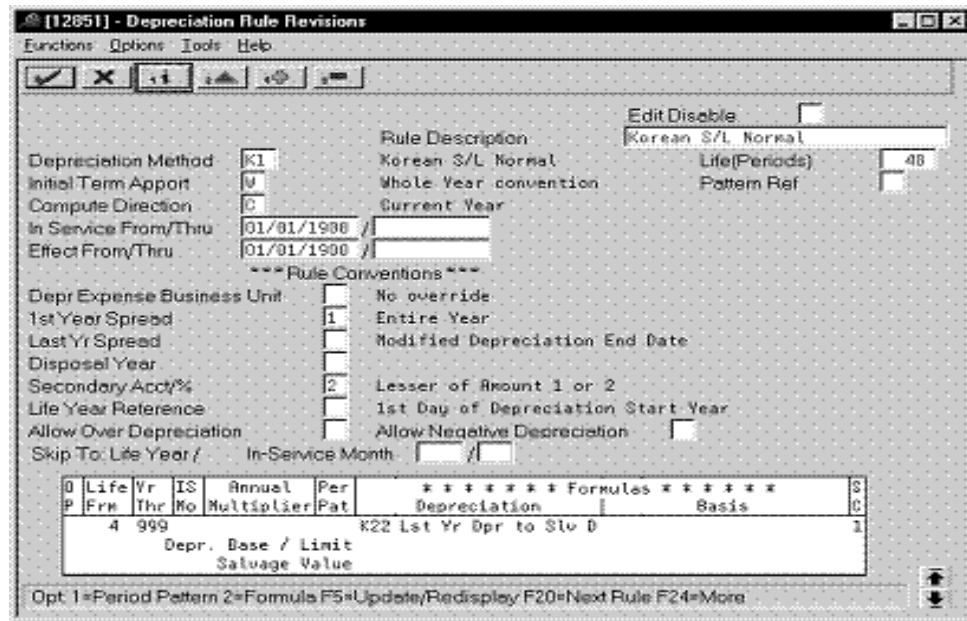


Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	1
Life Yr Thr	3
Annual Multiplier	.25000000
Depreciation	K11
SC (Secondary Percentage Continuation)	1

Second Record: Life Years 4 through 999

Figure 8–12 Depreciation Rule Revisions screen (Life Years 4 through 999)



Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	4
Life Yr Thr	999
Depreciation	K22
SC (Secondary Percentage Continuation)	1

8.4 Prior to 95 (Declining Balance)

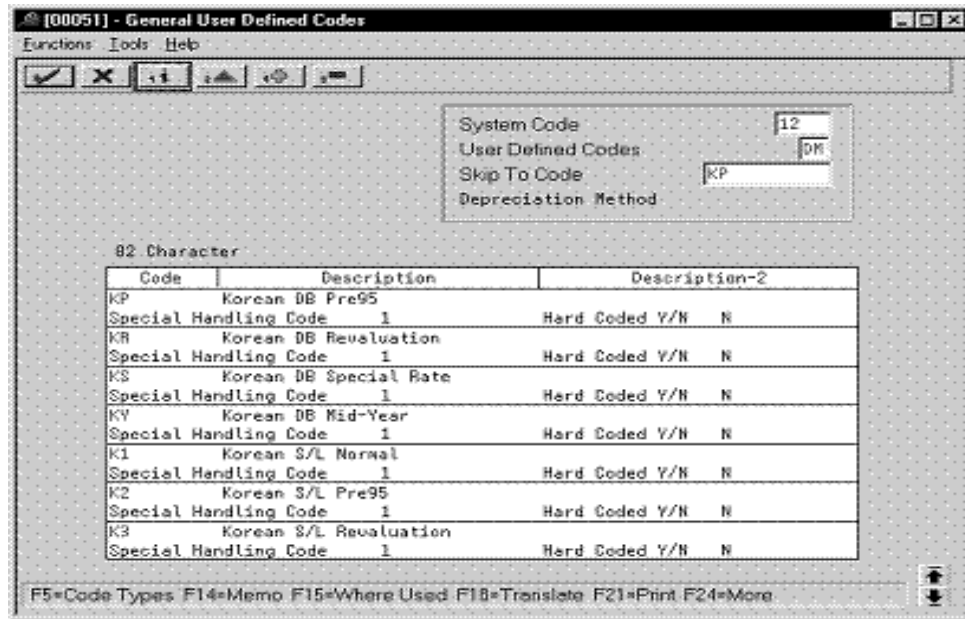
Defining this depreciation method includes the following tasks:

- Adding a user defined code
- Setting up depreciation formulas
- Setting up the depreciation method

8.4.1 Adding a User Defined Code

On General User Defined Codes for Depreciation Method (12/DM), create code KP for Korean Declining Balance Prior to 95.

Figure 8-13 General User Defined Codes screen (KP)



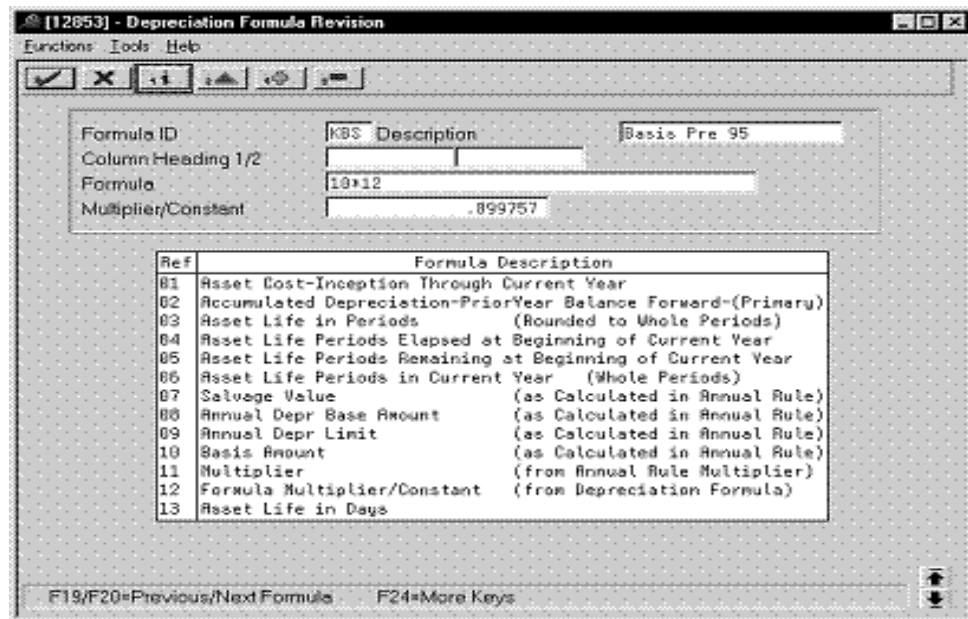
Complete the following fields with the values indicated below:

Field	Value
Code	KP
Description	Korean DB Pre95
Special Handling Code	1
Hard Coded	N

8.4.2 Setting Up Depreciation Formulas

On Depreciation Formula Revision, define the following formula:

Figure 8–14 Depreciation Formula Revision screen (Formula KBS)



Complete the following fields with the values indicated below:

Field	Value
Formula ID	KBS
Description	Basis Pre 95
Formula	10*12
Multiplier/Constant	.099757

8.4.3 Setting Up the Depreciation Method

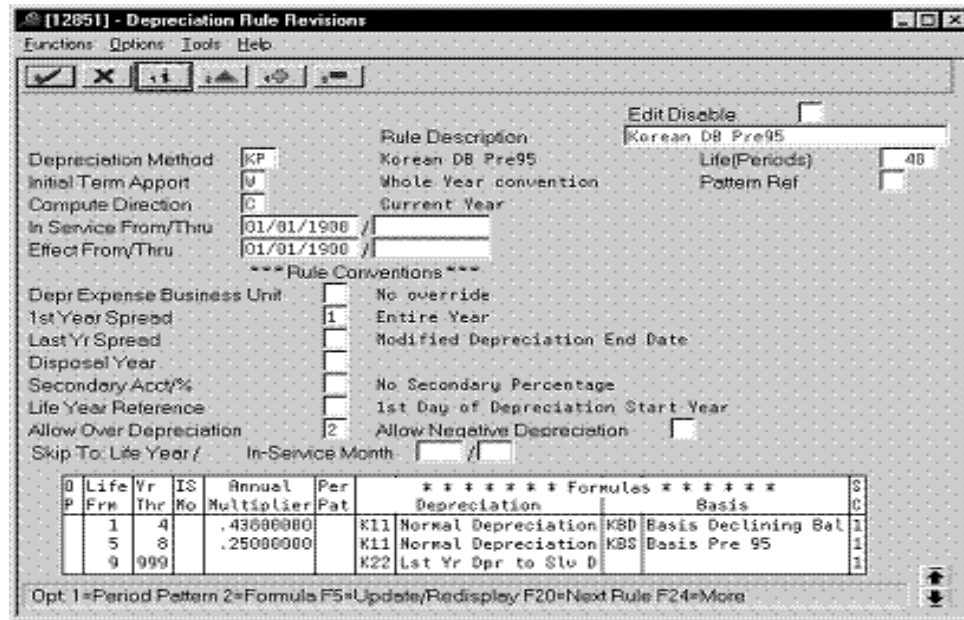
On Depreciation Rule Revisions, set up the depreciation method.

Setting up the depreciation method includes the following tasks:

- Setting up reference information and conventions
- Attaching the formulas to depreciation method KP

8.4.3.1 Setting Up Reference Information and Conventions

Figure 8-15 Depreciation Rule Revisions screen (Reference)



Complete the following fields with the values indicated below:

Field	Value
Depreciation Method	KP
Rule Description	Korean DB Pre95
Life (Periods)	48
Initial Term Apport	W
Compute Direction	C
1st Year Spread	1
Allow Over Depreciation	2

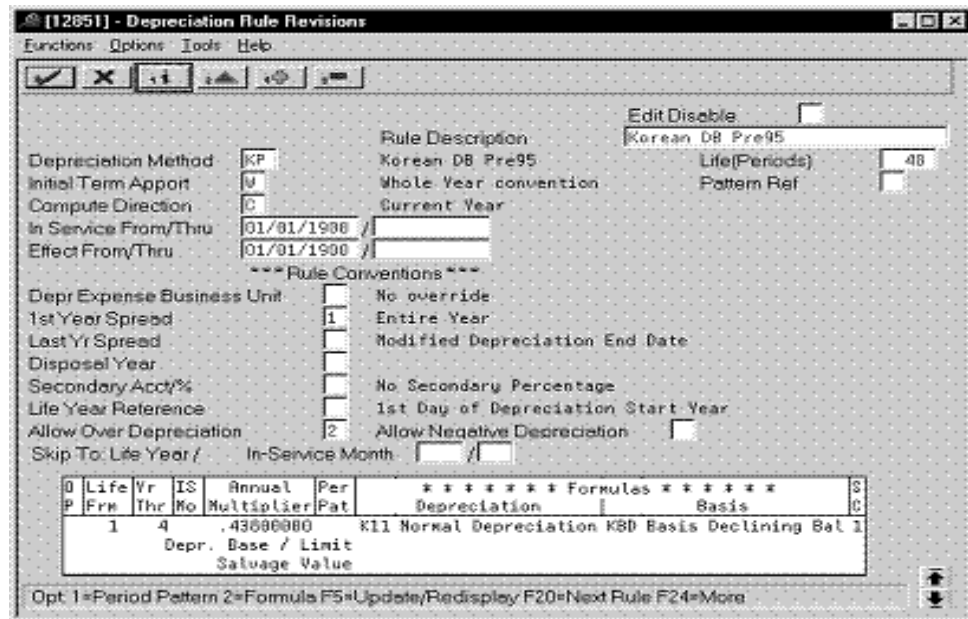
8.4.3.2 Attaching the Formulas to Depreciation Method KP

Attach the following formulas to the depreciation method:

- First Record: Life Years 1 through 4
- Second Record: Life Years 5 through 8
- Third Record: Life Years 9 through 999

First Record: Life Years 1 through 4

Figure 8-16 Depreciation Rule Revisions screen (Life Years 1 through 4)

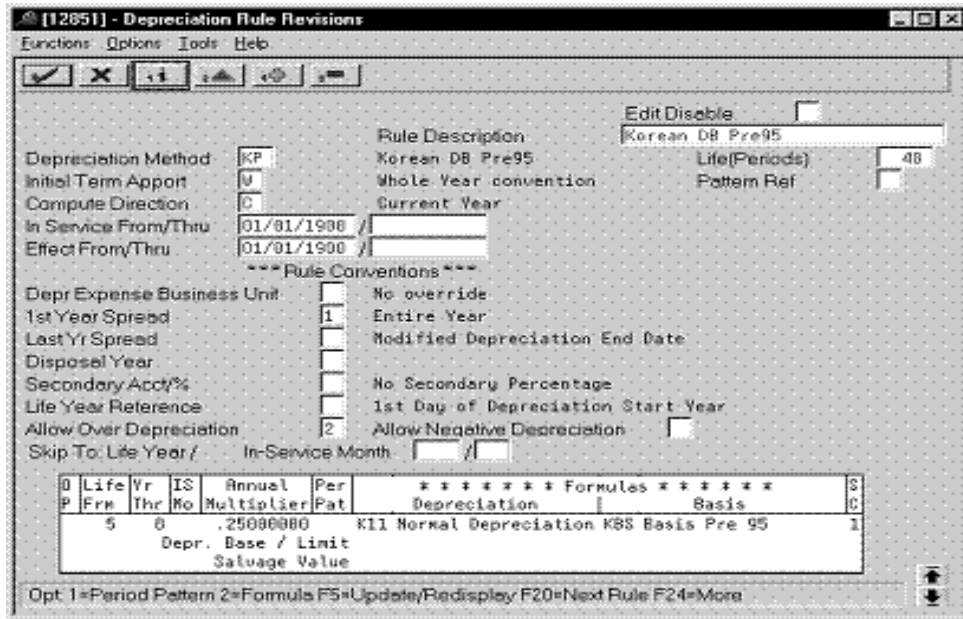


Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	1
Life Yr Thr	4
Annual Multiplier	.43800000
Depreciation	K11
Basis	KBD
SC (Secondary Percentage Continuation)	1

Second Record: Life Years 5 through 8

Figure 8-17 Depreciation Rule Revisions screen (Life Years 5 through 8)

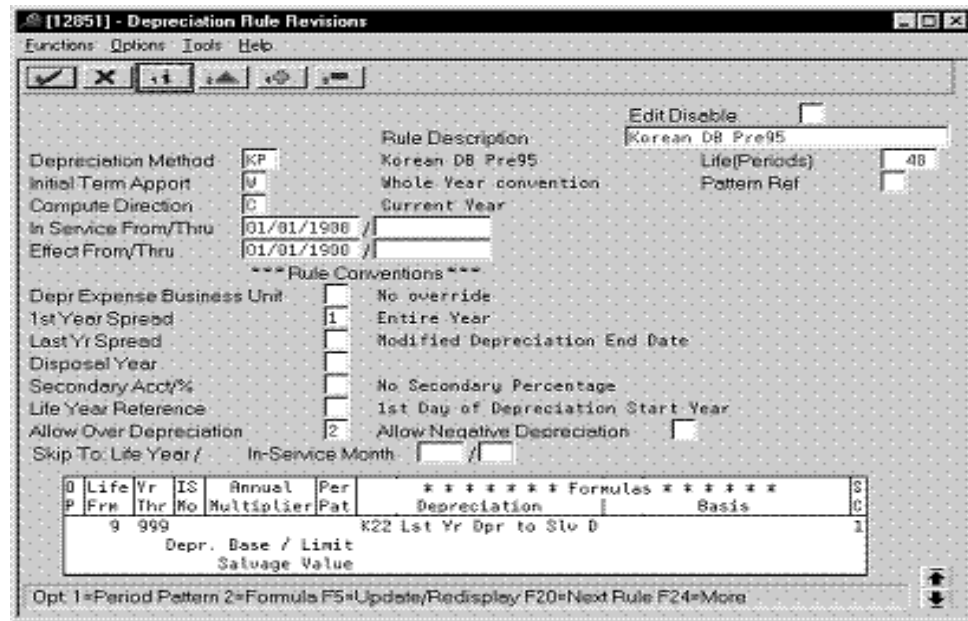


Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	5
Life Yr Thr	8
Annual Multiplier	.25000000
Depreciation	K11
Basis	KBS
SC (Secondary Percentage Continuation)	1

Third Record: Life Years 9 through 999

Figure 8-18 Depreciation Rule Revisions screen (Life Years 9 through 999)



Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	9
Life Yr Thr	999
Depreciation	K22
SC (Secondary Percentage Continuation)	1

8.5 Prior to 95 (Straight Line)

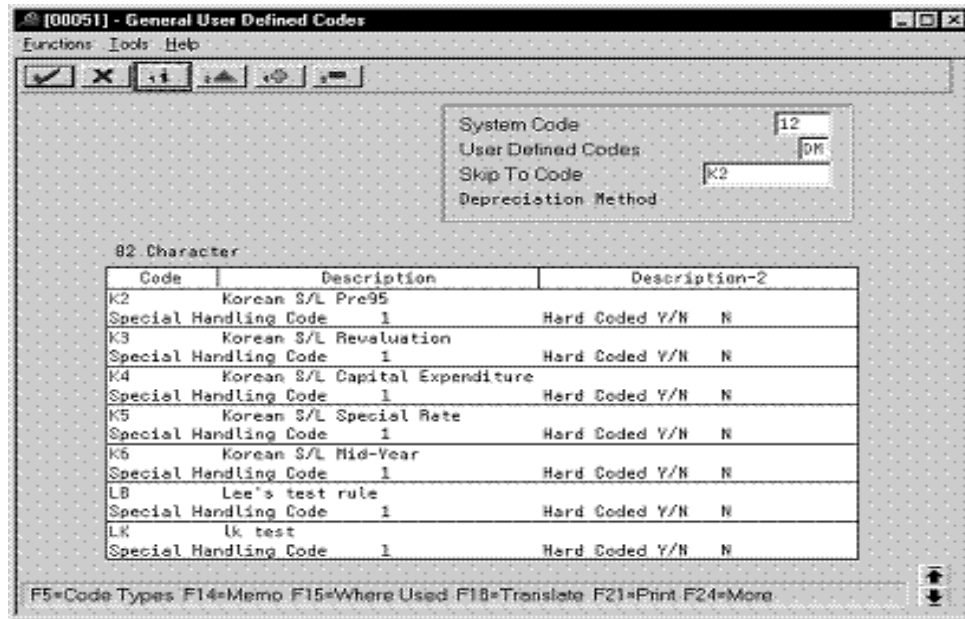
Defining this depreciation method includes the following tasks:

- Adding a user defined code
- Setting up depreciation formulas
- Setting up the depreciation method

8.5.1 Adding a User Defined Code

On General User Defined Codes for Depreciation Method (12/DM), create code K2 for Korean Straight Line Prior to 95.

Figure 8–19 General User Defined Codes screen (K2)



Complete the following fields with the values indicated below:

Field	Value
Code	K2
Description	Korean S/L Pre95
Special Handling Code	1
Hard Coded	N

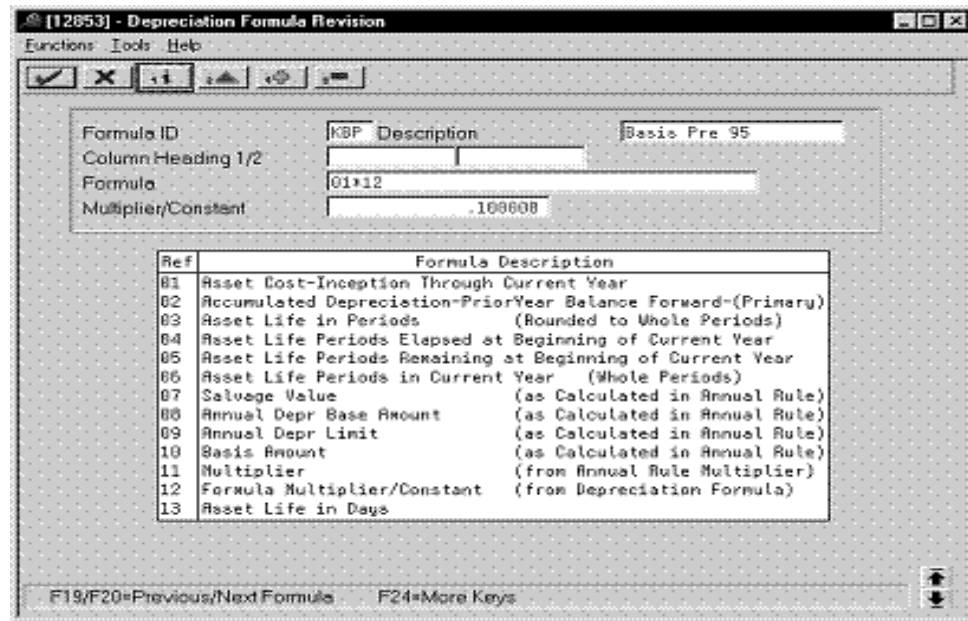
8.5.2 Setting Up Depreciation Formulas

On Depreciation Formula Revision, define the following formulas:

- Basis Pre 95
- Pre 95 Depreciation After Life
- Pre 95 Straight Line Depreciation
- Pre 95 Depreciation to Salvage Straight Line

Basis Pre 95

Figure 8-20 Depreciation Formula Revision screen (Basis Pre 95)

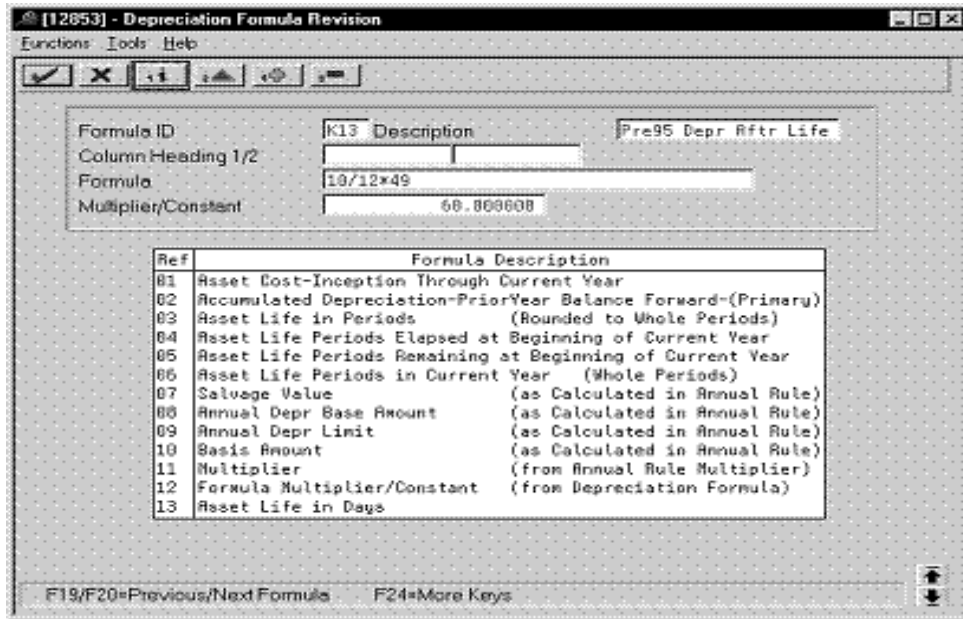


Complete the following fields with the values indicated below:

Field	Value
Formula ID	KBP
Description	Basis Pre 95
Formula	01*12
Multiplier/Constant	.100000

Pre 95 Depreciation After Life

Figure 8-21 Depreciation Formula Revision screen (Pre 95 Depreciation After Life)

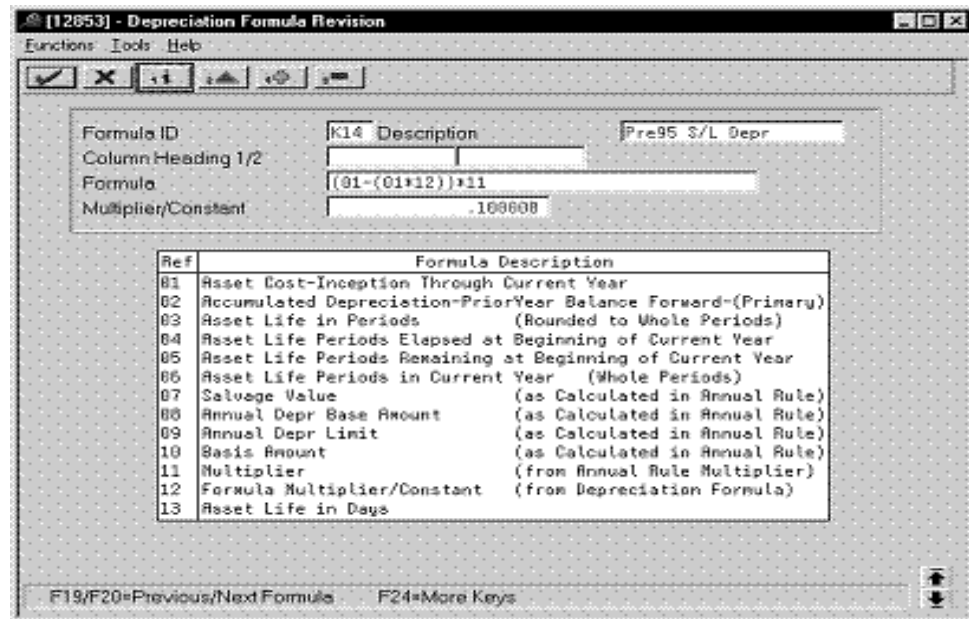


Complete the following fields with the values indicated below:

Field	Value
Formula ID	K13
Description	Pre95 Depr Aftr Life
Formula	10/12*49
Multiplier/Constant	60.000000

Pre 95 Straight Line Depreciation

Figure 8-22 Depreciation Formula Revision screen (Pre 95 Straight Line)

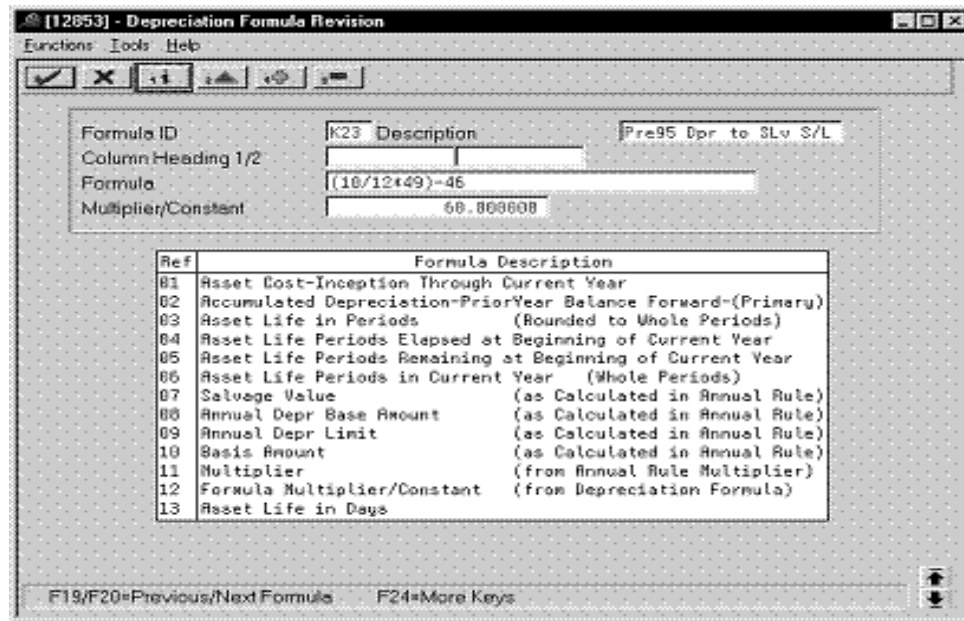


Complete the following fields with the values indicated below:

Field	Value
Formula ID	K14
Description	Pre95 S/L Depr
Formula	$(01-(01*12))*11$
Multiplier/Constant	.100000

Pre 95 Depreciation to Salvage Straight Line

Figure 8-23 Depreciation Formula Revision screen (Pre 95 to Salvage Straight Line)



Complete the following fields with the values indicated below:

Field	Value
Formula ID	K23
Description	Pre95 Dpr to Slv S/L
Formula	$(10/12*49)-46$
Multiplier/Constant	60.000000

8.5.3 Setting Up the Depreciation Method

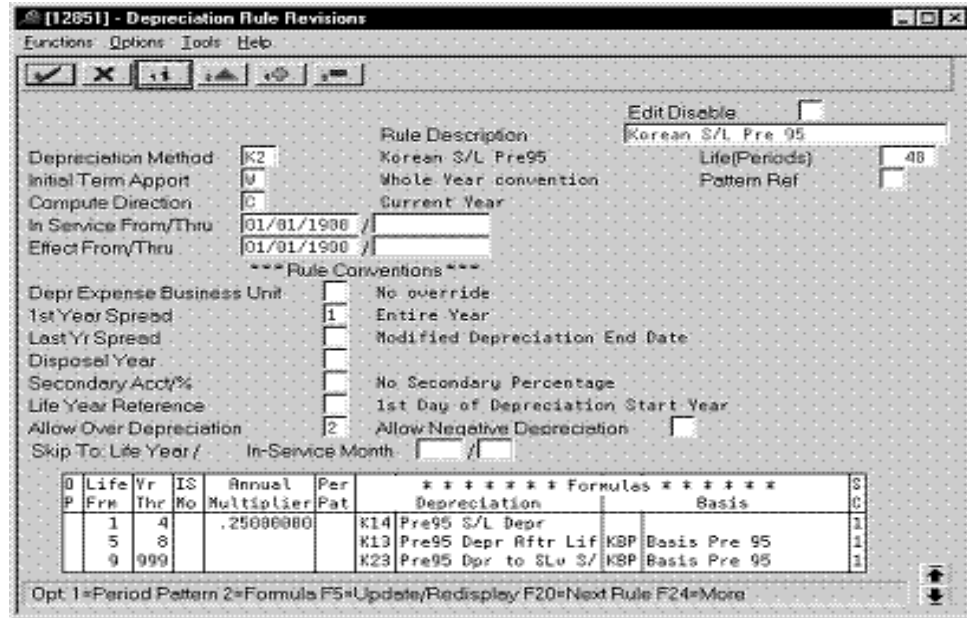
On Depreciation Rule Revisions, set up the depreciation method.

Setting up the depreciation method includes the following tasks:

- Setting up reference information and conventions
- Attaching the formulas to depreciation method K2

8.5.3.1 Setting Up Reference Information and Conventions

Figure 8-24 Depreciation Rule Revisions screen (Reference)



Complete the following fields with the values indicated below:

Field	Value
Depreciation Method	K2
Rule Description	Korean S/L Pre 95
Life (Periods)	48
Initial Term Apport	W
Compute Direction	C
1st Year Spread	1
Allow Over Depreciation	2

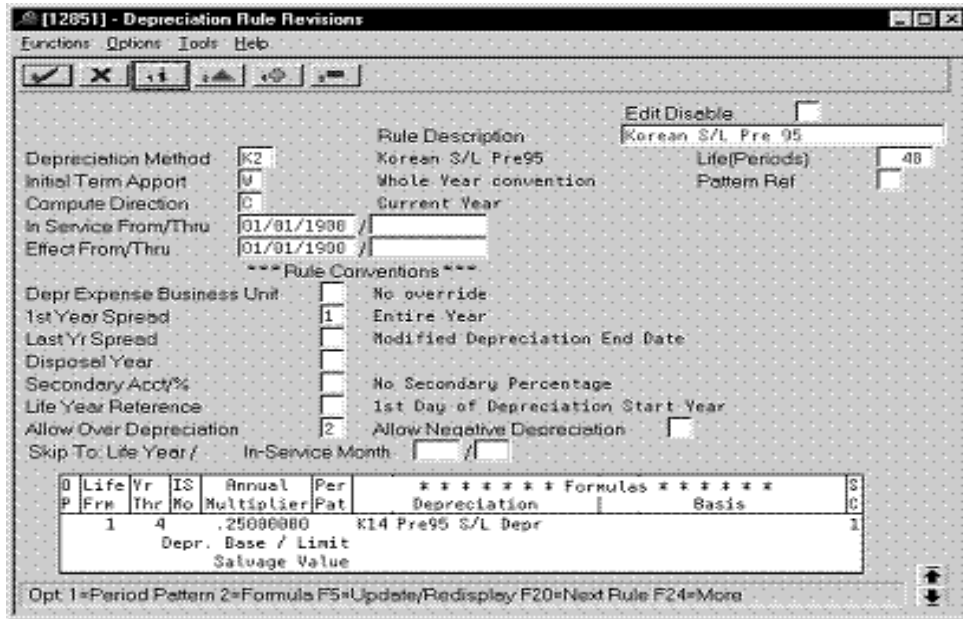
8.5.3.2 Attaching the Formulas to Depreciation Method K2

Attach the following formulas to the depreciation method:

- First Record: Life Years 1 through 4
- Second Record: Life Years 5 through 8
- Third Record: Life Years 9 through 999

First Record: Life Years 1 through 4

Figure 8-25 Depreciation Rule Revisions screen (Life Years 1 through 4)

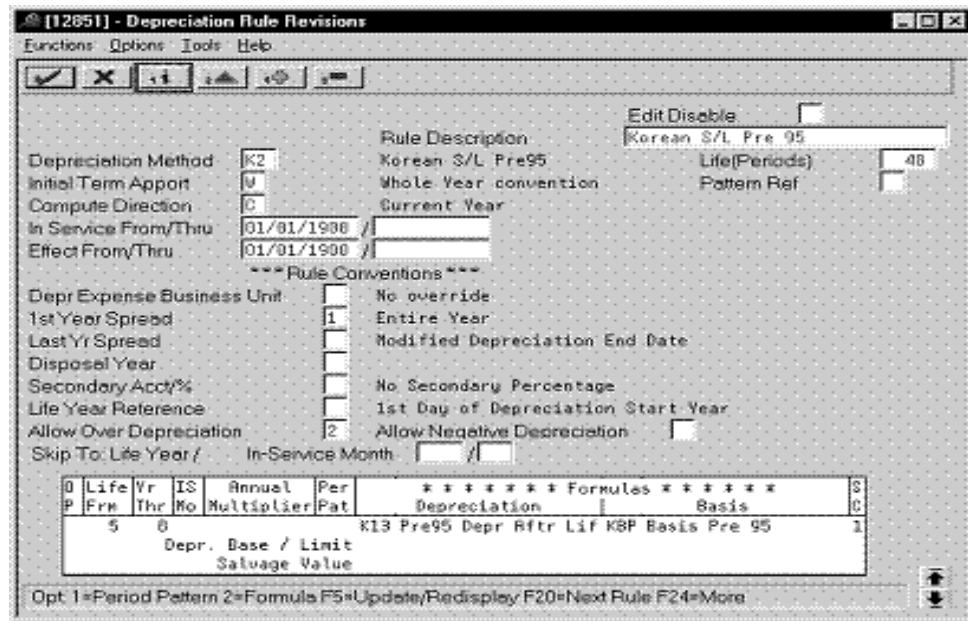


Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	1
Life Yr Thr	4
Annual Multiplier	.25000000
Depreciation	K14
SC (Secondary Percentage Continuation)	1

Second Record: Life Years 5 through 8

Figure 8-26 Depreciation Rule Revisions screen (Life Years 5 through 8)

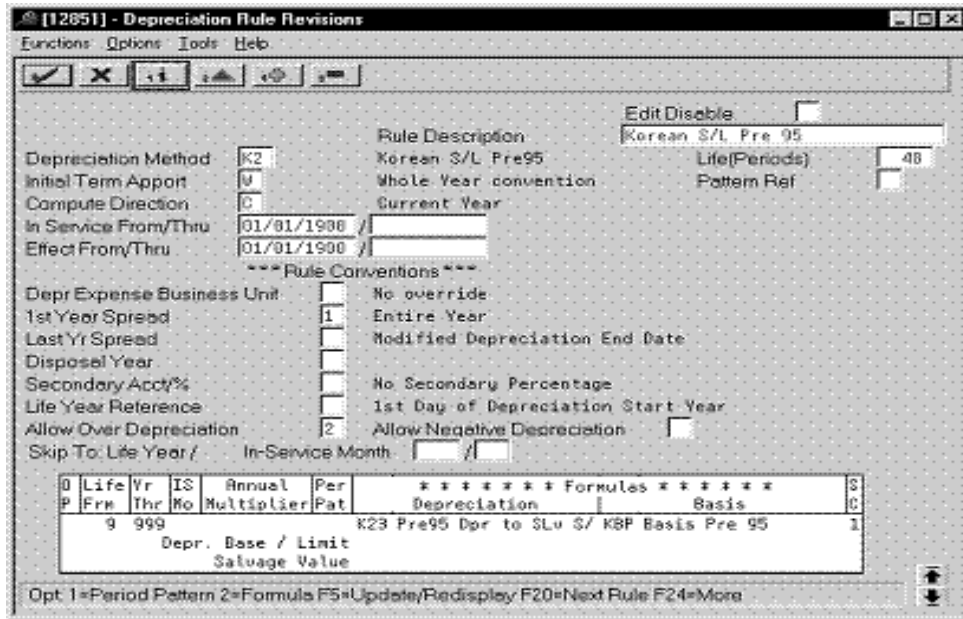


Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	5
Life Yr Thr	8
Depreciation	K13
Basis	KBP
SC (Secondary Percentage Continuation)	1

Third Record: Life Years 9 through 999

Figure 8–27 Depreciation Rule Revisions screen (Life Years 9 through 999)



Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	9
Life Yr Thr	999
Depreciation	K23
Basis	KBP
SC (Secondary Percentage Continuation)	1

8.6 Revaluation (Declining Balance)

Defining this depreciation method includes the following tasks:

- Adding a user defined code
- Setting up the depreciation method

8.6.1 Adding a User Defined Code

On General User Defined Codes for Depreciation Method (12/DM), create code KR for Korean Declining Balance Revaluation.

Figure 8-28 General User Defined Codes screen (KR)

System Code: 12
 User Defined Codes: DM
 Skip To Code: KR
 Depreciation Method:

Code	Description	Description-2
KR	Korean DB Revaluation	
Special Handling Code	1	Hard Coded Y/N N
KS	Korean DB Special Rate	
Special Handling Code	1	Hard Coded Y/N N
KV	Korean DB Mid-Year	
Special Handling Code	1	Hard Coded Y/N N
K1	Korean S/L Normal	
Special Handling Code	1	Hard Coded Y/N N
K2	Korean S/L Pre95	
Special Handling Code	1	Hard Coded Y/N N
K3	Korean S/L Revaluation	
Special Handling Code	1	Hard Coded Y/N N
K4	Korean S/L Capital Expenditure	
Special Handling Code	1	Hard Coded Y/N N

F5=Code Types F14=Memo F15=Where Used F18=Translate F21=Print F24=More

Complete the following fields with the values indicated below:

Field	Value
Code	KR
Description	Korean DB Revaluation
Special Handling Code	1
Hard Coded	N

8.6.2 Setting Up the Depreciation Method

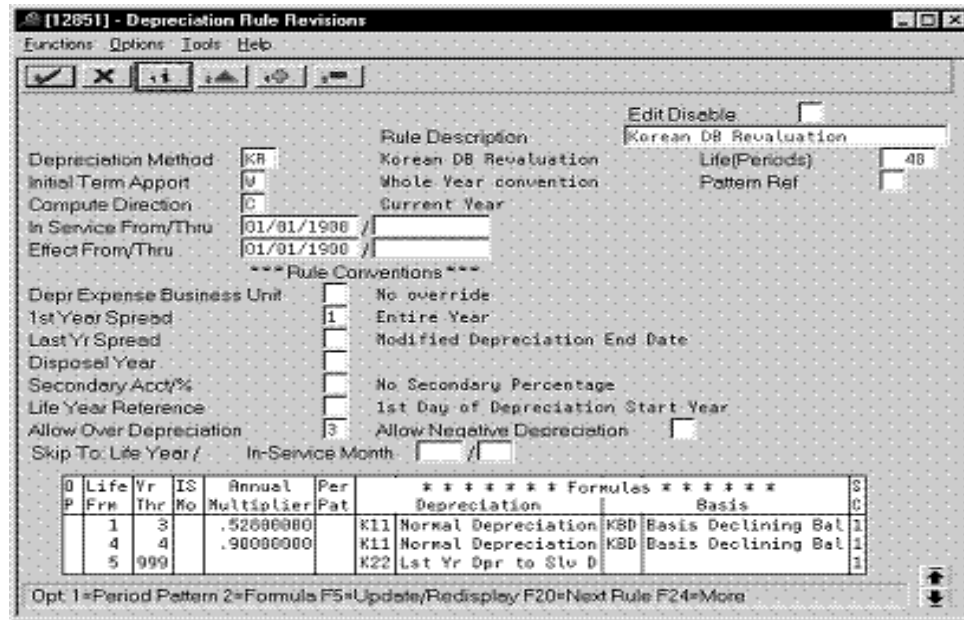
On Depreciation Rule Revisions, set up the depreciation method.

Setting up the depreciation method includes the following tasks:

- Setting up reference information and conventions
- Attaching the formulas to depreciation method KR

8.6.2.1 Setting Up Reference Information and Conventions

Figure 8–29 Depreciation Rule Revisions screen (Reference)



Complete the following fields with the values indicated below:

Field	Value
Depreciation Method	KR
Rule Description	Korean DB Revaluation
Life (Periods)	48
Initial Term Apport	W
Compute Direction	C
1st Year Spread	1
Allow Over Depreciation	3

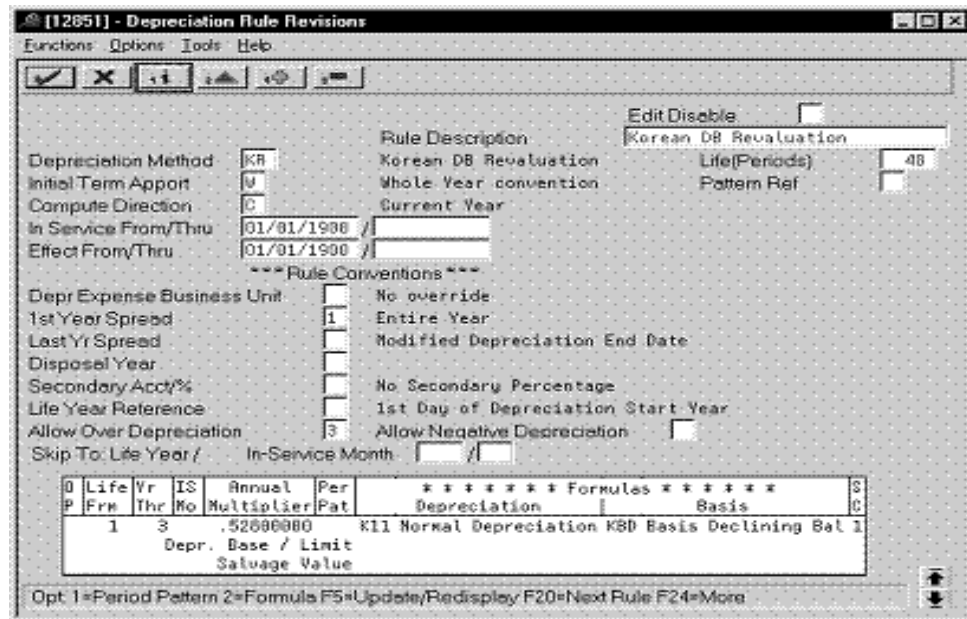
8.6.2.2 Attaching the Formulas to Depreciation Method KR

Attach the following formulas to the depreciation method:

- First Record: Life Years 1 through 3
- Second Record: Life Year 4
- Third Record: Life Years 5 through 999

First Record: Life Years 1 through 3

Figure 8-30 Depreciation Rule Revisions screen (Life Years 1 through 3)

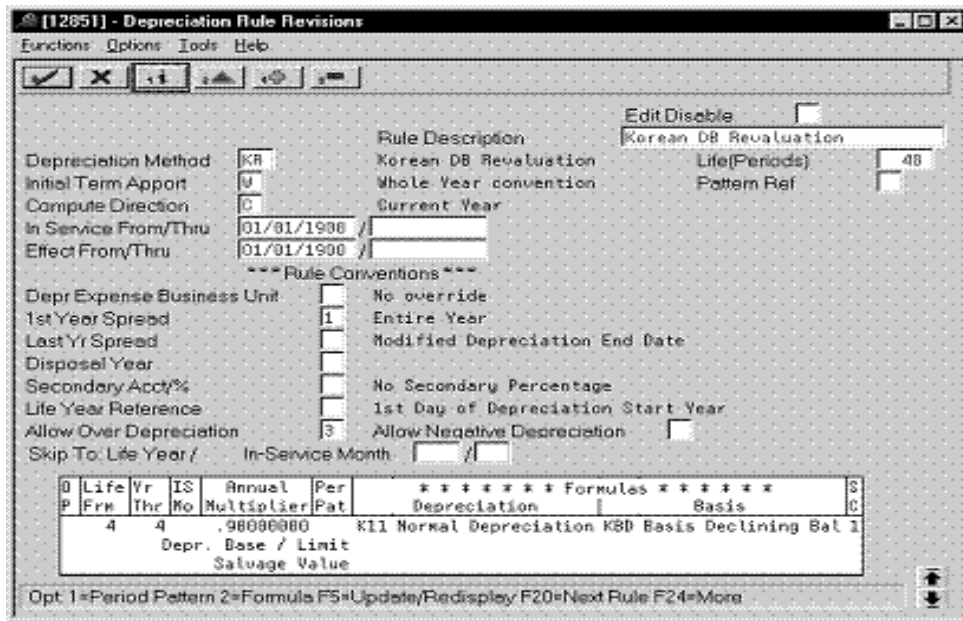


Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	1
Life Yr Thr	3
Annual Multiplier	.52800000
Depreciation	K11
Basis	KBD
SC (Secondary Percentage Continuation)	1

Second Record: Life Year 4

Figure 8-31 Depreciation Rule Revisions screen (Life Year 4)

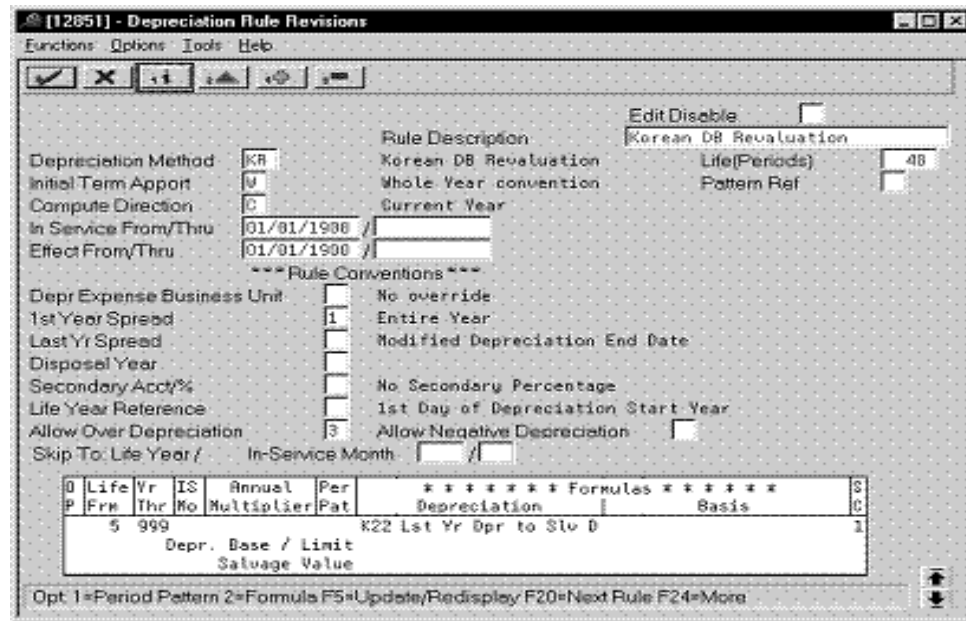


Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	4
Life Yr Thr	4
Annual Multiplier	.90000000
Depreciation	K11
Basis	KBD
SC (Secondary Percentage Continuation)	1

Third Record: Life Years 5 through 999

Figure 8-32 Depreciation Rule Revisions screen (Life Years 5 through 999)



Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	5
Life Yr Thr	999
Depreciation	K22
SC (Secondary Percentage Continuation)	1

8.7 Revaluation (Straight Line)

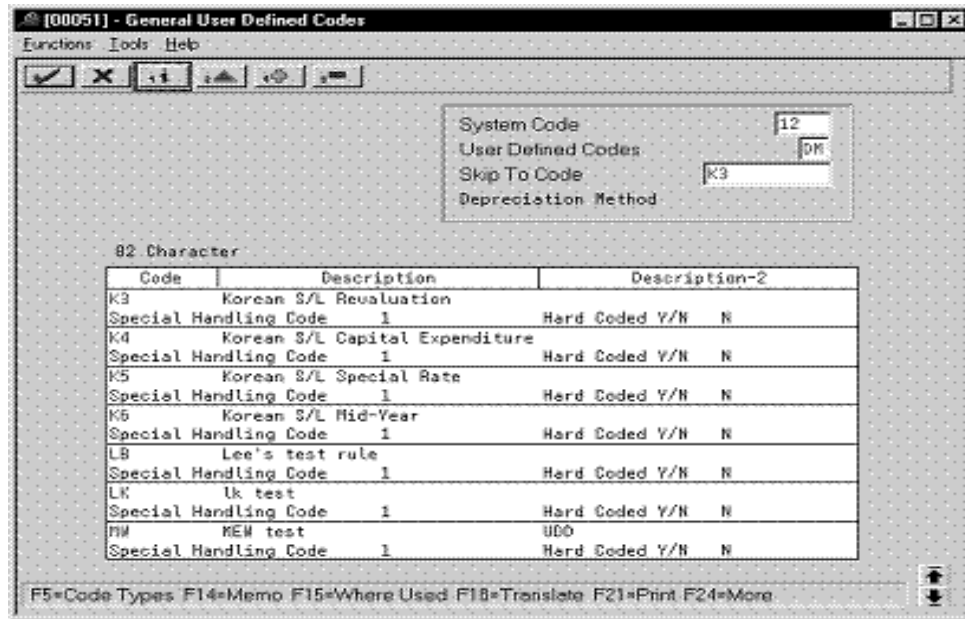
Defining this depreciation method includes the following tasks:

- Adding a user defined code
- Setting up depreciation formulas
- Setting up the depreciation method

8.7.1 Adding a User Defined Code

On General User Defined Codes for Depreciation Method (12/DM), create code K3 for Korean Straight Line Revaluation.

Figure 8-33 General User Defined Codes screen (K3)



Complete the following fields with the values indicated below:

Field	Value
Code	K3
Description	Korean S/L Revaluation
Special Handling Code	1
Hard Coded	N

8.7.2 Setting Up Depreciation Formulas

On Depreciation Formula Revision, define the following formula:

Figure 8-34 Depreciation Formula Revision screen (Method K3)

Ref	Formula Description
01	Asset Cost-Inception Through Current Year
02	Accumulated Depreciation-Prior Year Balance Forward-(Primary)
03	Asset Life in Periods (Rounded to Whole Periods)
04	Asset Life Periods Elapsed at Beginning of Current Year
05	Asset Life Periods Remaining at Beginning of Current Year
06	Asset Life Periods in Current Year (Whole Periods)
07	Salvage Value (as Calculated in Annual Rule)
08	Annual Depr Base Amount (as Calculated in Annual Rule)
09	Annual Depr Limit (as Calculated in Annual Rule)
10	Basis Amount (as Calculated in Annual Rule)
11	Multiplier (from Annual Rule Multiplier)
12	Formula Multiplier/Constant (from Depreciation Formula)
13	Asset Life in Days

Complete the following fields with the values indicated below:

Field	Value
Formula ID	K21
Description	Lst Yr Dpr to Slv SL
Formula	(10*11)-46

8.7.3 Setting Up the Depreciation Method

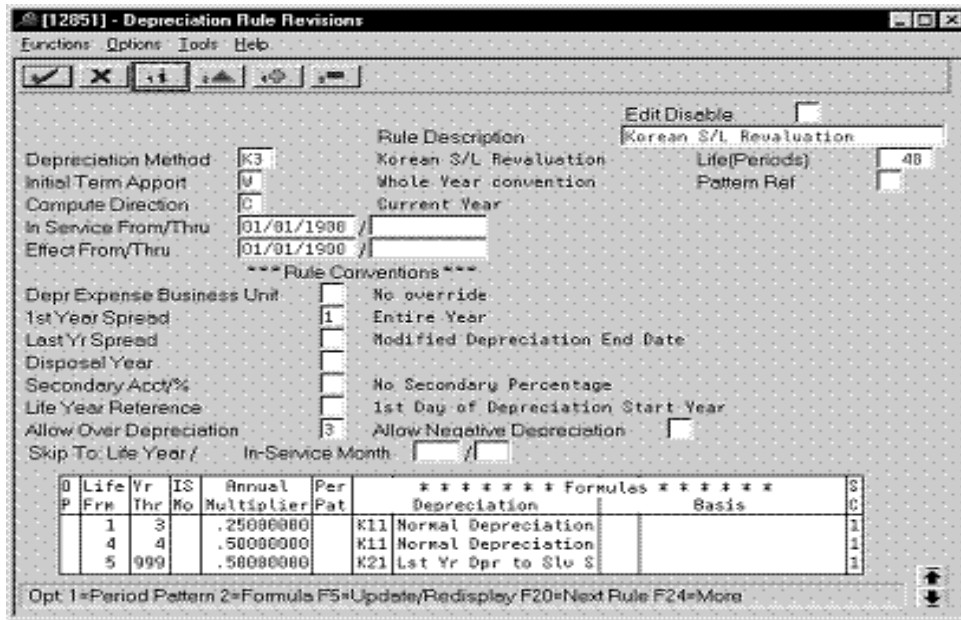
On Depreciation Rule Revisions, set up the depreciation method.

Setting up the depreciation method includes the following tasks:

- Setting up reference information and conventions
- Attaching the formulas to depreciation method K3

8.7.3.1 Setting Up Reference Information and Conventions

Figure 8-35 Depreciation Rule Revisions screen (Reference)



Complete the following fields with the values indicated below:

Field	Value
Depreciation Method	K3
Rule Description	Korean S/L Revaluation
Life (Periods)	48
Initial Term Apport	W
Compute Direction	C
1st Year Spread	1
Allow Over Depreciation	3

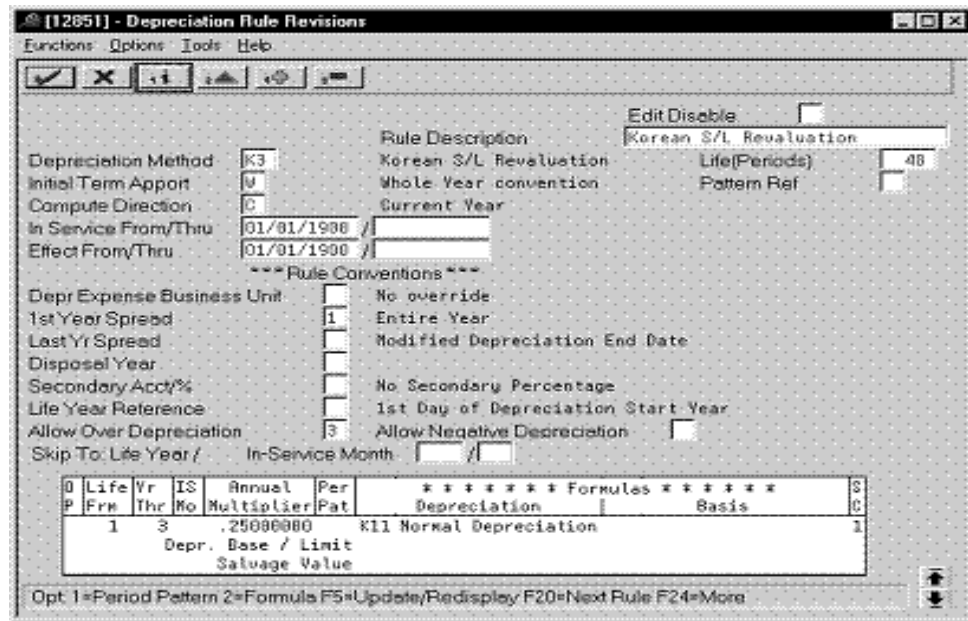
8.7.3.2 Attaching the Formulas to Depreciation Method K3

Attach the following formulas to the depreciation method:

- First Record: Life Years 1 through 3
- Second Record: Life Year 4
- Third Record: Life Years 5 through 999

First Record: Life Years 1 through 3

Figure 8-36 Depreciation Rule Revisions screen (Life Years 1 through 3)

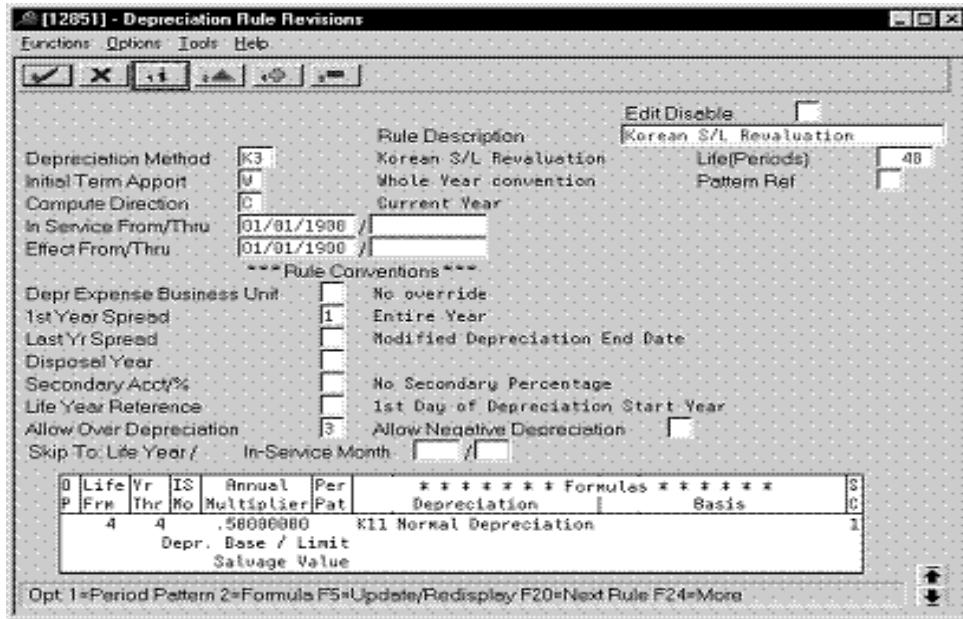


Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	1
Life Yr Thr	3
Annual Multiplier	.25000000
Depreciation	K11
SC (Secondary Percentage Continuation)	1

Second Record: Life Year 4

Figure 8-37 Depreciation Rule Revisions screen (Life Year 4)



Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	4
Life Yr Thr	4
Annual Multiplier	.5000000
Depreciation	K11
SC (Secondary Percentage Continuation)	1

Third Record: Life Years 5 through 999

Figure 8-38 Depreciation Rule Revisions screen (Life Years 5 through 999)

The screenshot shows the 'Depreciation Rule Revisions' screen with the following fields and values:

- Depreciation Method: K3
- Initial Term Apport: W
- Compute Direction: 0
- In Service From/Thru: 01/01/1986 /
- Effect From/Thru: 01/01/1990 /
- Rule Description: Korean S/L Revaluation
- Life(Periods): 48
- Pattern Ref:
- Current Year:
- Rule Conventions:
 - Depr Expense Business Unit: No override
 - 1st Year Spread: 1 Entire Year
 - Last Yr Spread: Modified Depreciation End Date
 - Disposal Year:
 - Secondary Accty%: No Secondary Percentage
 - Life Year Reference: 1st Day of Depreciation Start Year
 - Allow Over Depreciation: 3 Allow Negative Depreciation:
 - Skip To: Life Year / In-Service Month: /

Life Yr	IS	Annual	Per	Formulas	SC			
P	Frm	Thr	Mo	Multiplier	Pat	Depreciation	Basis	
5	999			.50000000	K21	1st Yr Dpr to Stv \$		1
Depr. Base / Limit								
Salvage Value								

Opt 1=Period Pattern 2=Formulas F5=Update/Redisplay F20=Next Rule F24=More

Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	5
Life Yr Thr	999
Annual Multiplier	.50000000
Depreciation	K21
SC (Secondary Percentage Continuation)	1

8.8 Capital Expenditure (Declining Balance)

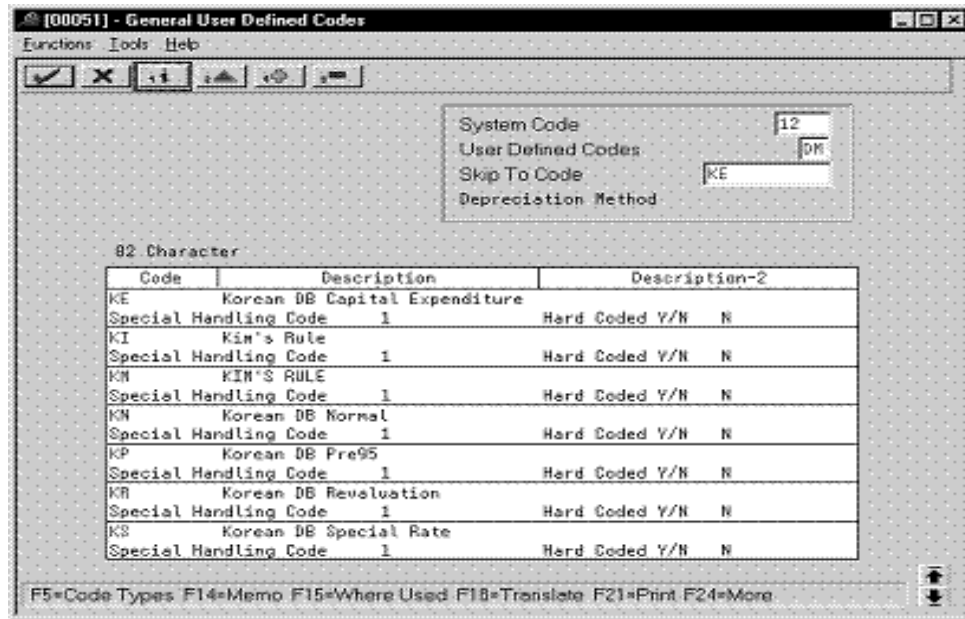
Defining this depreciation method includes the following tasks:

- Adding a user defined code
- Setting up the depreciation method

8.8.1 Adding a User Defined Code

On General User Defined Codes for Depreciation Method (12/DM), create code KE for Korean Declining Balance Capital Expenditure.

Figure 8-39 General User Defined Codes screen (KE)



Complete the following fields with the values indicated below:

Field	Value
Code	KE
Description	Korean DB Capital Expenditure
Special Handling Code	1
Hard Coded	N

8.8.2 Setting Up the Depreciation Method

On Depreciation Rule Revisions, set up the depreciation method.

Setting up the depreciation method includes the following tasks:

- Setting up reference information and conventions
- Attaching the formulas to depreciation method KE

8.8.2.1 Setting Up Reference Information and Conventions

Figure 8-40 Depreciation Rule Revisions screen (Reference)

Functions: Options Tools Help

Depreciation Method: KE
 Initial Term Apport: W
 Compute Direction: C
 In Service From/Thru: 01/01/1986 /
 Effect From/Thru: 01/01/1986 /

Rule Description: Korean DB Capital Expenditure
 Korean DB Capital Expenditure Life(Periods): 48
 Whole Year convention:
 Current Year:

*** Rule Conventions ***
 Depr Expense Business Unit: No override
 1st Year Spread: 1 Entire Year
 Last Yr Spread: Modified Depreciation End Date
 Disposal Year:
 Secondary Acct/%: No Secondary Percentage
 Life Year Reference: 1st Day of Depreciation Start Year
 Allow Over Depreciation: 2 Allow Negative Depreciation:
 Skip To: Lts Year / In-Service Month: /

0	Life	Yr	IS	Annual	Per	***** Formulas *****		S
P	Frn	Thr	No	Multiplier	Pat	Depreciation	Basis	C
	1	5		.52888888		K11 Normal Depreciation	KBD Basis Declining Bal	1
	5	999				K22 1st Yr Dpr to Slv D		1

Opt 1=Period Pattern 2=Formuls F5=Update/Redisplay F20=Next Rule F24=More

Complete the following fields with the values indicated below:

Field	Value
Depreciation Method	KE
Rule Description	Korean DB Capital Expenditure
Life (Periods)	48
Initial Term Apport	W
Compute Direction	C
1st Year Spread	1
Allow Over Depreciation	2

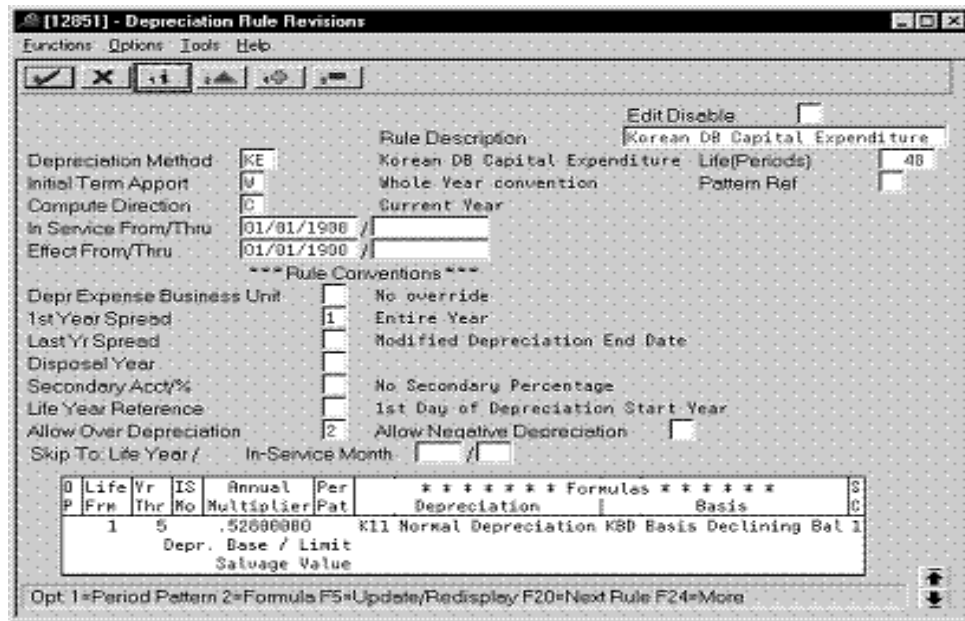
8.8.2.2 Attaching the Formulas to Depreciation Method KE

Attach the following formulas to the depreciation method:

- First Record: Life Years 1 through 5
- Second Record: Life Years 6 through 999

First Record: Life Years 1 through 5

Figure 8-41 Depreciation Rule Revisions screen (Life Years 1 through 5)



Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	1
Life Yr Thr	5
Annual Multiplier	.52800000
Depreciation	K11
Basis	KBD
SC (Secondary Percentage Continuation)	1

Second Record: Life Years 6 through 999**Figure 8-42 Depreciation Rule Revisions screen (Life Years 6 through 999)**

Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	6
Life Yr Thr	999
Depreciation	K22
SC (Secondary Percentage Continuation)	1

8.9 Capital Expenditure (Straight Line)

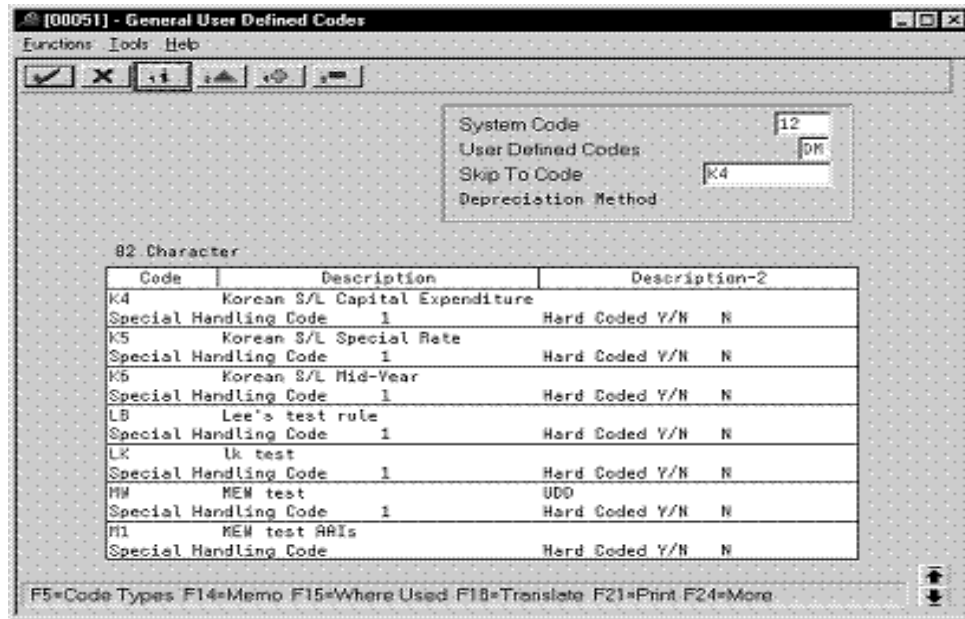
Defining this depreciation method includes the following tasks:

- Adding a user defined code
- Setting up the depreciation method

8.9.1 Adding a User Defined Code

On General User Defined Codes for Depreciation Method (12/DM), create code K4 for Korean Straight Line Capital Expenditure.

Figure 8-43 General User Defined Codes screen (K4)



Complete the following fields with the values indicated below:

Field	Value
Code	K4
Description	Korean S/L Capital Expenditure
Special Handling Code	1
Hard Coded	N

8.9.2 Setting Up the Depreciation Method

On Depreciation Rule Revisions, set up the depreciation method.

Setting up the depreciation method includes the following tasks:

- Setting up reference information and conventions
- Attaching the formulas to depreciation method K4

8.9.2.1 Setting Up Reference Information and Conventions

Figure 8-44 Depreciation Rule Revisions screen (Reference)

Functions: Options Tools Help

Depreciation Method: K4
 Initial Term Apport: W
 Compute Direction: C
 In Service From/Thru: 01/01/1986 /
 Effect From/Thru: 01/01/1986 /

Rule Description: Korean S/L Capital Expenditure
 Korean S/L Capital Expenditure Life(Periods): 48
 Whole Year convention:
 Current Year:
 Pattern Ref:

*** Rule Conventions ***
 Depr Expense Business Unit: No override
 1st Year Spread: 1 Entire Year
 Last Yr Spread: Modified Depreciation End Date
 Disposal Year:
 Secondary Acct/%: No Secondary Percentage
 Life Year Reference: 1st Day of Depreciation Start Year
 Allow Over Depreciation: 2 Allow Negative Depreciation:
 Skip To: Lts Year / In-Service Month: /

0	Life	Yr	IS	Annual	Per	***** Formulas *****		S
P	Frn	Thr	No	Multiplier	Pat	Depreciation	Basis	C
	1	5		.25000000		K11 Normal Depreciation		1
	5	999				K22 1st Yr Dpr to Slv D		1

Opt 1=Period Pattern 2=Formuls F5=Update/Redisplay F20=Next Rule F24=More

Complete the following fields with the values indicated below:

Field	Value
Depreciation Method	K4
Rule Description	Korean S/L Capital Expenditure
Life (Periods)	48
Initial Term Apport	W
Compute Direction	C
1st Year Spread	1
Allow Over Depreciation	2

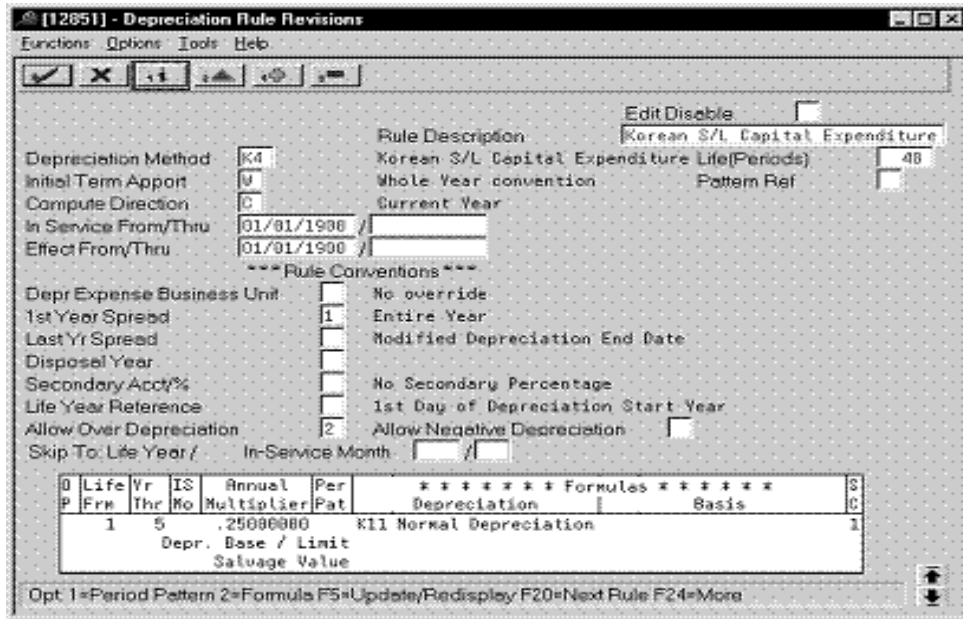
8.9.2.2 Attaching the Formulas to Depreciation Method K4

Attach the following formulas to the depreciation method:

- First Record: Life Years 1 through 5
- Second Record: Life Years 6 through 999

First Record: Life Years 1 through 5

Figure 8-45 Depreciation Rule Revisions screen (Life Years 1 through 5)



Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	1
Life Yr Thr	5
Annual Multiplier	.25000000
Depreciation	K11
SC (Secondary Percentage Continuation)	1

Second Record: Life Years 6 through 999

Figure 8-46 Depreciation Rule Revisions screen (Life Years 6 through 999)

Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	6
Life Yr Thr	999
Depreciation	K22
SC (Secondary Percentage Continuation)	1

8.10 Special Rate (Declining Balance)

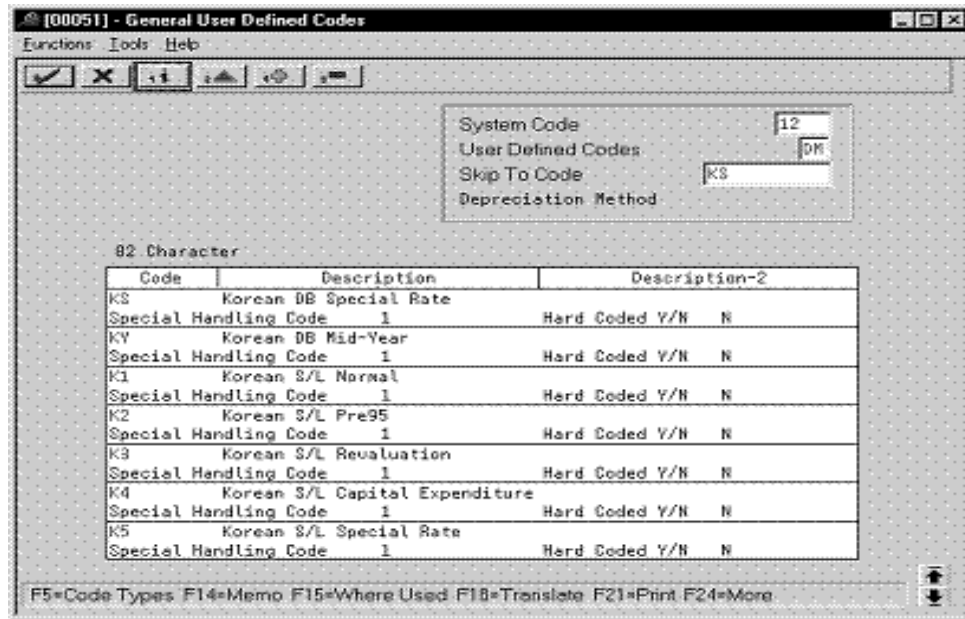
Defining this depreciation method includes the following tasks:

- Adding a user defined code
- Setting up depreciation formulas
- Setting up the depreciation method

8.10.1 Adding a User Defined Code

On General User Defined Codes for Depreciation Method (12/DM), create code KS for Korean Declining Balance Special Rate.

Figure 8-47 General User Defined Codes screen (KS)



Complete the following fields with the values indicated below:

Field	Value
Code	KS
Description	Korean DB Special Rate
Special Handling Code	1
Hard Coded	N

8.10.2 Setting Up Depreciation Formulas

On Depreciation Formula Revision, define the following formula:

Figure 8-48 Depreciation Formula Revision screen (Method KS)

Ref	Formula Description
01	Asset Cost-Inception Through Current Year
02	Accumulated Depreciation-Prior Year Balance Forward-(Primary)
03	Asset Life in Periods (Rounded to Whole Periods)
04	Asset Life Periods Elapsed at Beginning of Current Year
05	Asset Life Periods Remaining at Beginning of Current Year
06	Asset Life Periods in Current Year (Whole Periods)
07	Salvage Value (as Calculated in Annual Rule)
08	Annual Depr Base Amount (as Calculated in Annual Rule)
09	Annual Depr Limit (as Calculated in Annual Rule)
10	Basis Amount (as Calculated in Annual Rule)
11	Multiplier (from Annual Rule Multiplier)
12	Formula Multiplier/Constant (from Depreciation Formula)
13	Asset Life in Days

Complete the following fields with the values indicated below:

Field	Value
Formula ID	K16
Description	D/B Special Rate Dep
Formula	11*(10*12)
Multiplier/Constant	.528000

8.10.3 Setting Up the Depreciation Method

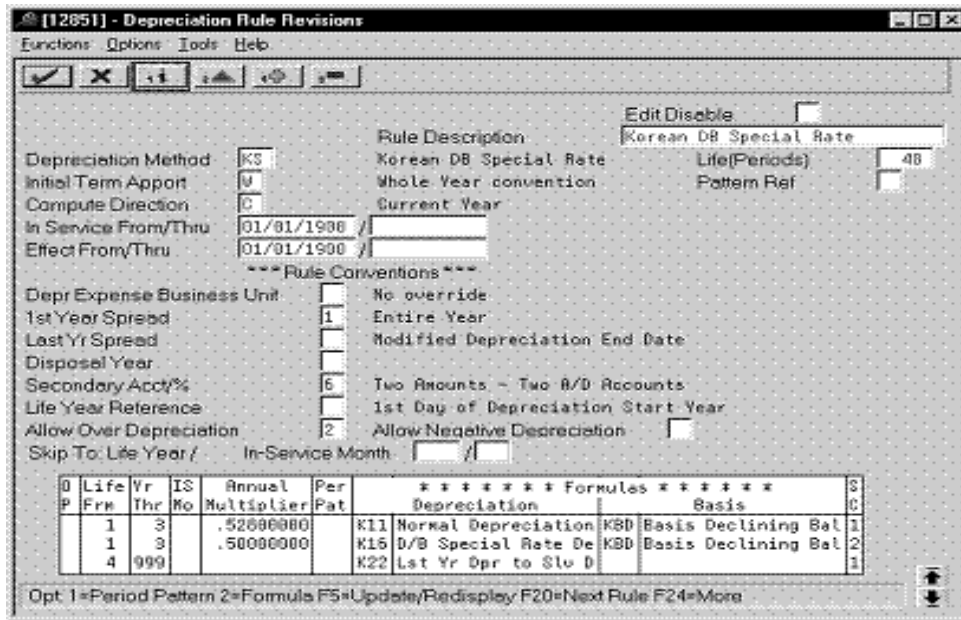
On Depreciation Rule Revisions, set up the depreciation method.

Setting up the depreciation method includes the following tasks:

- Setting up reference information and conventions
- Attaching the formulas to depreciation method KS

8.10.3.1 Setting Up Reference Information and Conventions

Figure 8-49 Depreciation Rule Revisions screen (Reference)



Complete the following fields with the values indicated below:

Field	Value
Depreciation Method	KS
Rule Description	Korean DB Special Rate
Life (Periods)	48
Initial Term Apport	W
Compute Direction	C
1st Year Spread	1
Secondary Acct/%	6
Allow Over Depreciation	2

8.10.3.2 Attaching the Formulas to Depreciation Method KS

Attach the following formulas to the depreciation method:

- First Record: Life Years 1 through 3
- Second Record: Life Years 1 through 3
- Third Record: Life Years 4 through 999

First Record: Life Years 1 through 3

Figure 8-50 Depreciation Rule Revisions screen (Life Years 1 through 3)

The screenshot shows the 'Depreciation Rule Revisions' window with the following fields and values:

- Depreciation Method: KS
- Initial Term Apport: W
- Compute Direction: 0
- In Service From/Thru: 01/01/1986 /
- Effect From/Thru: 01/01/1990 /
- Rule Description: Korean DB Special Rate
- Life(Periods): 48
- Pattern Ref: []
- Rule Conventions:
 - Depr Expense Business Unit: [] No override
 - 1st Year Spread: 1 Entire Year
 - Last Yr Spread: [] Modified Depreciation End Date
 - Disposal Year: []
 - Secondary Accty%: 6 Two Accounts - Two A/D Accounts
 - Life Year Reference: [] 1st Day of Depreciation Start Year
 - Allow Over Depreciation: 2 Allow Negative Depreciation []
 - Skip To: Life Year / In-Service Month: [] / []

P	Life Yr Frm	Life Yr Thr	IS Mo	Annual Multiplier	Per Pat	Formulas	SC
0	1	3		.52800000	K11	Normal Depreciation KBD Basis Declining Bal 1	1

Opt 1=Period Pattern 2=Formula F5=Update/Redisplay F20=Next Rule F24=More

Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	1
Life Yr Thr	3
Annual Multiplier	.52800000
Depreciation	K11
Basis	KBD
SC (Secondary Percentage Continuation)	1

Second Record: Life Years 1 through 3

Figure 8-51 Depreciation Rule Revisions screen (Second Record, Life Years 1 - 3)

Rule Conventions

Life Yr	Annual Multiplier	Depreciation Basis
1	.50000000	K16 D/S Special Rate De KBD Basis Declining Bal 2

Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	1
Life Yr Thr	3
Annual Multiplier	.50000000
Depreciation	K16
Basis	KBD
SC (Secondary Percentage Continuation)	2

Third Record: Life Years 4 through 999

Figure 8-52 Depreciation Rule Revisions screen (Life Years 4 through 999)

Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	4
Life Yr Thr	999
Depreciation	K22
SC (Secondary Percentage Continuation)	1

8.11 Special Rate (Straight Line)

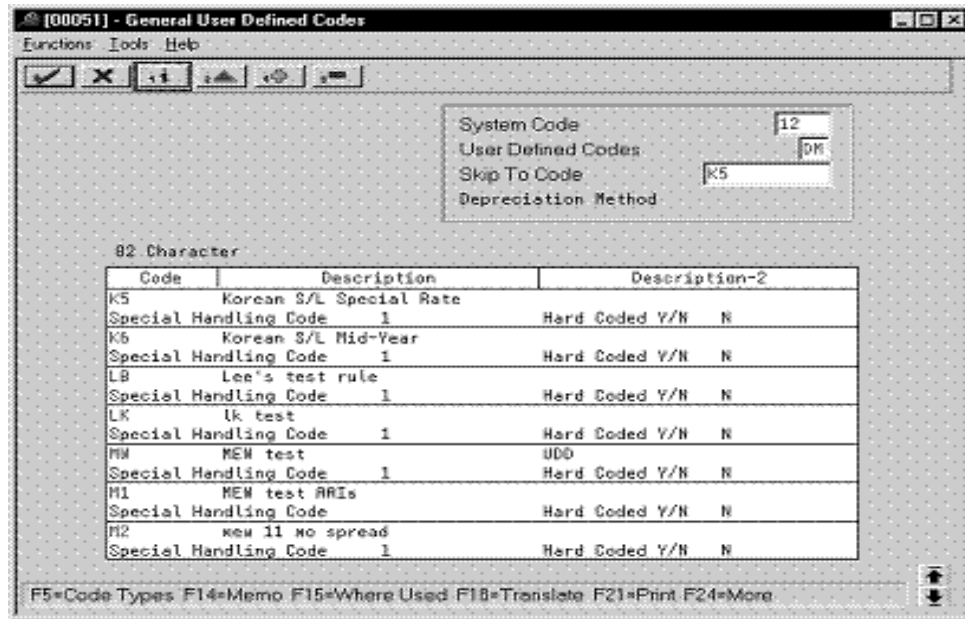
Defining this depreciation method includes the following tasks:

- Adding a user defined code
- Setting up depreciation formulas
- Setting up the depreciation method

8.11.1 Adding a User Defined Code

On General User Defined Codes for Depreciation Method (12/DM), create code K5 for Korean Straight Line Special Rate.

Figure 8-53 General User Defined Codes screen (K5)



Complete the following fields with the values indicated below:

Field	Value
Code	K5
Description	Korean S/L Special Rate
Special Handling Code	1
Hard Coded	N

8.11.2 Setting Up Depreciation Formulas

On Depreciation Formula Revision, define the following formula:

Figure 8-54 Depreciation Formula Revision screen (Method K5)

The screenshot shows a window titled "[12853] - Depreciation Formula Revision". It has a menu bar with "Functions", "Tools", and "Help". Below the menu bar are several icons. The main area contains a form with the following fields:

- Formula ID: K15
- Description: S/L Special Rate Dep
- Column Heading 1/2: (empty)
- Formula: 11*(10*12)
- Multiplier/Constant: .250000

Below the form is a table with the following columns: Ref, Formula, and Description.

Ref	Formula	Description
01	Asset Cost-Inception Through Current Year	
02	Accumulated Depreciation-PriorYear Balance Forward-(Primary)	
03	Asset Life in Periods (Rounded to Whole Periods)	
04	Asset Life Periods Elapsed at Beginning of Current Year	
05	Asset Life Periods Remaining at Beginning of Current Year	
06	Asset Life Periods in Current Year (Whole Periods)	
07	Salvage Value (as Calculated in Annual Rule)	
08	Annual Depr Base Amount (as Calculated in Annual Rule)	
09	Annual Depr Limit (as Calculated in Annual Rule)	
10	Basis Amount (as Calculated in Annual Rule)	
11	Multiplier (from Annual Rule Multiplier)	
12	Formula Multiplier/Constant (from Depreciation Formula)	
13	Asset Life in Days	

At the bottom of the window, there are keyboard shortcuts: F19/F20=Previous/Next Formula and F24=More Keys.

Complete the following fields with the values indicated below:

Field	Value
Formula ID	K15
Description	S/L Special Rate Dep
Formula	11*(10*12)
Multiplier/Constant	.250000

8.11.3 Setting Up the Depreciation Method

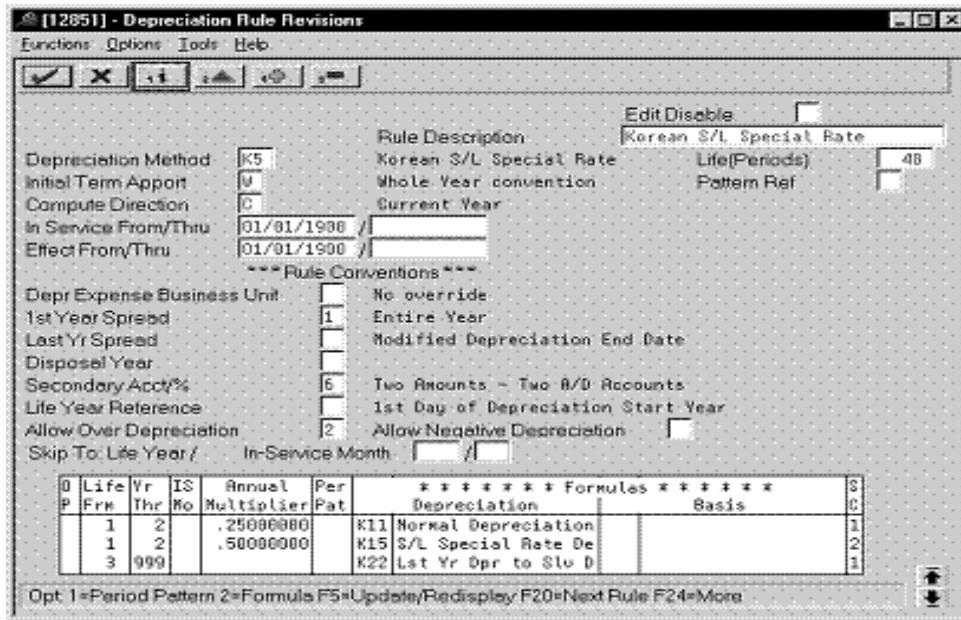
On Depreciation Rule Revisions, set up the depreciation method.

Setting up the depreciation method includes the following tasks:

- Setting up reference information and conventions
- Attaching the formulas to depreciation method K5

8.11.3.1 Setting Up Reference Information and Conventions

Figure 8-55 Depreciation Rule Revisions screen (Reference)



Complete the following fields with the values indicated below:

Field	Value
Depreciation Method	K5
Rule Description	Korean S/L Special Rate
Life (Periods)	48
Initial Term Apport	W
Compute Direction	C
1st Year Spread	1
Secondary Acct/%	6
Allow Over Depreciation	2

8.11.3.2 Attaching the Formulas to Depreciation Method K5

Attach the following formulas to the depreciation method:

- First Record: Life Years 1 through 2
- Second Record: Life Years 1 through 2
- Third Record: Life Years 3 through 999

First Record: Life Years 1 through 2

Figure 8-56 Depreciation Rule Revisions screen (Life Years 1 through 2)

The screenshot shows the 'Depreciation Rule Revisions' window with the following fields and values:

- Depreciation Method: K5
- Initial Term Apport: W
- Compute Direction: 0
- In Service From/Thru: 01/01/1986 /
- Effect From/Thru: 01/01/1990 /
- Rule Description: Korean S/L Special Rate
- Life(Periods): 48
- Pattern Ref:
- Rule Conventions:
 - Depr Expense Business Unit: No override
 - 1st Year Spread: 1 Entire Year
 - Last Yr Spread: Modified Depreciation End Date
 - Disposal Year:
 - Secondary Accty%: 6 Two Accounts - Two A/D Accounts
 - Life Year Reference: 1st Day of Depreciation Start Year
 - Allow Over Depreciation: 2 Allow Negative Depreciation
 - Skip To: Life Year / In-Service Month: /

0	Life Yr	IS	Annual	Per	***** Formulas *****	S
P	Frm	Mo	Multiplier	Pat	Depreciation	Basis
1	2		.25000000	K11	Normal Depreciation	1
					Depr. Base / Limit	
					Salvage Value	

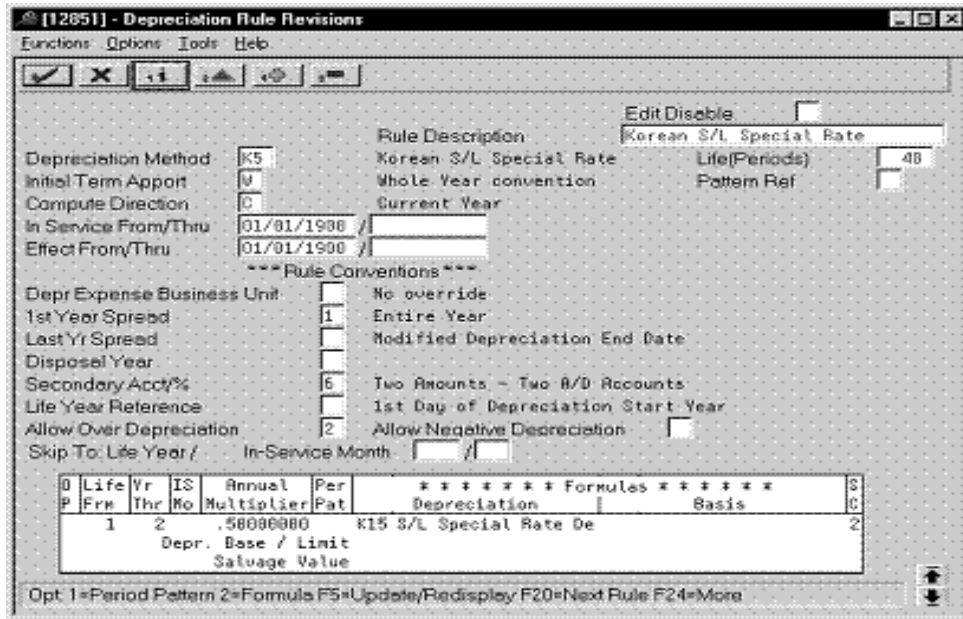
Opt 1=Period Pattern 2=Formulas F5=Update/Redisplay F20=Next Rule F24=More

Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	1
Life Yr Thr	2
Annual Multiplier	.25000000
Depreciation	K11
SC (Secondary Percentage Continuation)	1

Second Record: Life Years 1 through 2

Figure 8-57 Depreciation Rule Revisions screen (Life Years 1 through 2)

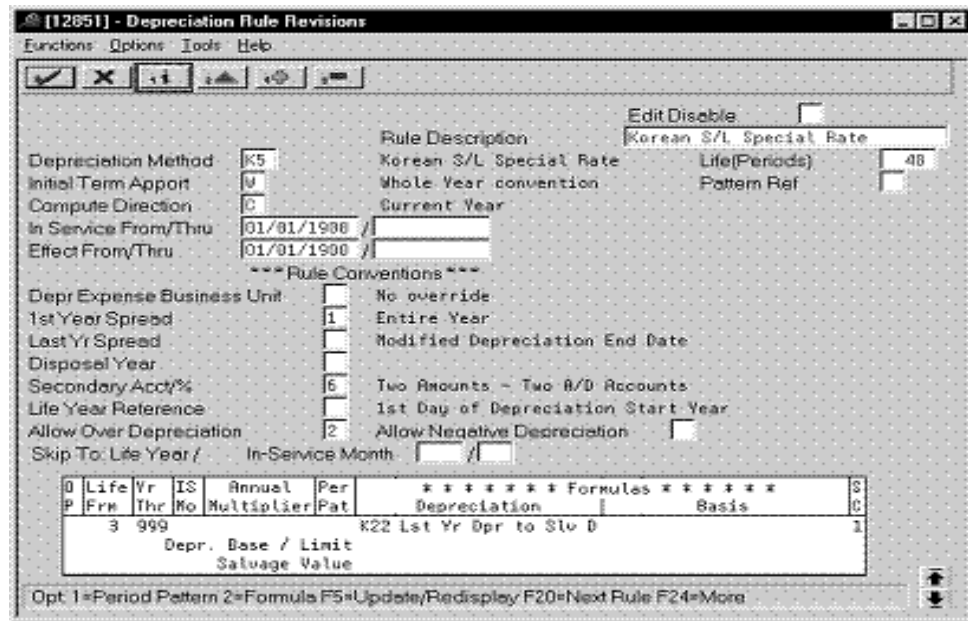


Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	1
Life Yr Thr	2
Annual Multiplier	.50000000
Depreciation	K15
SC (Secondary Percentage Continuation)	2

Third Record: Life Years 3 through 999

Figure 8-58 Depreciation Rule Revisions screen (Life Years 3 through 999)



Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	3
Life Yr Thr	999
Depreciation	K22
SC (Secondary Percentage Continuation)	1

8.12 Mid-Year (Declining Balance)

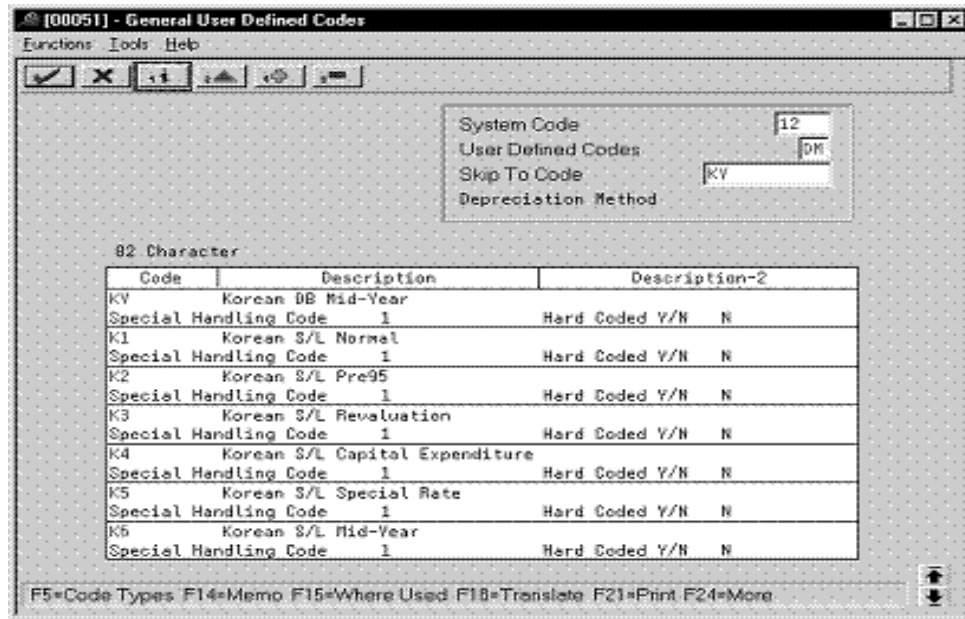
Defining this depreciation method includes the following tasks:

- Adding a user defined code
- Setting up the depreciation method

8.12.1 Adding a User Defined Code

On General User Defined Codes for Depreciation Method (12/DM), create code KY for Korean Declining Balance Mid-Year.

Figure 8-59 General User Defined Codes screen (KY)



Complete the following fields with the values indicated below:

Field	Value
Code	KY
Description	Korean DB Mid-Year
Special Handling Code	1
Hard Coded	N

8.12.2 Setting Up the Depreciation Method

On Depreciation Rule Revisions, set up the depreciation method.

Setting up the depreciation method includes the following tasks:

- Setting up reference information and conventions
- Attaching the formulas to depreciation method KY

8.12.2.1 Setting Up Reference Information and Conventions

Figure 8-60 Depreciation Rule Revisions screen (Reference)

The screenshot shows the 'Depreciation Rule Revisions' screen with the following fields and values:

- Depreciation Method: KY
- Initial Term Apport: W
- Compute Direction: C
- In Service From/Thru: 01/01/1986 /
- Effect From/Thru: 01/01/1986 /
- Rule Description: Korean DB Mid-Year
- Life(Periods): 48
- Pattern Ref:
- Current Year:
- *** Rule Conventions ***
- Depr Expense Business Unit: No override
- 1st Year Spread: 1 Entire Year
- Last Yr Spread: Modified Depreciation End Date
- Disposal Year:
- Secondary Acct/%: No Secondary Percentage
- Life Year Reference: 1st Day of Depreciation Start Year
- Allow Over Depreciation: 2 Allow Negative Depreciation
- Skip To: Lts Year / In-Service Month: /

0	Life	Yr	IS	Annual	Per	***** Formulas *****		S	
P	Frn	Thr	No	Multiplier	Pat	Depreciation	Basis	C	
	1	1		.52888888	K12	Letter Half YR Depr	KBD	Basis Declining Bal	1
	2	4		.52888888	K11	Normal Depreciation	KBD	Basis Declining Bal	1
	5	999			K22	Last Yr Dpr to Slo D			1

Opt 1=Period Pattern 2=Formulas F5=Update/Redisplay F20=Next Rule F24=More

Complete the following fields with the values indicated below:

Field	Value
Depreciation Method	KY
Rule Description	Korean DB Mid-Year
Life (Periods)	48
Initial Term Apport	W
Compute Direction	C
1st Year Spread	1
Allow Over Depreciation	2

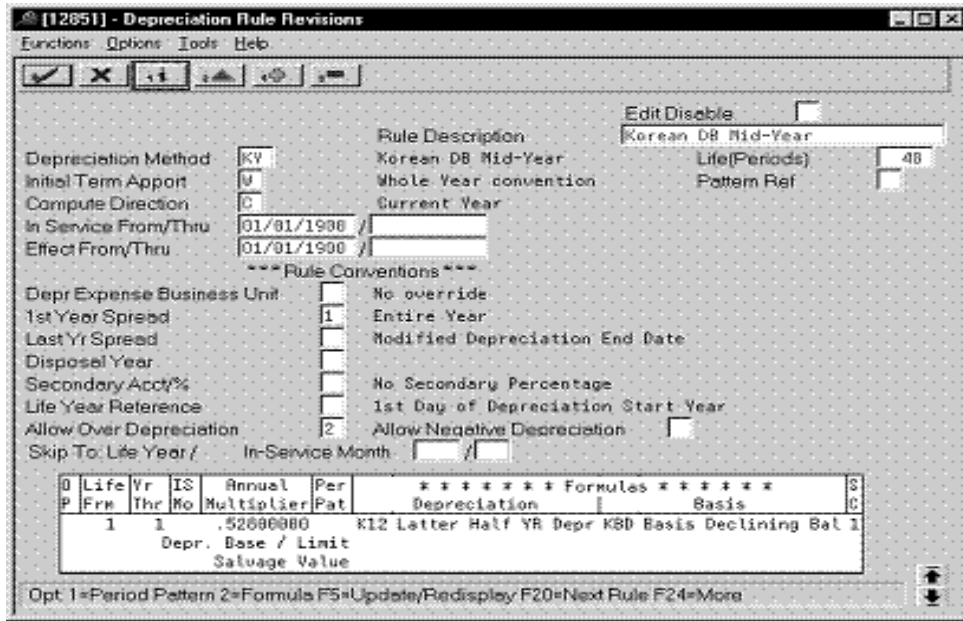
8.12.2.2 Attaching the Formulas to Depreciation Method KY

Attach the following formulas to the depreciation method:

- First Record: Life Year 1
- Second Record: Life Years 2 through 4
- Third Record: Life Years 5 through 999

First Record: Life Year 1

Figure 8-61 Depreciation Rule Revisions screen (Life Year 1)

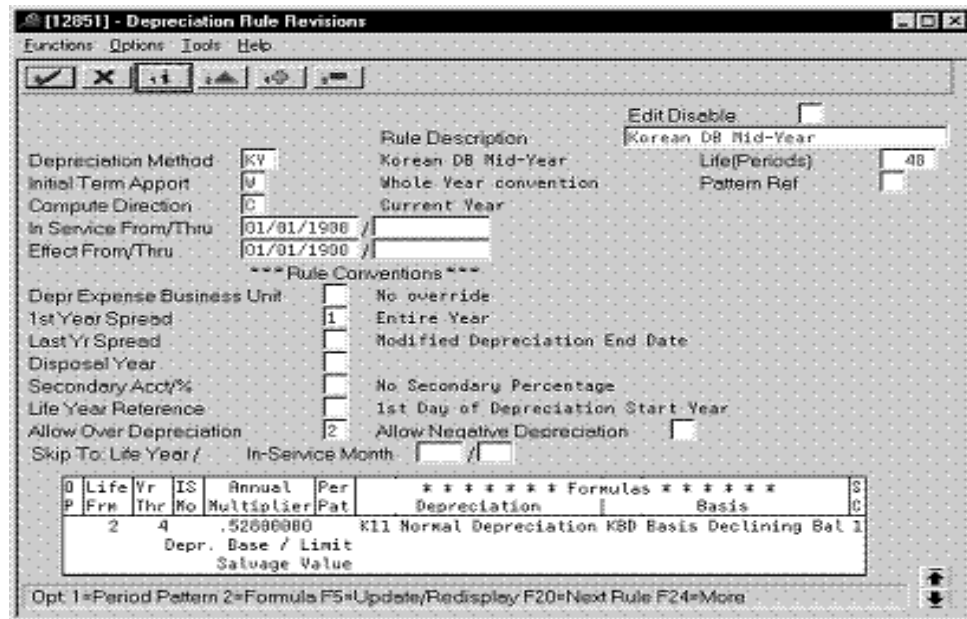


Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	1
Life Yr Thr	1
Annual Multiplier	.52800000
Depreciation	K12
Basis	KBD
SC (Secondary Percentage Continuation)	1

Second Record: Life Years 2 through 4

Figure 8-62 Depreciation Rule Revisions screen (Life Years 2 through 4)

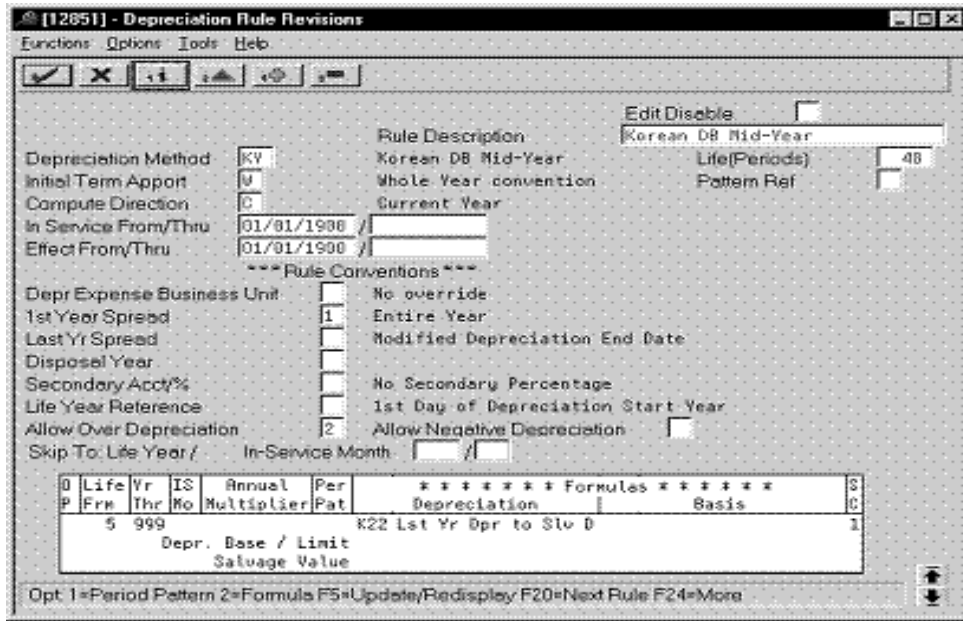


Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	2
Life Yr Thr	4
Annual Multiplier	.52800000
Depreciation	K11
Basis	KBD
SC (Secondary Percentage Continuation)	1

Third Record: Life Years 5 through 999

Figure 8-63 Depreciation Rule Revisions screen (Life Years 5 through 999)



Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	5
Life Yr Thr	999
Depreciation	K22
SC (Secondary Percentage Continuation)	1

8.13 Mid-Year (Straight Line)

Defining this depreciation method includes the following tasks:

- Adding a user defined code
- Setting up the depreciation method

8.13.1 Adding a User Defined Code

On General User Defined Codes for Depreciation Method (12/DM), create code K6 for Korean Straight Line Mid-Year.

Figure 8-64 General User Defined Codes screen (K6)

System Code: 12
 User Defined Codes: DM
 Skip To Code: K6
 Depreciation Method:

Code	Description	Description-2
K6	Korean S/L Mid-Year	
Special Handling Code	1	Hard Coded Y/N N
LB	Lee's test rule	
Special Handling Code	1	Hard Coded Y/N N
LK	lk test	
Special Handling Code	1	Hard Coded Y/N N
MW	MW test	UDD
Special Handling Code	1	Hard Coded Y/N N
M1	MW test ARIs	
Special Handling Code		Hard Coded Y/N N
M2	new 11 no spread	
Special Handling Code	1	Hard Coded Y/N N
M3	new 18 no spread	
Special Handling Code	1	Hard Coded Y/N N

F5=Code Types F14=Memo F15=Where Used F18=Translate F21=Print F24=More

Complete the following fields with the values indicated below:

Field	Value
Code	K6
Description	Korean S/L Mid-Year
Special Handling Code	1
Hard Coded	N

8.13.2 Setting Up the Depreciation Method

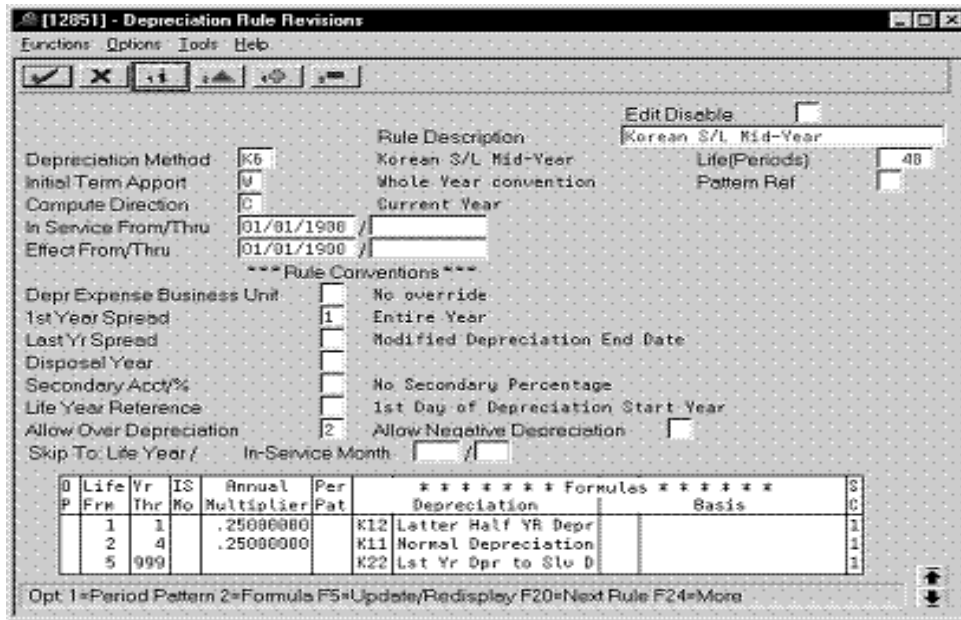
On Depreciation Rule Revisions, set up the depreciation method.

Setting up the depreciation method includes the following tasks:

- Setting up reference information and conventions
- Attaching the formulas to depreciation method K6

8.13.2.1 Setting Up Reference Information and Conventions

Figure 8-65 Depreciation Rule Revisions screen (Reference)



Complete the following fields with the values indicated below:

Field	Value
Depreciation Method	K6
Rule Description	Korean S/L Mid-Year
Life (Periods)	48
Initial Term Apport	W
Compute Direction	C
1st Year Spread	1
Allow Over Depreciation	2

8.13.2.2 Attaching the Formulas to Depreciation Method K6

Attach the following formulas to the depreciation method:

- First Record: Life Year 1
- Second Record: Life Years 2 through 4
- Third Record: Life Years 5 through 999

First Record: Life Year 1

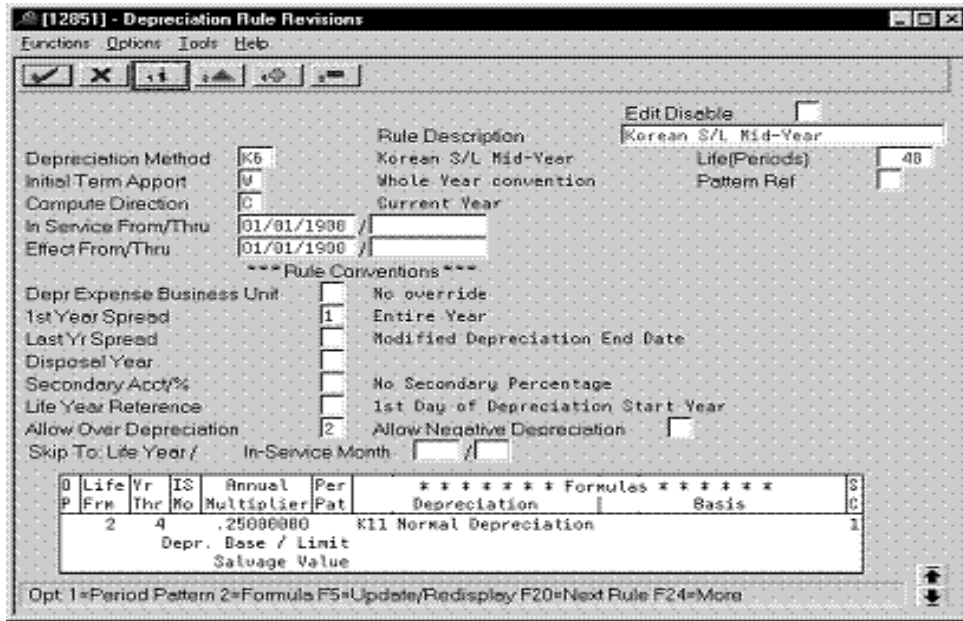
Figure 8-66 Depreciation Rule Revisions (Life Year 1)

Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	1
Life Yr Thr	1
Annual Multiplier	.25000000
Depreciation	K12
SC (Secondary Percentage Continuation)	1

Second Record: Life Years 2 through 4

Figure 8-67 Depreciation Rule Revisions screen (Life Years 2 through 4)



Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	2
Life Yr Thr	4
Annual Multiplier	.25000000
Depreciation	K11
SC (Secondary Percentage Continuation)	1

Third Record: Life Years 5 through 999

Figure 8-68 Depreciation Rule Revisions screen (Life Years 5 through 999)

Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	5
Life Yr Thr	999
Depreciation	K22
SC (Secondary Percentage Continuation)	1

Index

F

France

Calculate derogatory depreciation, 2-16

Formulas

First and Subsequent Years, 2-2

First Record

Life Year 1, 2-14

Life Years 1 and 2, 2-6

First Year Depreciation, 2-10

Last Year, 2-4

Last Year Minus One, 2-3

Remaining Days, 2-12

Second Record

Life Year 3, 2-7

Life Years 2 through 5, 2-15

Third Record

Life Year 4, 2-8

Life Year 6, 2-16

Years 2 through 5, 2-11

G

Germany

Formulas

Cost Less Salvage, 3-10

First Record

Life Years 1 through 5, 3-5, 3-15

ITC Amount A, 3-12

ITC Amount B, 3-13

Lower Limit 1000, 3-8

Second Record

Life Year 5, 3-16

Life Years 6 through 13, 3-6

Third Record

Life Years 14 through 30, 3-7

Upper Limit 2500, 3-9

I

Italy

Formulas

First Record

Life Years 1 through 3, 4-4

Second Record

Life Years 1 through 3, 4-5

Third Record

Life Years 4 through 99, 4-6

J

Japan

Formulas

Basis, 7-3

Beyond Asset Life, 7-6

Final Year, 7-11, 7-17, 7-24, 7-32, 7-39, 7-45

First and Subsequent Years, 7-10, 7-16, 7-38, 7-44

First Record

Life Year 1, 7-26, 7-34

Life Years 1 through 2, 7-13, 7-19, 7-41, 7-47

First to Final Year, 7-5

First Year, 7-22, 7-30

Salvage Amount, 7-4

Second and Subsequent Years, 7-23, 7-31

Second Record

Life Year 2, 7-27, 7-35

Life Year 3, 7-14, 7-20, 7-42, 7-48

Third Record

Life Year 3, 7-28, 7-36

K

Korea

Formulas

Basis Pre 95, 8-21

First Record

Life Year 1, 8-62, 8-67

Life Years 1 through 2, 8-57

Life Years 1 through 3, 8-8, 8-12, 8-31, 8-37, 8-51

Life Years 1 through 4, 8-17, 8-26

Life Years 1 through 5, 8-42, 8-46

Pre 95 Depreciation After Life, 8-22

Pre 95 Straight Line, 8-23, 8-24

Second Record

Life Year 4, 8-32, 8-38

Life Years 1 through 2, 8-58

Life Years 1 through 3, 8-52

Life Years 2 through 4, 8-63, 8-68

Life Years 4 through 999, 8-9, 8-13

Life Years 5 through 8, 8-18, 8-27

Life Years 6 through 999, 8-43,
8-47

Third Record

Life Years 3 through 999, 8-59

Life Years 4 through 999, 8-53

Life Years 5 through 999, 8-33,
8-39, 8-64, 8-69

Life Years 9 through 999, 8-19,
8-28

S

Spain

Formulas

First and Subsequent Years, 5-2

First Record

Life Years 1 through 6, 5-5

Last Year, 5-3

Second Record

Life Year 7, 5-6