JD Edwards World

Global Solutions: Depreciation Methods Guide

Release A9.4

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Describes tasks needed to define the depreciation methods for France, Germany, Italy, Spain, Japan, and Korea.

ORACLE

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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.

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Conventions

The following text conventions are used in this document:

Convention	Meaning
boldface	Indicates cautionary information or terms defined in the glossary.
italic	Indicates book titles or emphasis.

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."

1

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

2

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

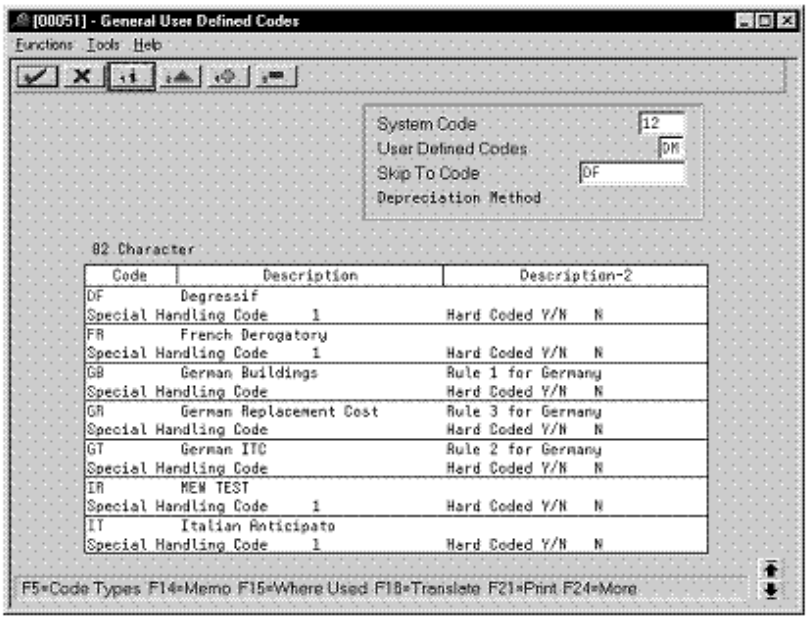
Defining this depreciation method includes the following tasks:

- 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

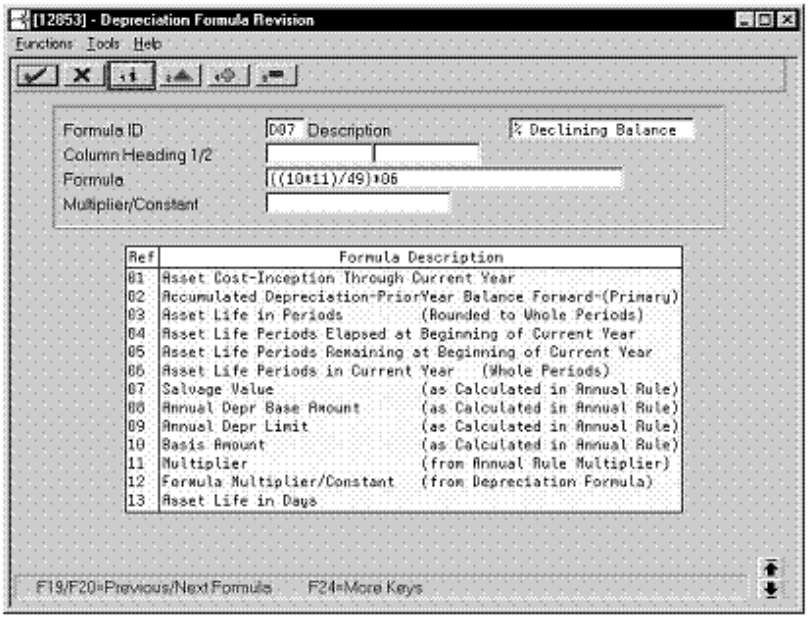
2.1.2 Setting up Depreciation Formulas

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)

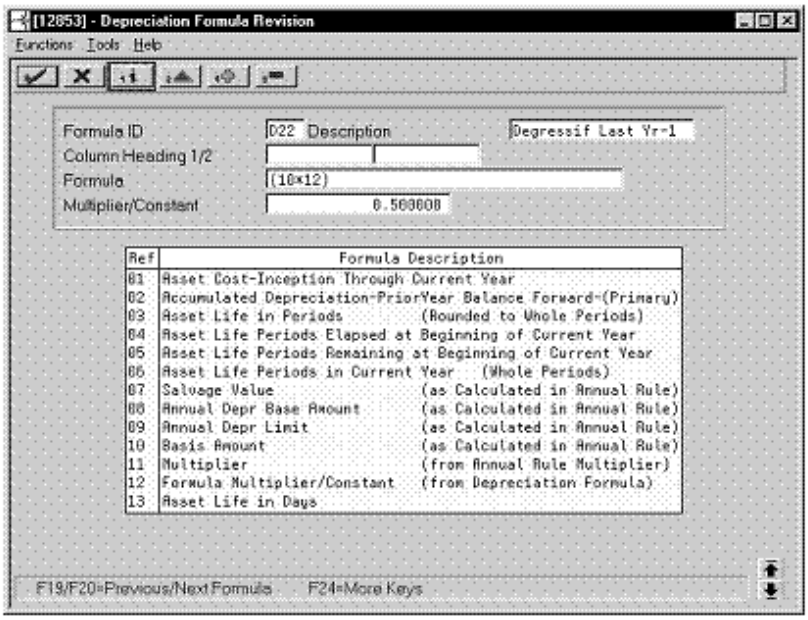


Complete the following fields with the values indicated below:

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)

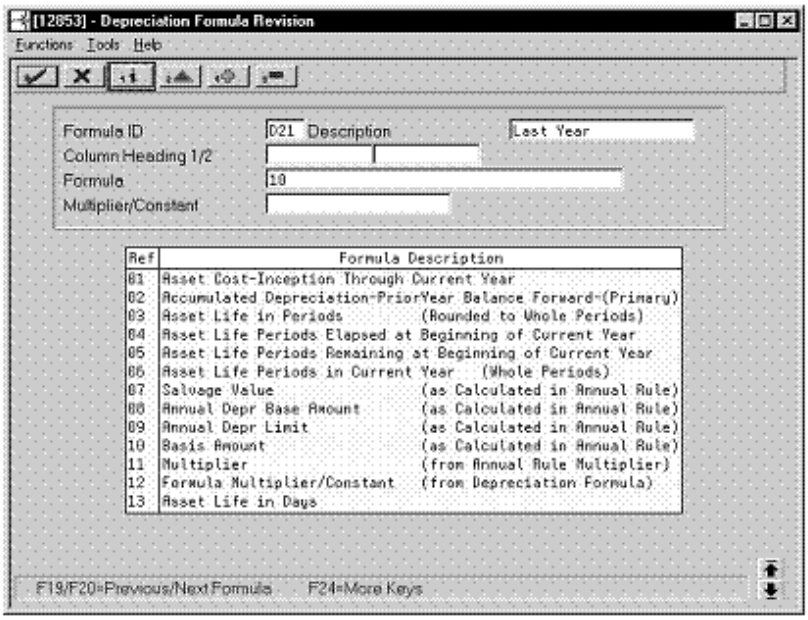


Complete the following fields with the values indicated below:

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

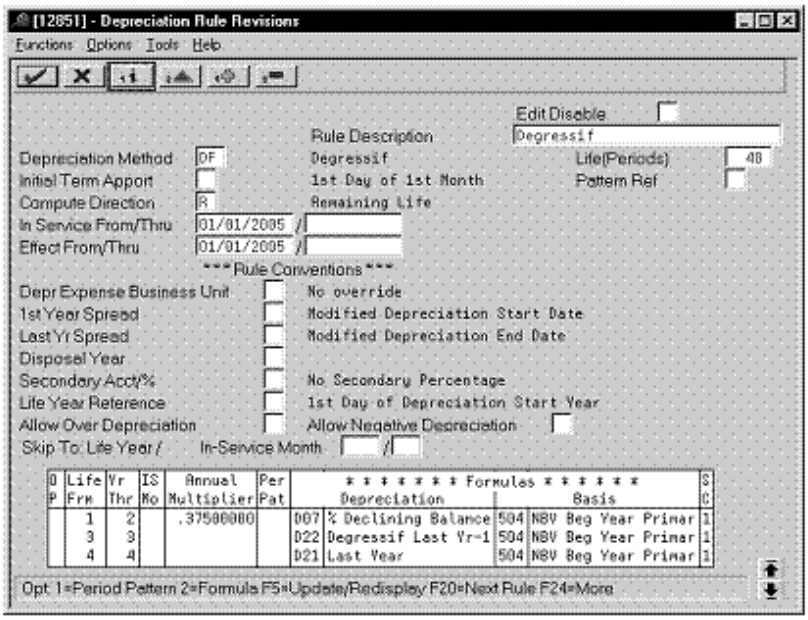
On Depreciation Rule Revisions, set up the depreciation method.

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)



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

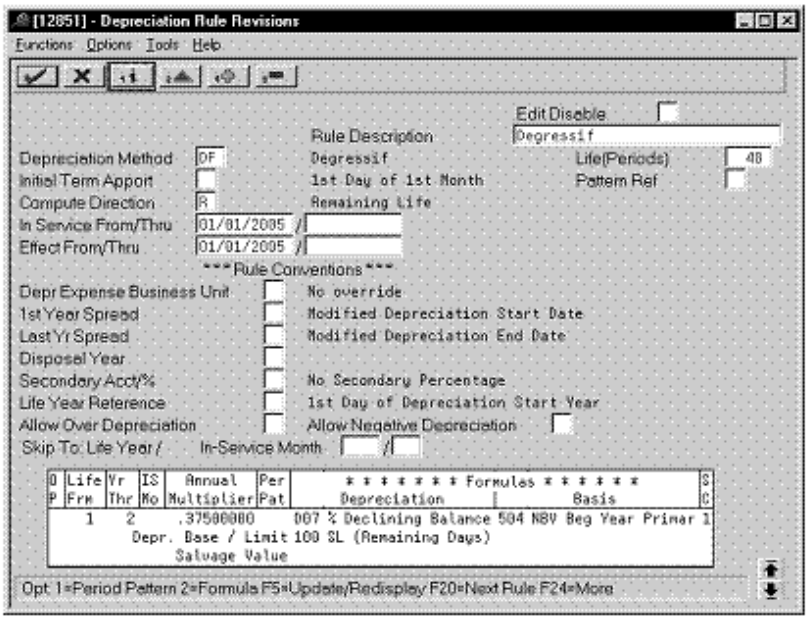
2.1.3.2 Attaching the Formulas to Depreciation Method DF

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)

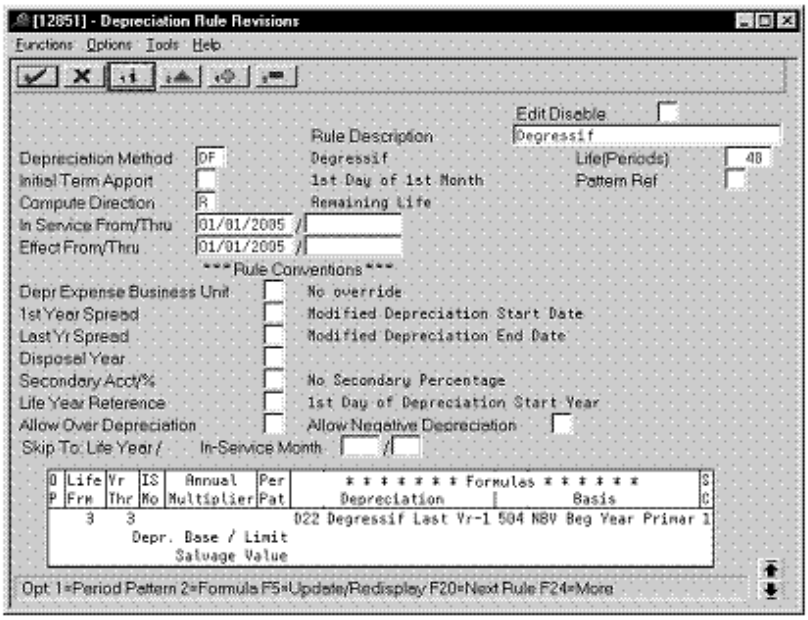


Complete the following fields with the values indicated below:

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)

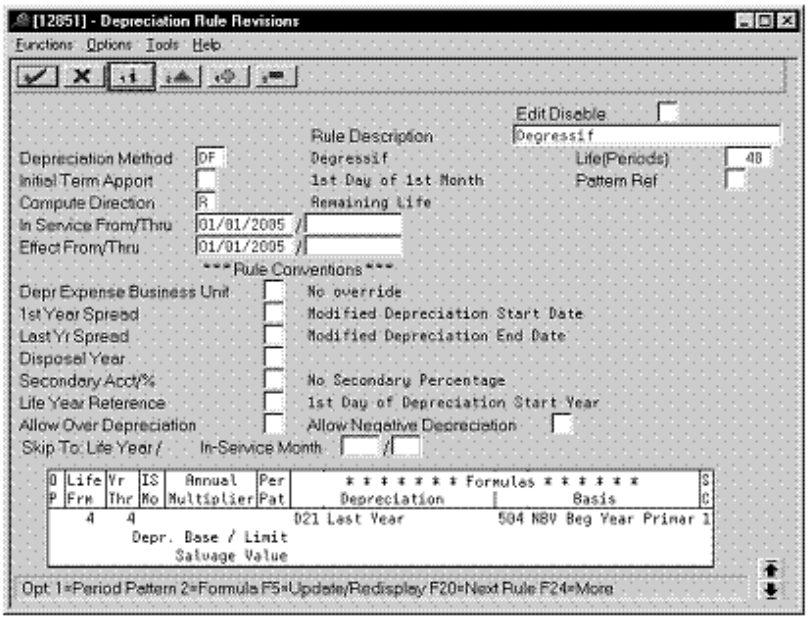


Complete the following fields with the values indicated below:

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

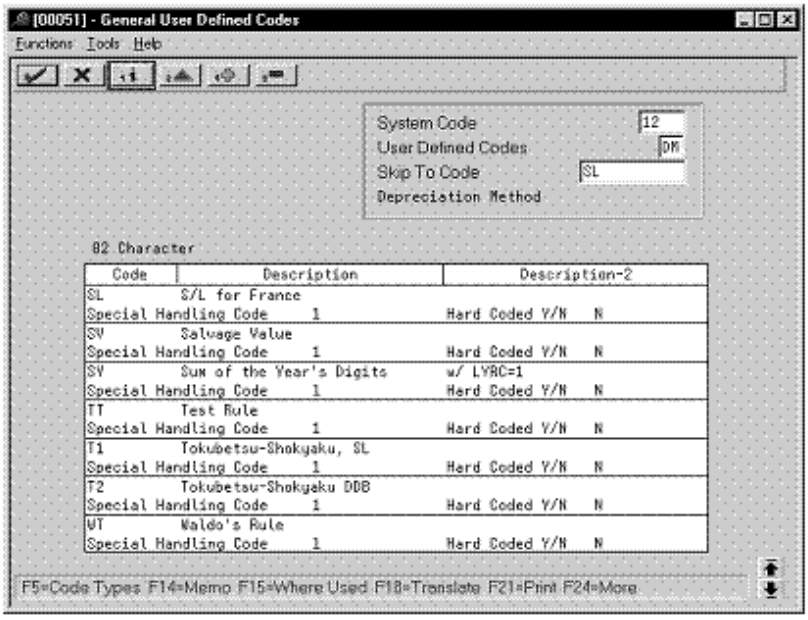
Defining this depreciation method includes the following tasks:

- 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

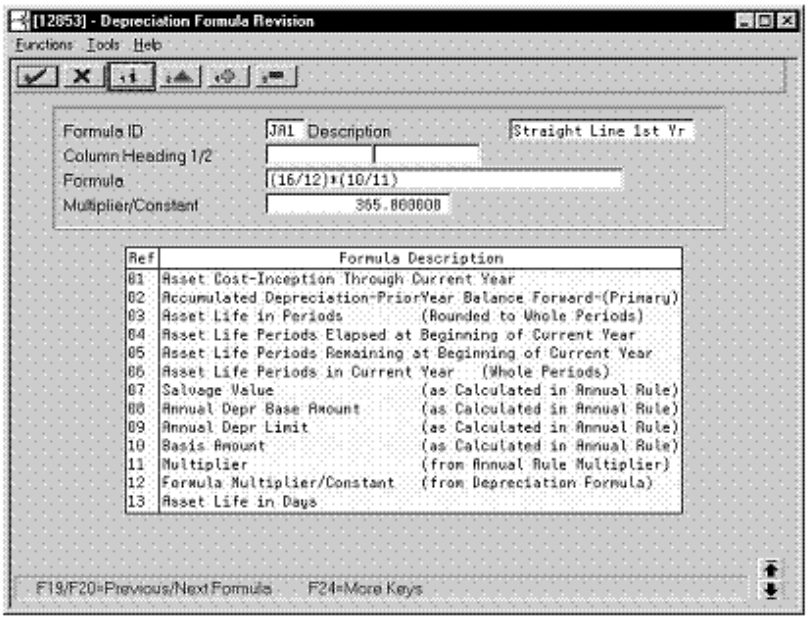
2.2.2 Setting Up Depreciation Formulas

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)

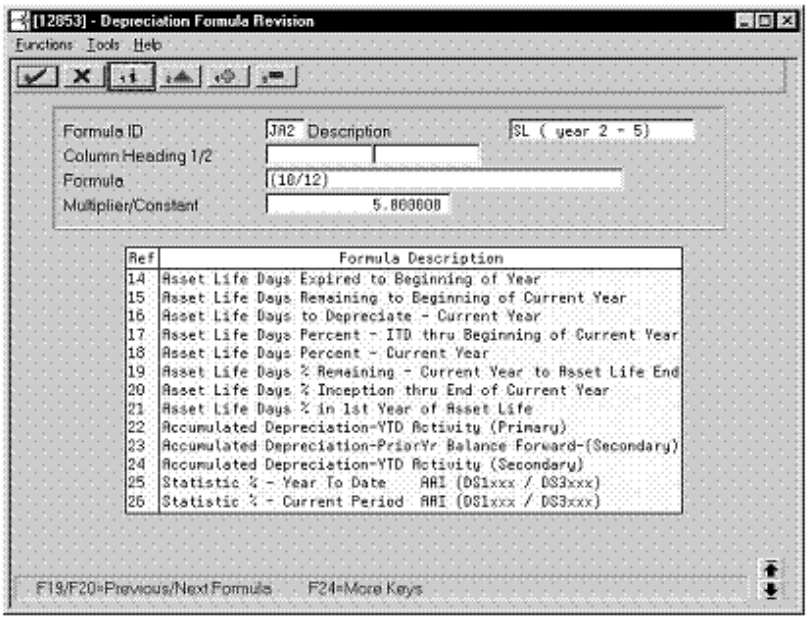


Complete the following fields with the values indicated below:

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)

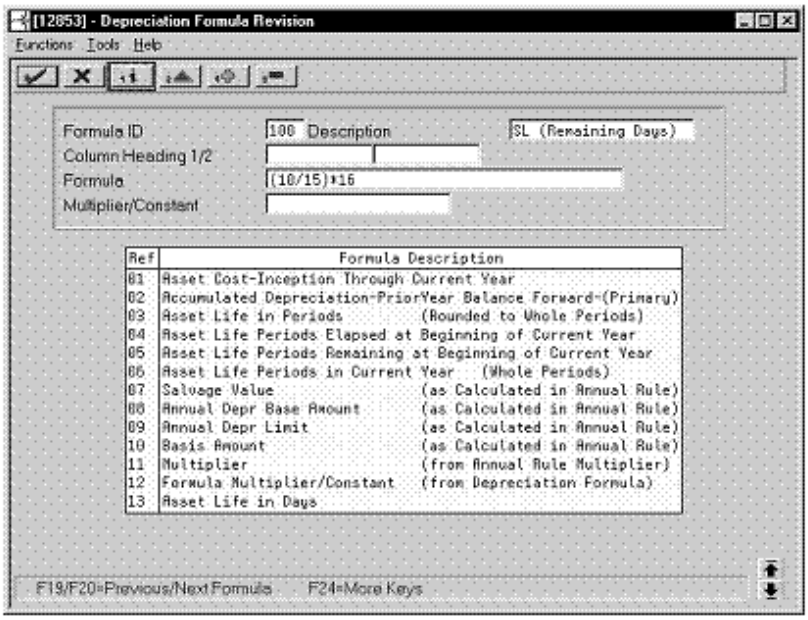


Complete the following fields with the values indicated below:

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

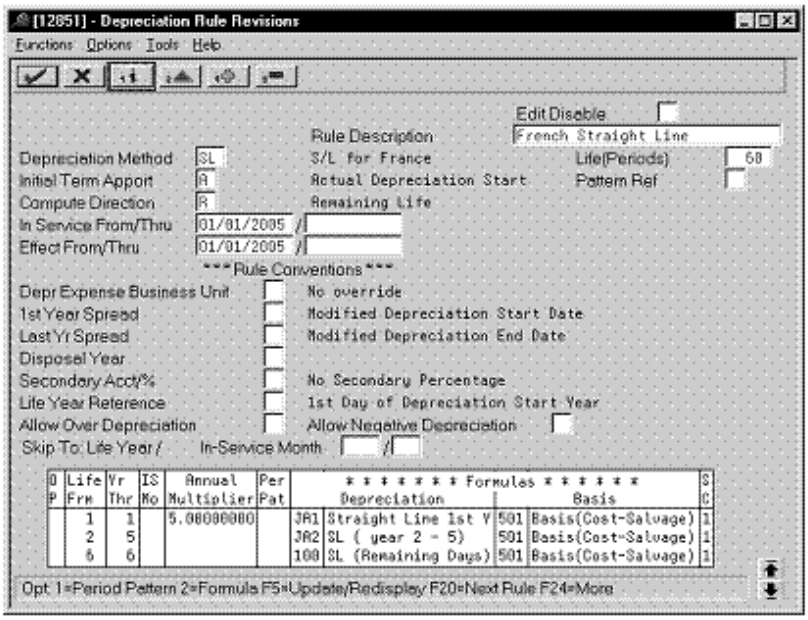
On Depreciation Rule Revisions, set up the depreciation method.

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

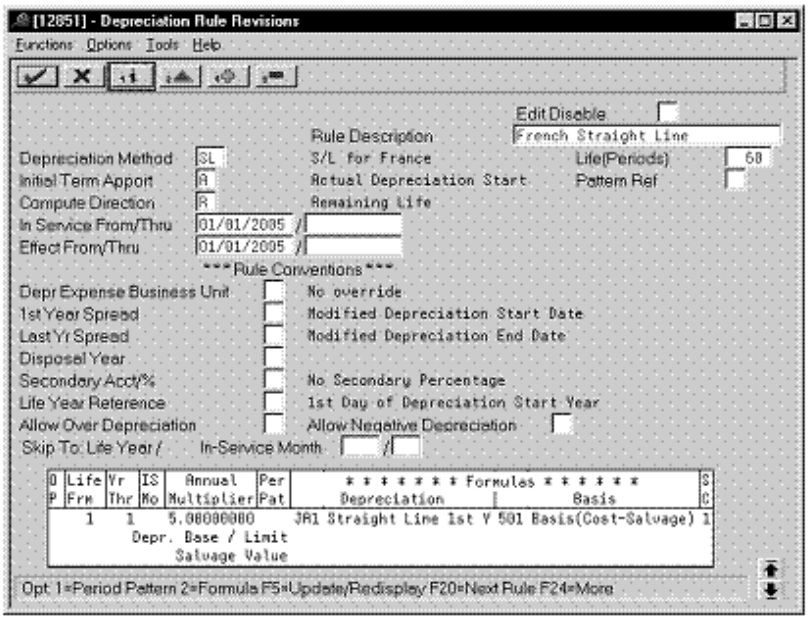
2.2.3.2 Attaching the Formulas to Depreciation Method SL

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)

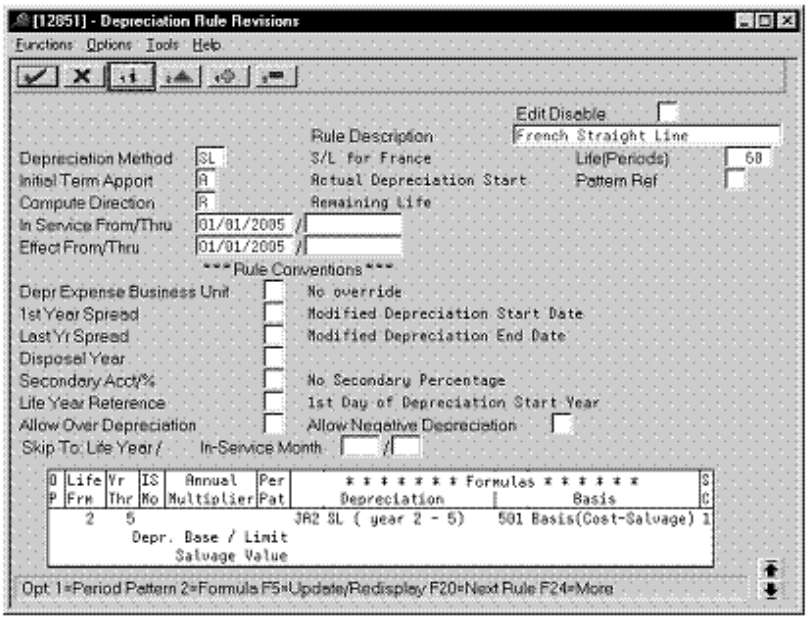


Complete the following fields with the values indicated below:

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)

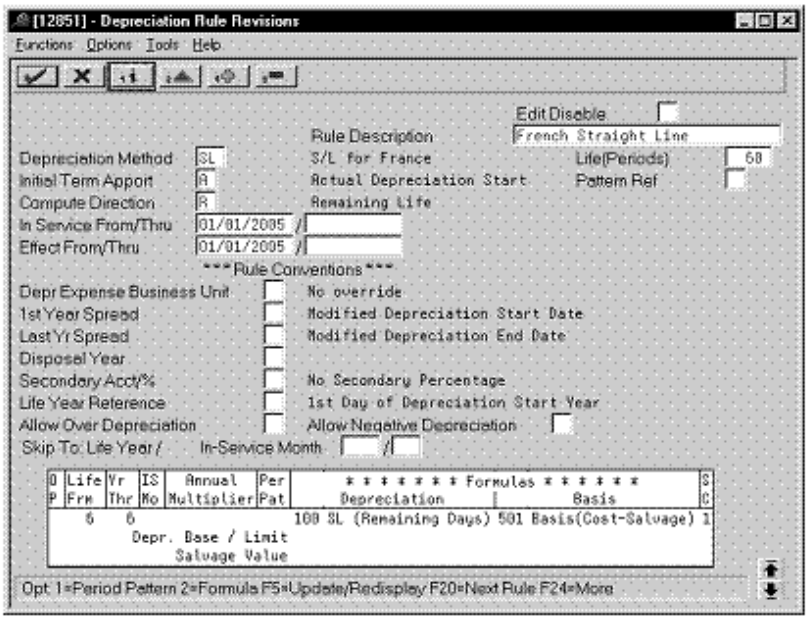


Complete the following fields with the values indicated below:

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).

3

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

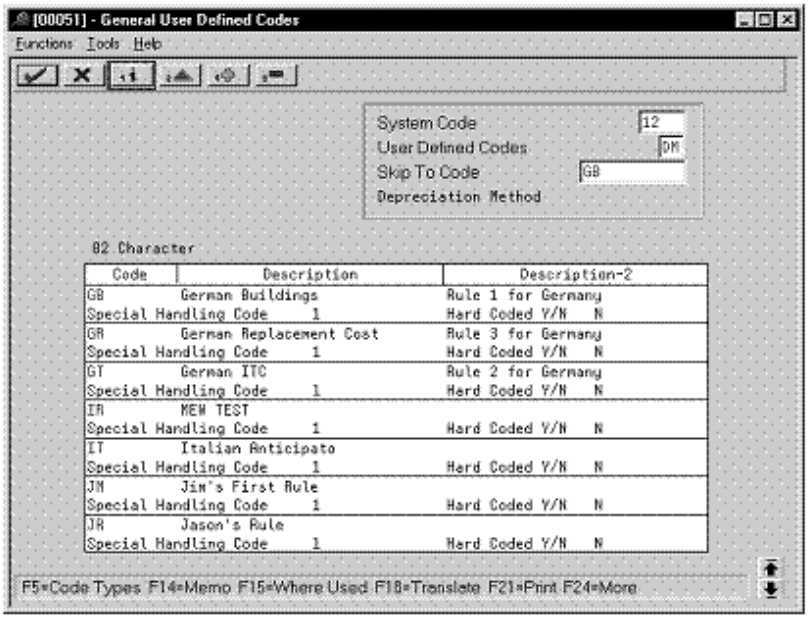
Defining this depreciation method includes the following tasks:

- 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)



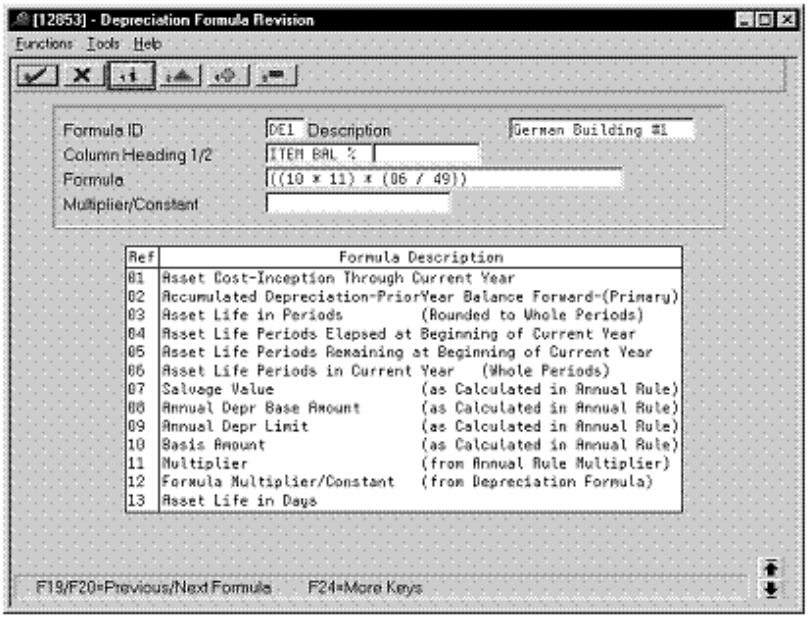
Complete the following fields with the values indicated below:

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



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

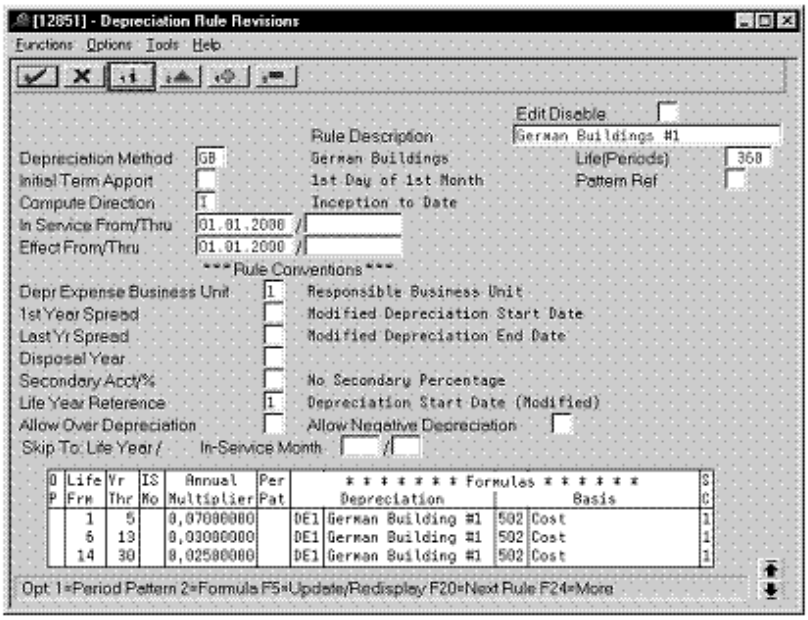
On Depreciation Rule Revisions, set up the depreciation method.

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

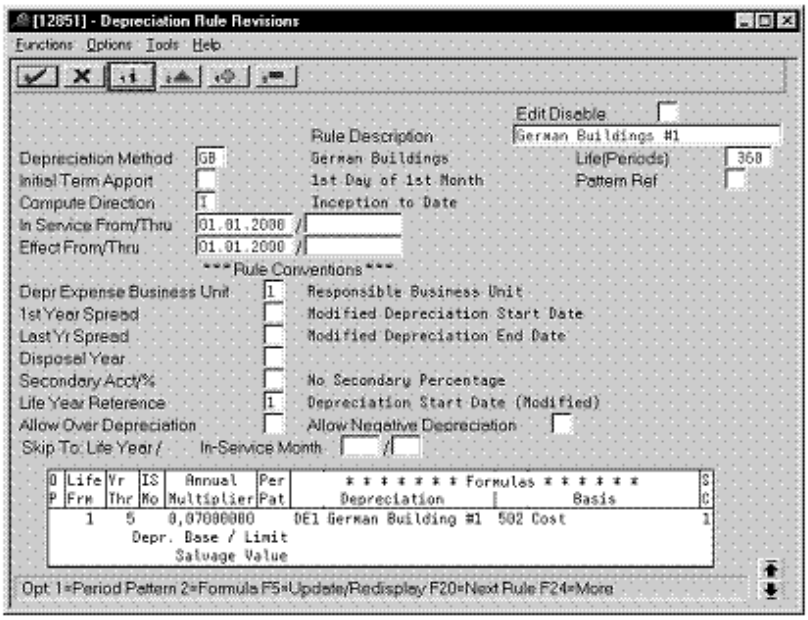
3.1.3.2 Attaching the Formulas to Depreciation Method GB

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)

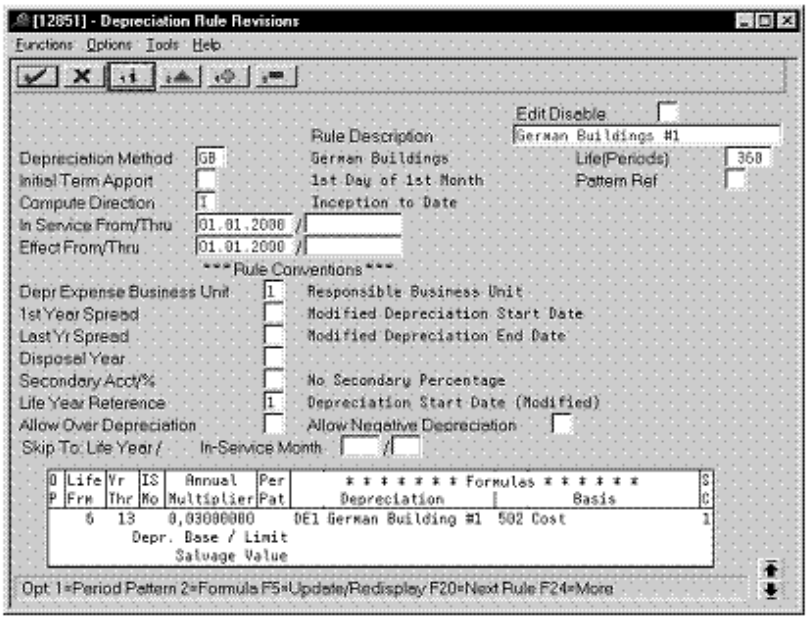


Complete the following fields with the values indicated below:

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)

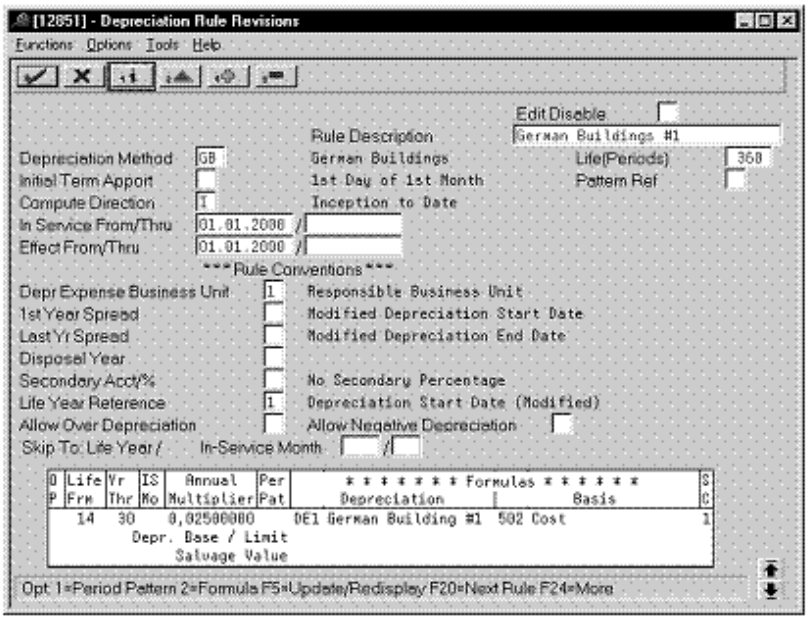


Complete the following fields with the values indicated below:

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)



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

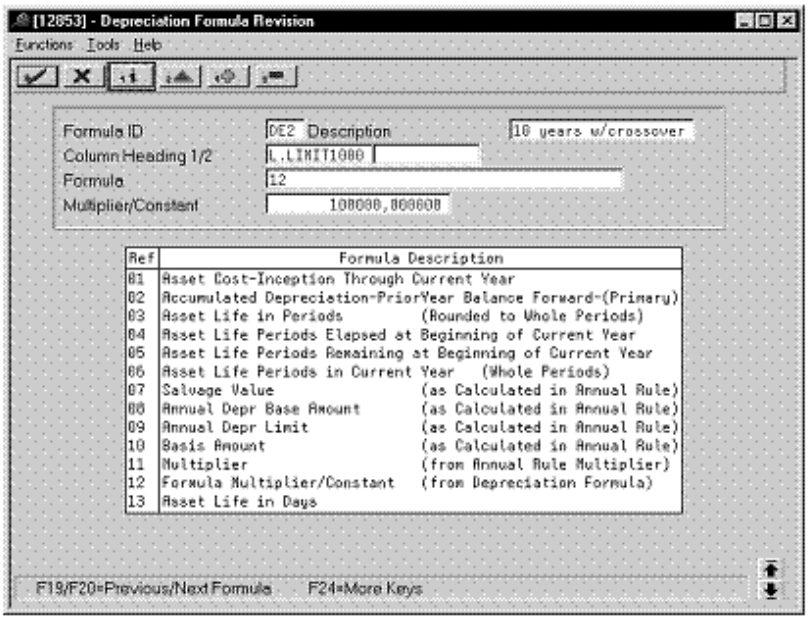
3.2.1 Setting up Depreciation Formulas

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)

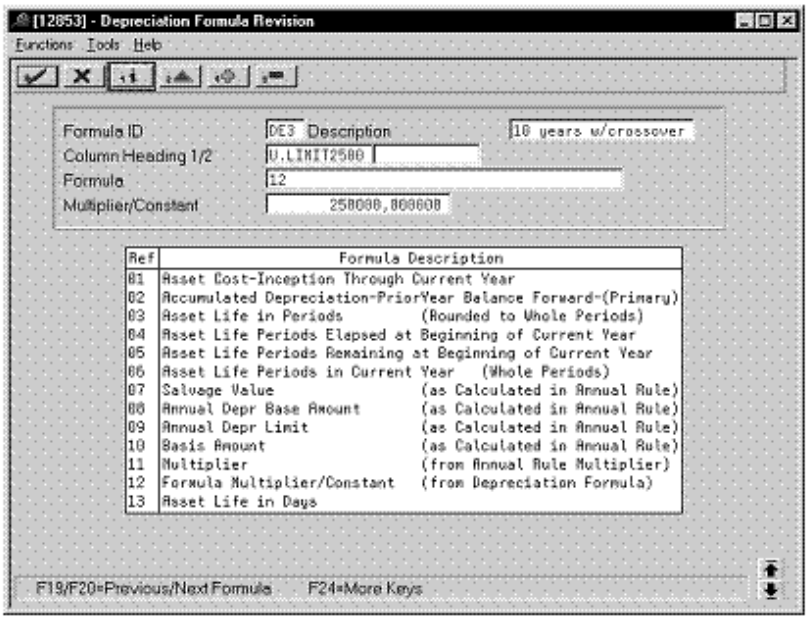


Complete the following fields with the values indicated below:

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)

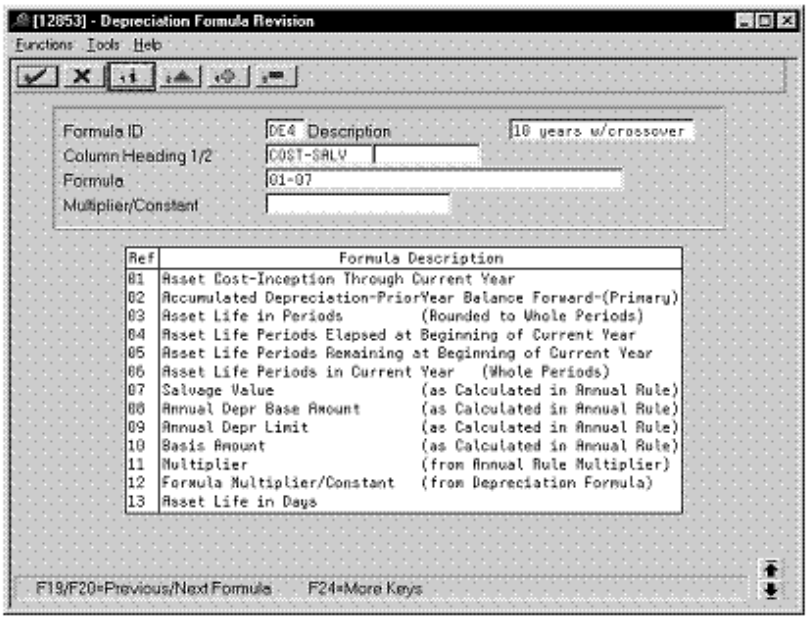


Complete the following fields with the values indicated below:

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

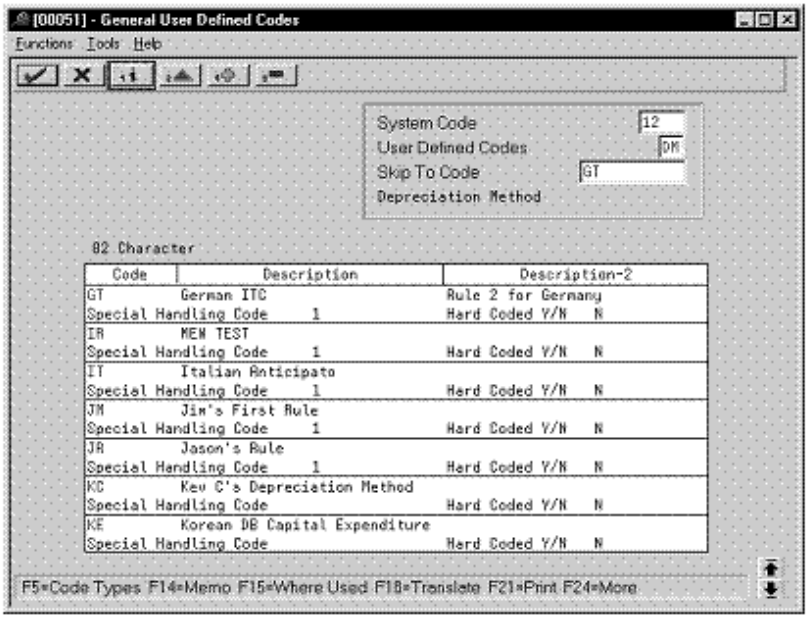
Defining this depreciation method includes the following tasks:

- 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)



Complete the following fields with the values indicated below:

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

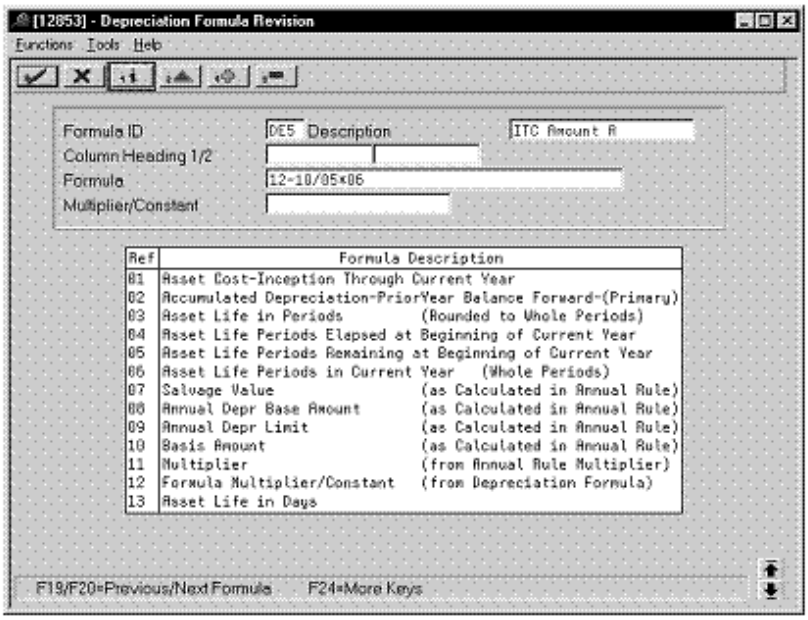
3.3.2 Setting Up Depreciation Formulas

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)

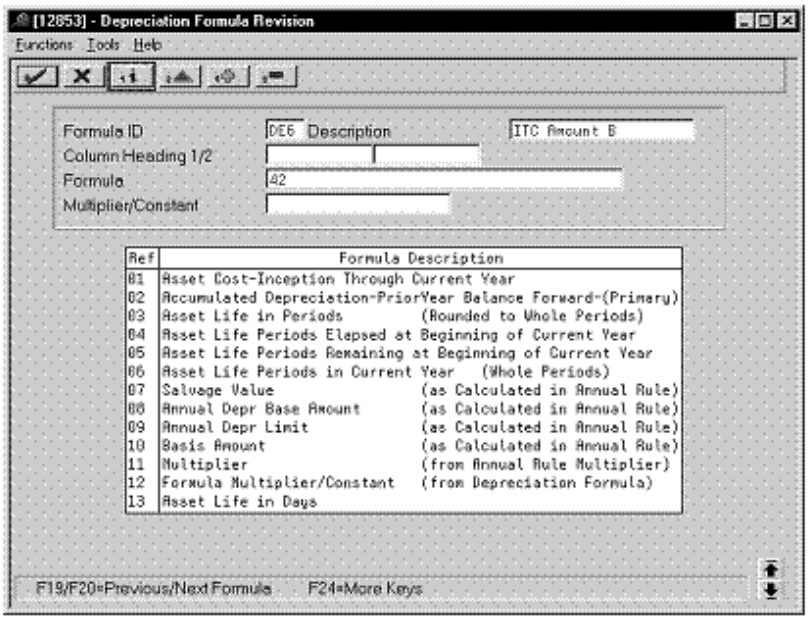


Complete the following fields with the values indicated below:

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)



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

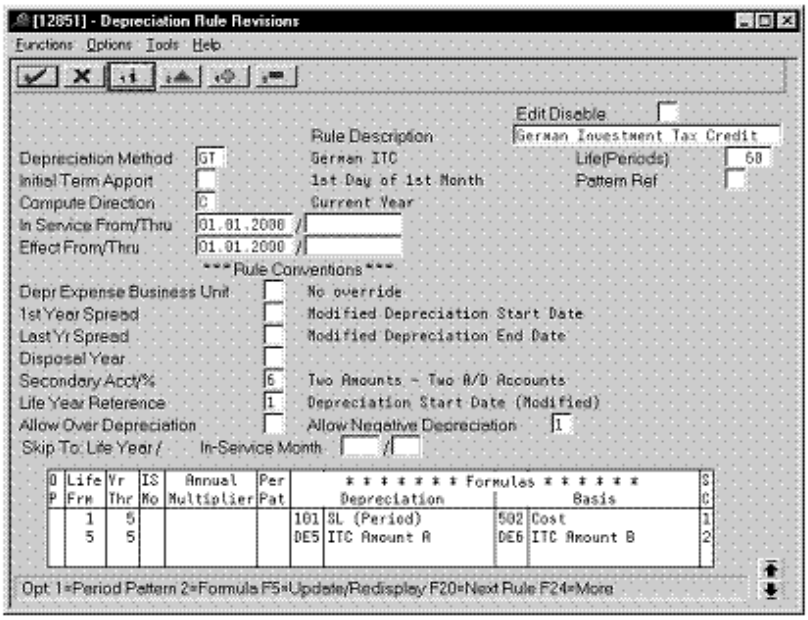
On Depreciation Rule Revisions, set up the depreciation method.

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

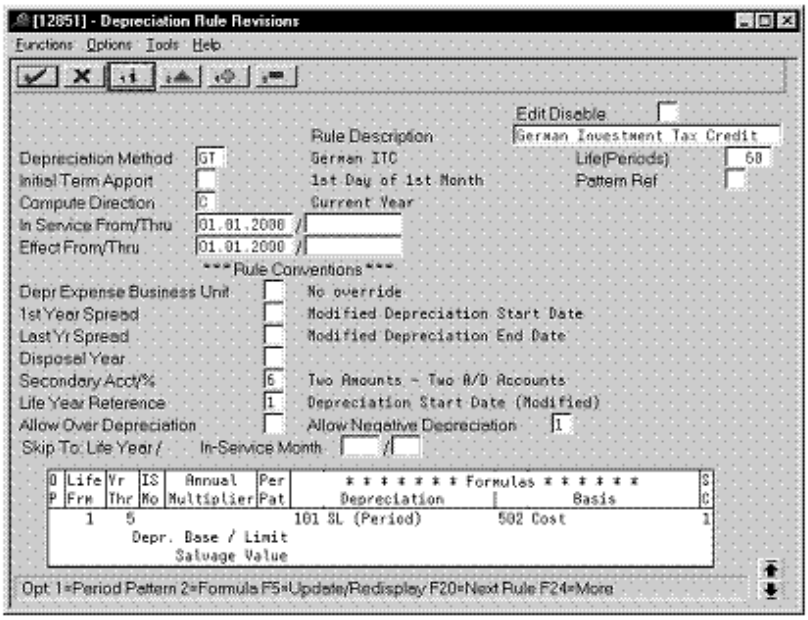
3.3.3.2 Attaching the Formulas to Depreciation Method GT

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)

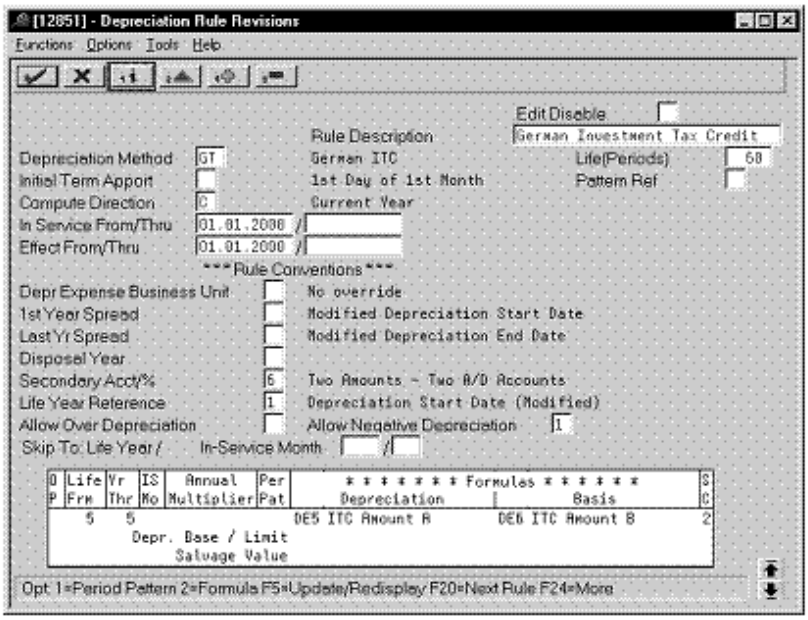


Complete the following fields with the values indicated below:

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

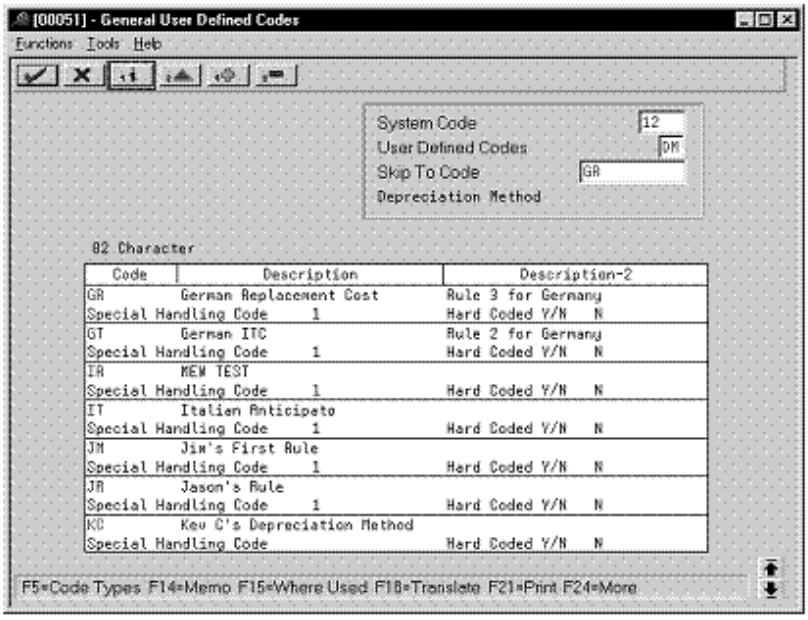
Defining this depreciation method includes the following tasks:

- 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)



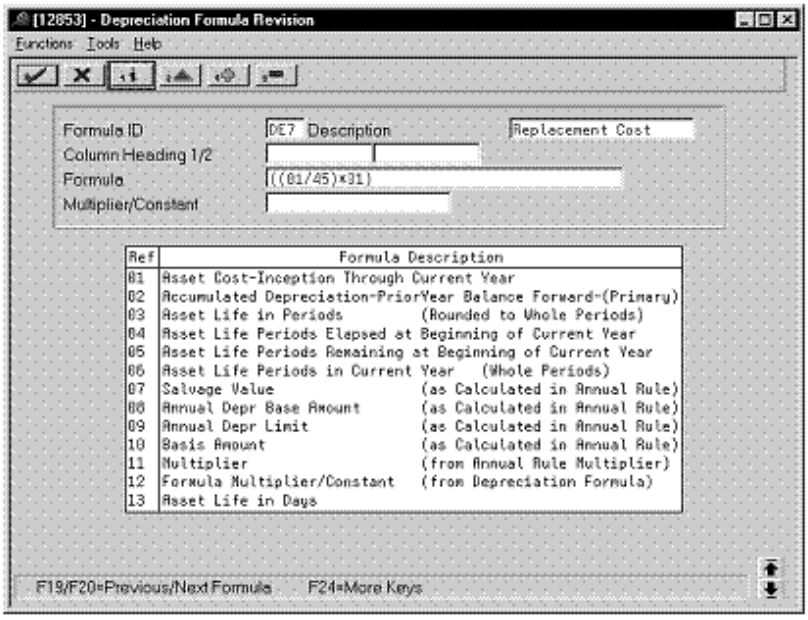
Complete the following fields with the values indicated below:

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

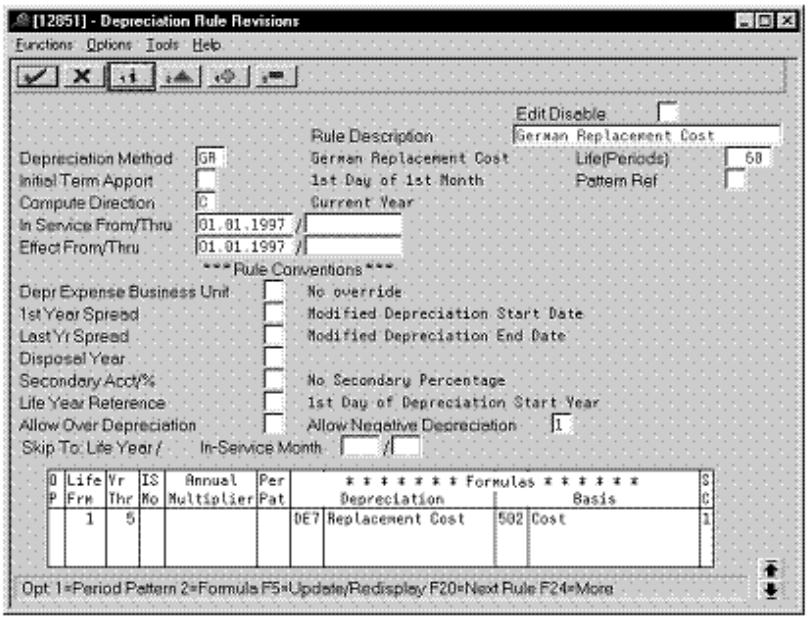
On Depreciation Rule Revisions, set up the depreciation method.

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)



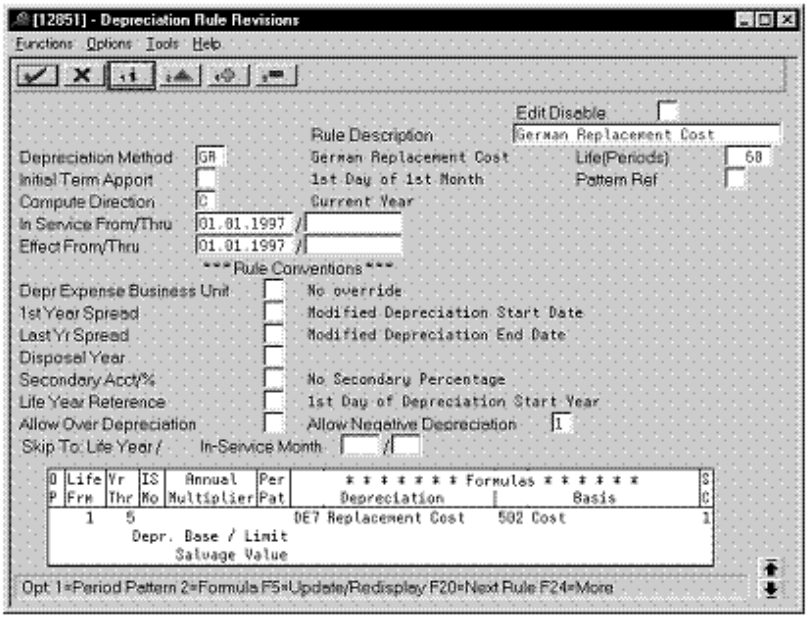
Complete the following fields with the values indicated below:

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

4

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

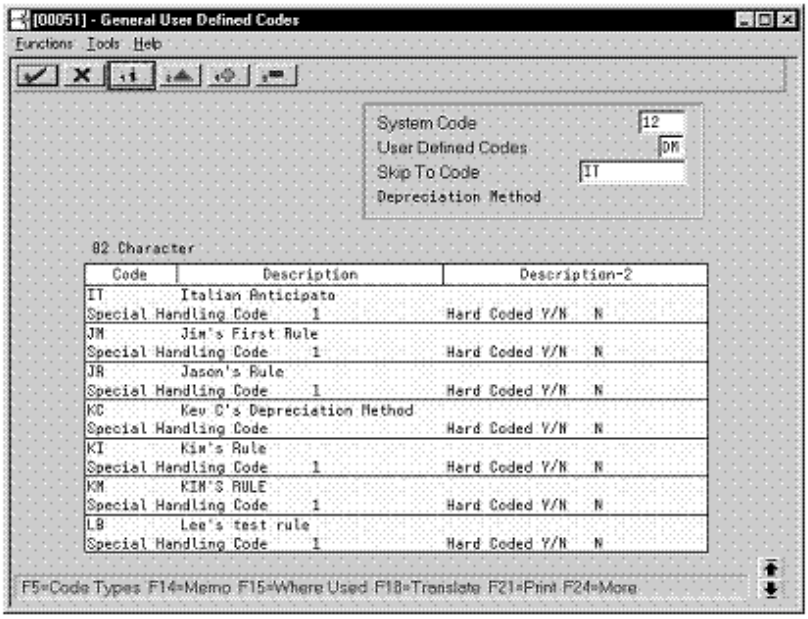
Defining this depreciation method includes the following tasks:

- 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)



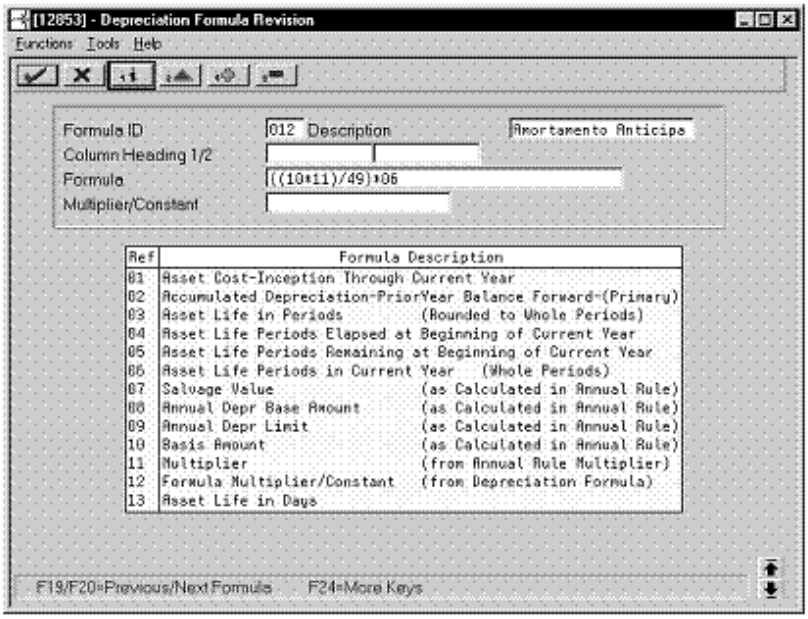
Complete the following fields with the values indicated below:

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

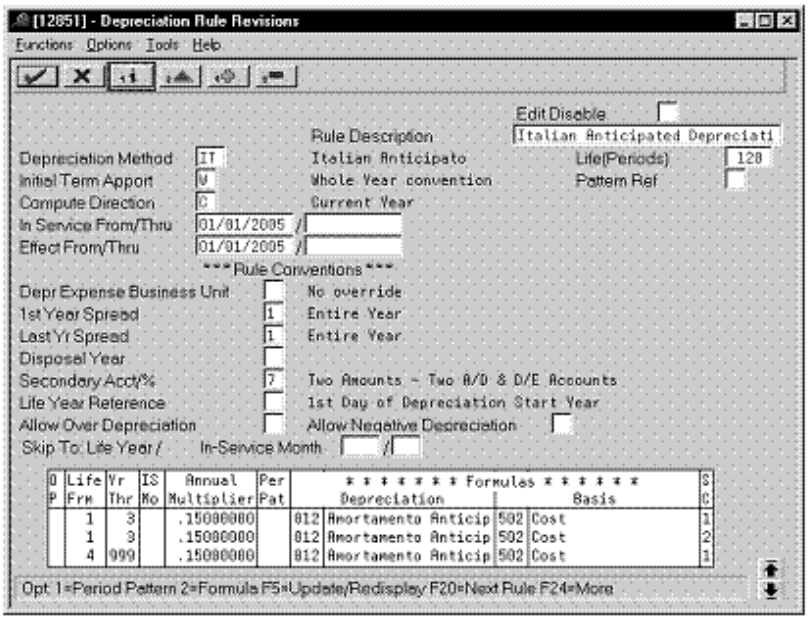
On Depreciation Rule Revisions, set up the depreciation method.

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

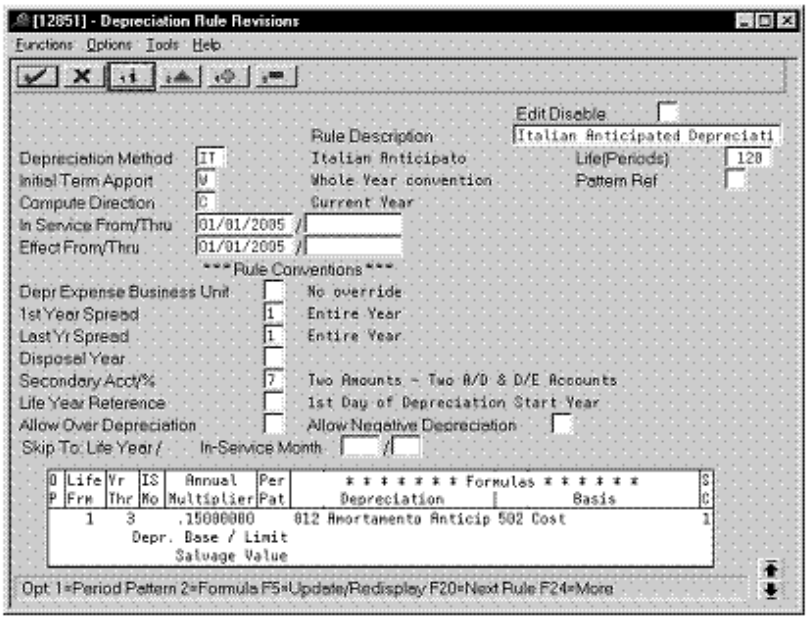
4.1.3.2 Attaching the Formulas to Depreciation Method IT

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)

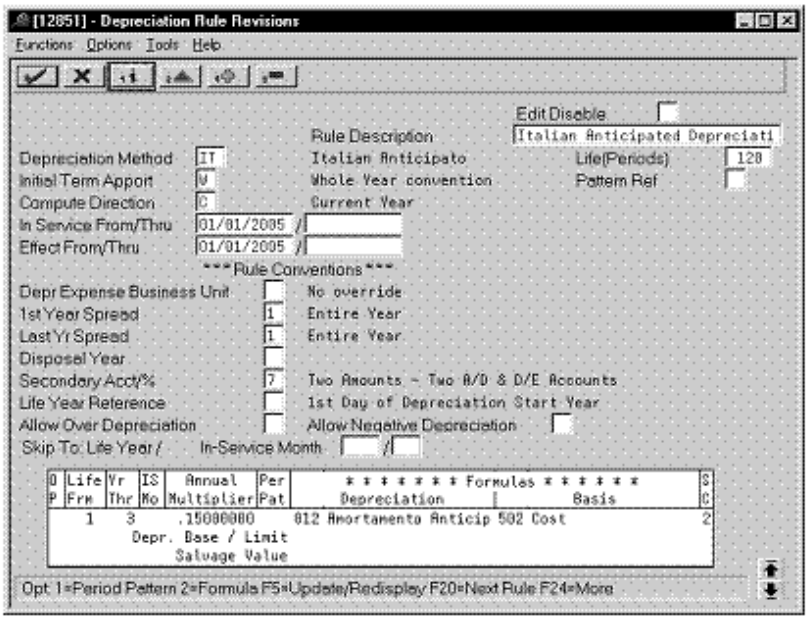


Complete the following fields with the values indicated below:

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)

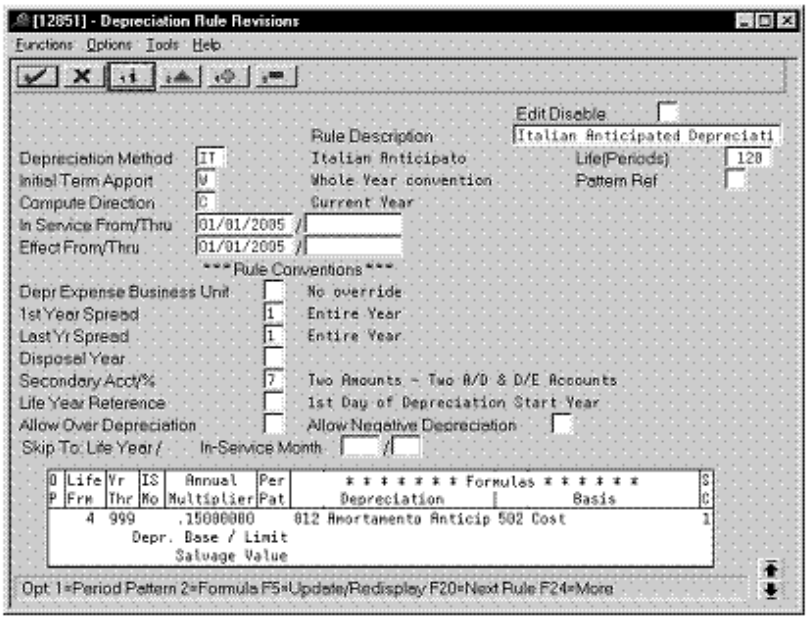


Complete the following fields with the values indicated below:

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

5

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

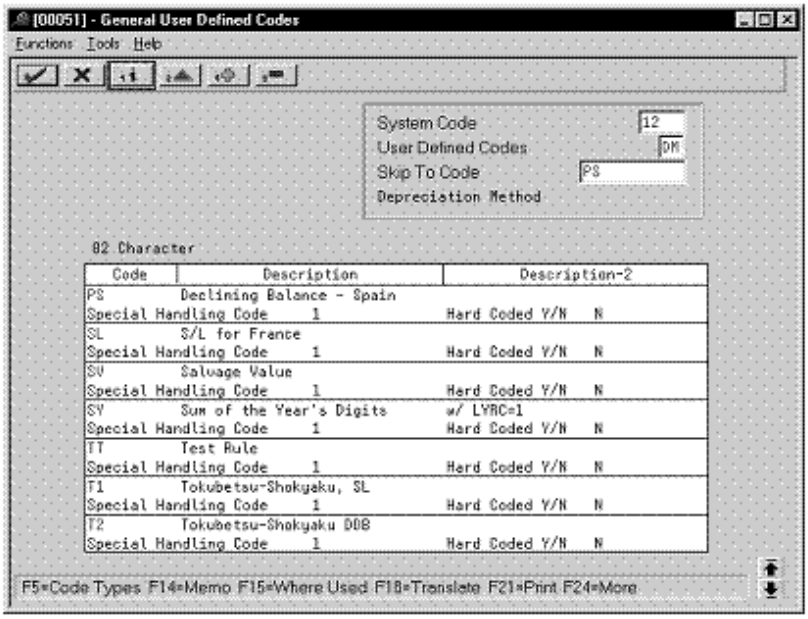
Defining this depreciation method includes the following tasks:

- 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)



Complete the following fields with the values indicated below:

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

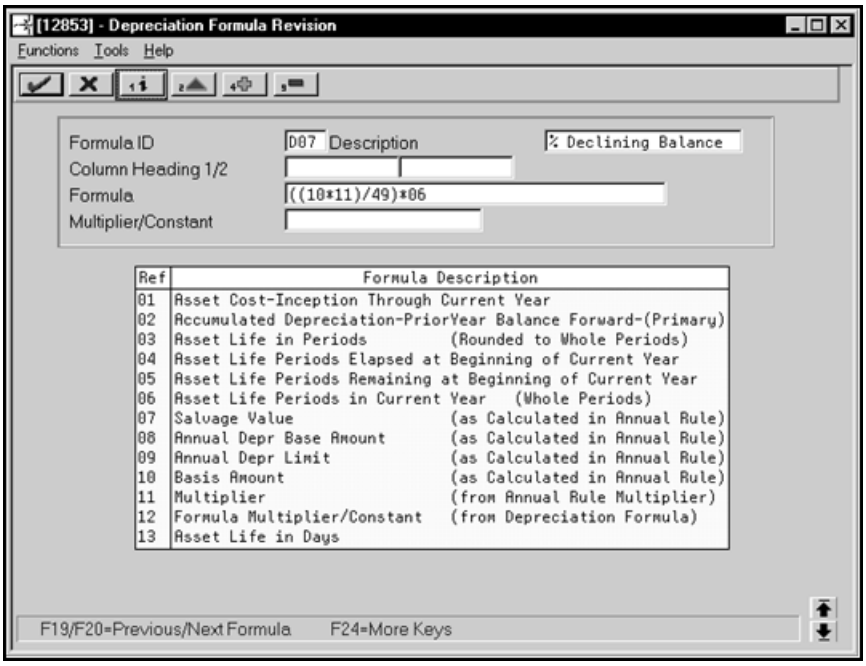
5.1.2 Setting Up Depreciation Formulas

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)

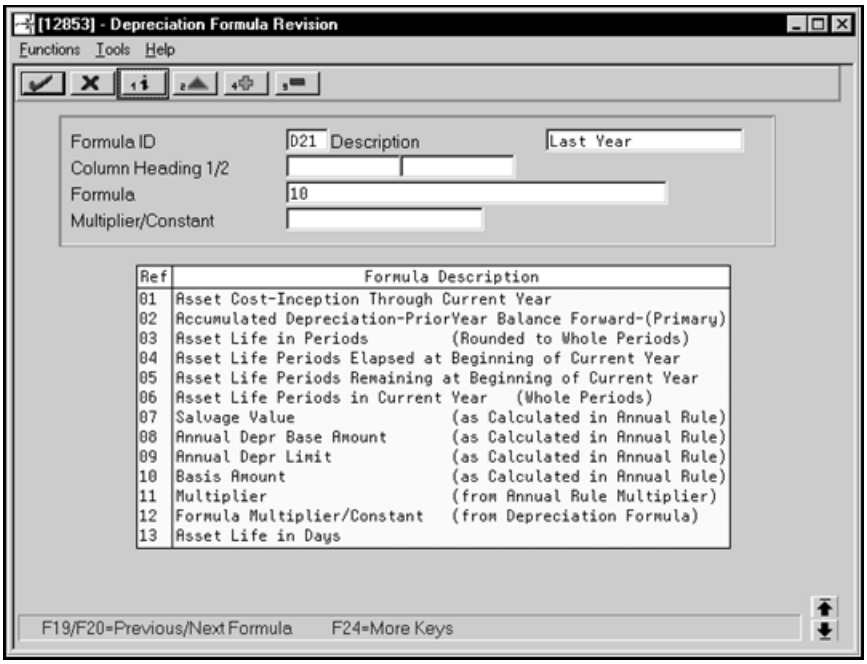


Complete the following fields with the values indicated below:

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

Last Year

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



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

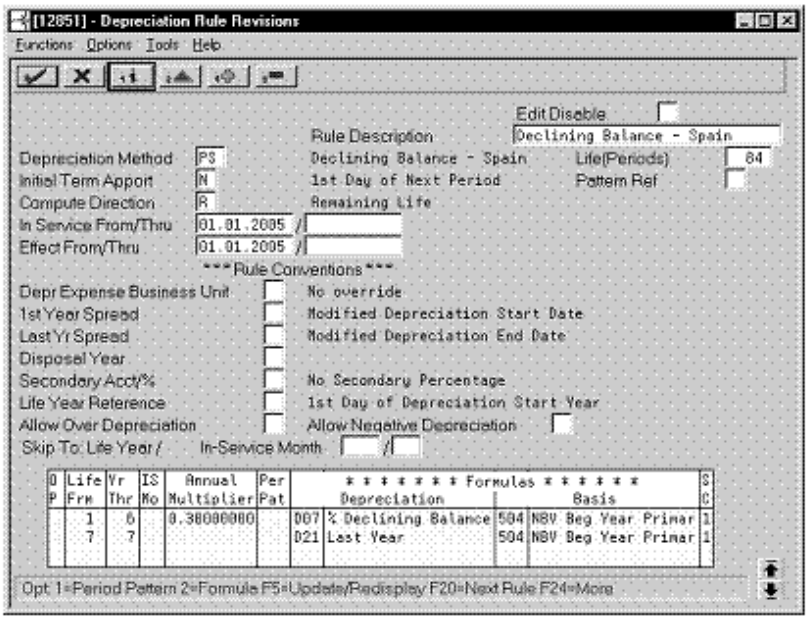
On Depreciation Rule Revisions, set up the depreciation method.

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

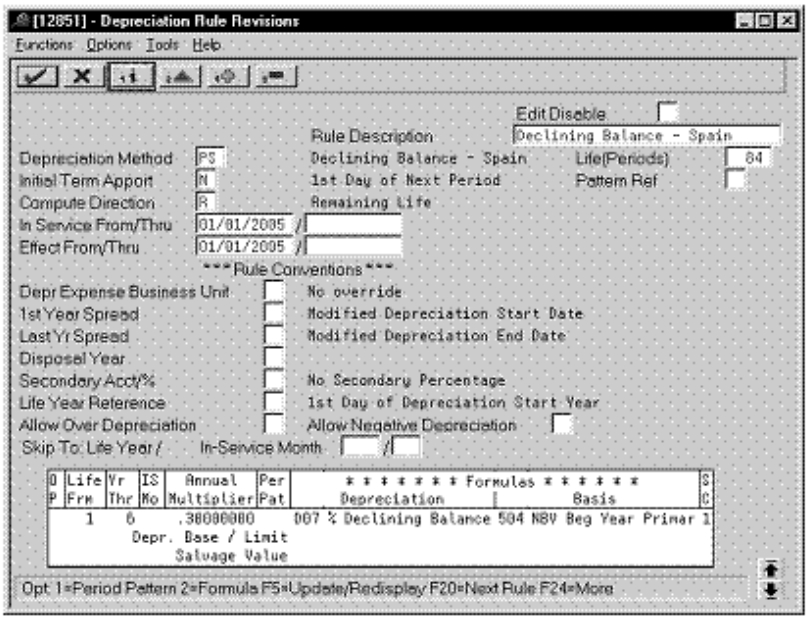
5.1.3.2 Attaching the Formulas to Depreciation Method PS

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)

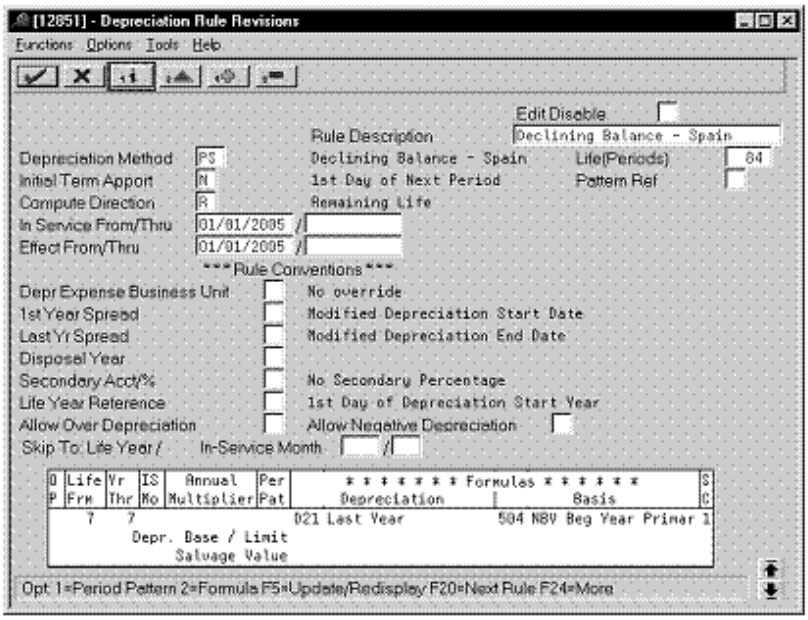


Complete the following fields with the values indicated below:

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."

6

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

7

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

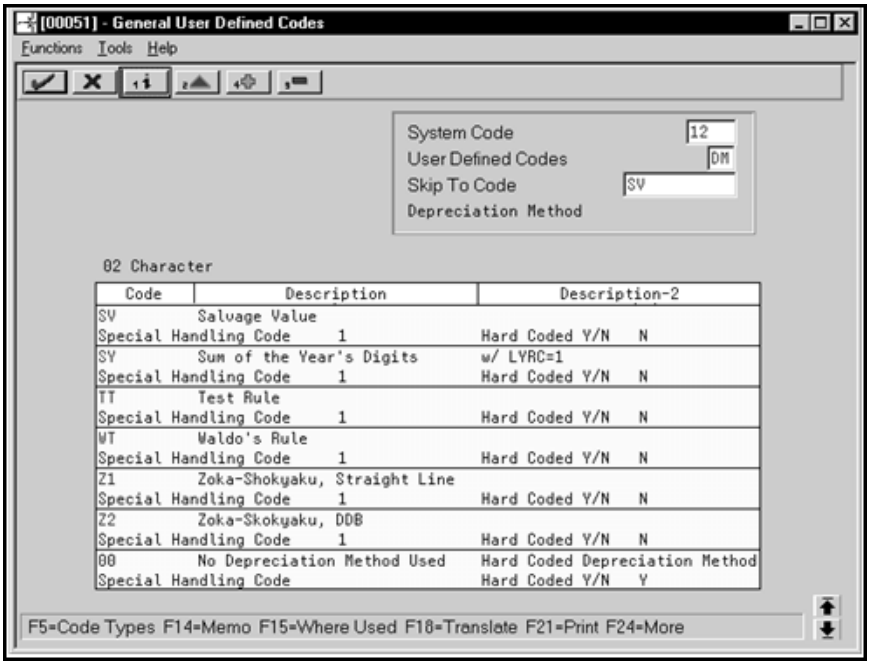
Defining this depreciation method includes the following tasks:

- 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

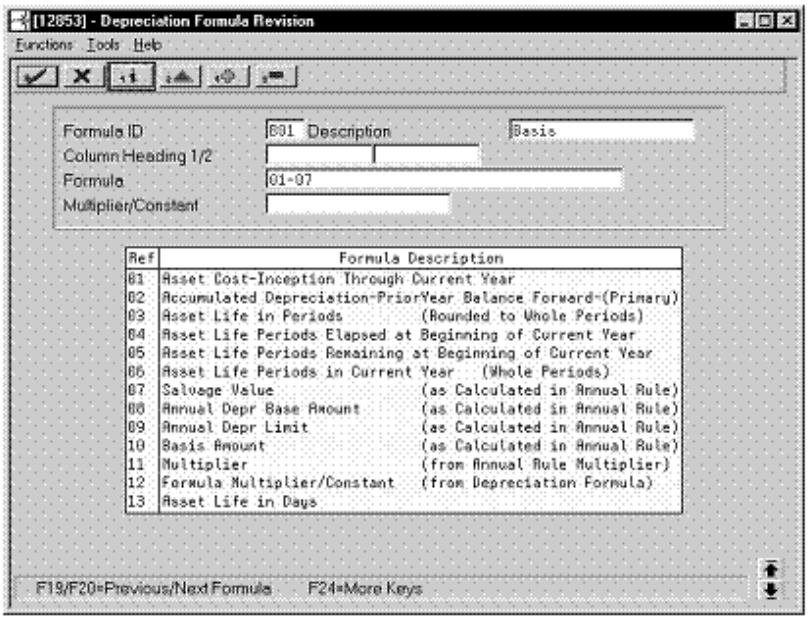
7.1.2 Setting Up Depreciation Formulas

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)

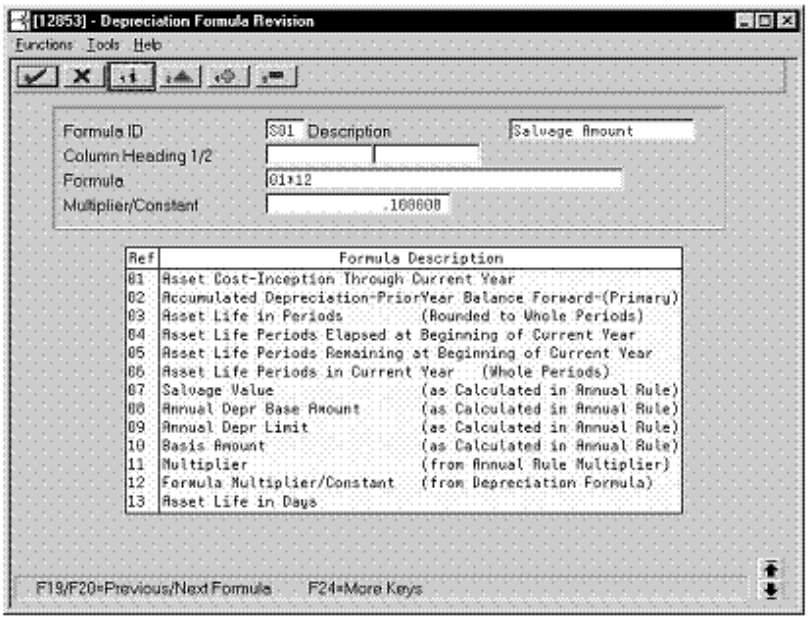


Complete the following fields with the values indicated below:

Field	Value
Formula ID	B01
Description	Basis
Formula	01-07

Salvage Amount

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

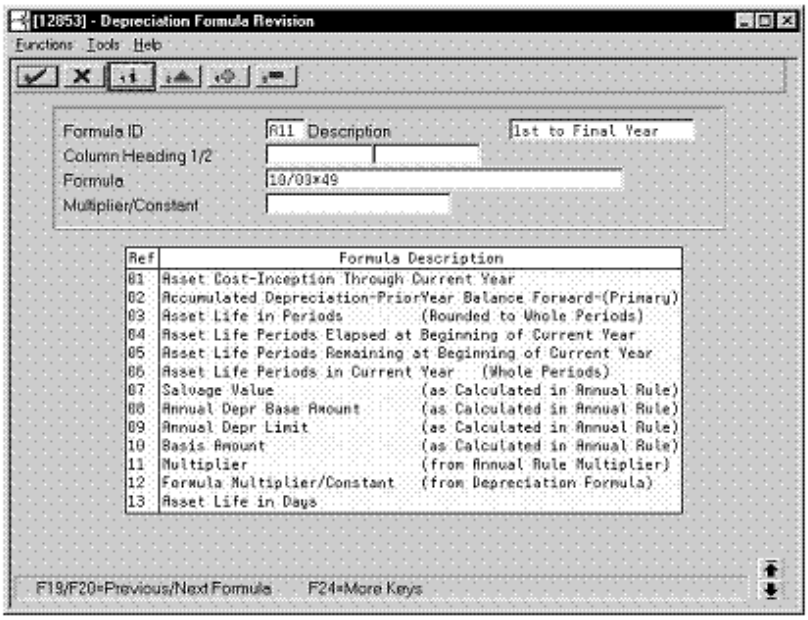


Complete the following fields with the values indicated below:

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)

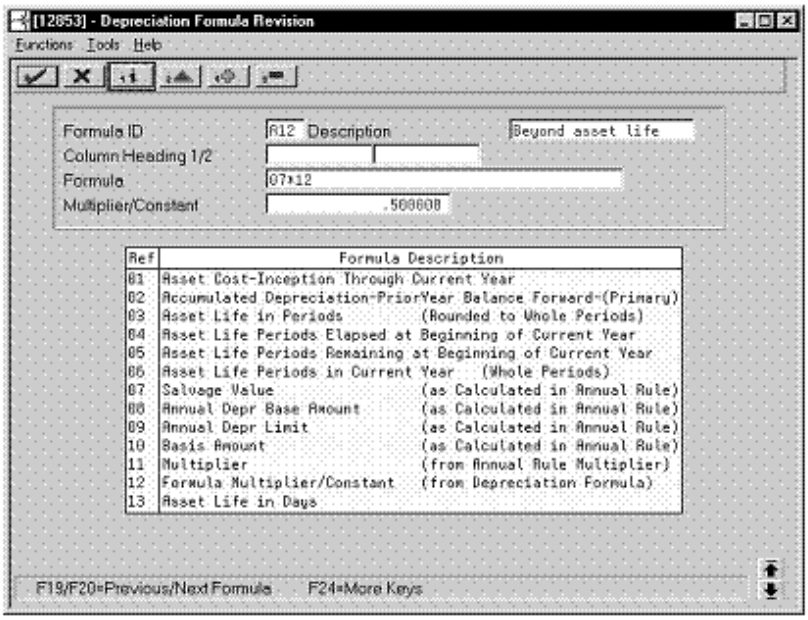


Complete the following fields with the values indicated below:

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

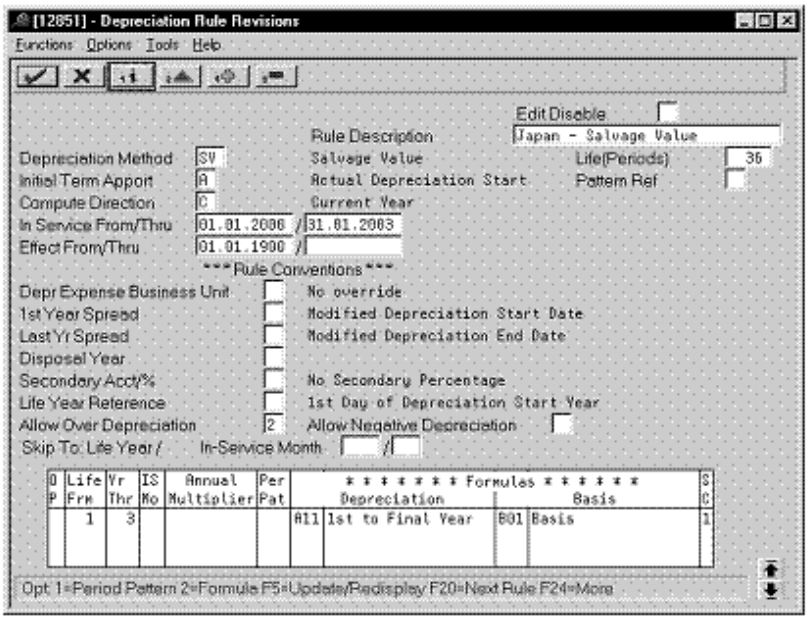
On Depreciation Rule Revisions, set up the depreciation method.

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)



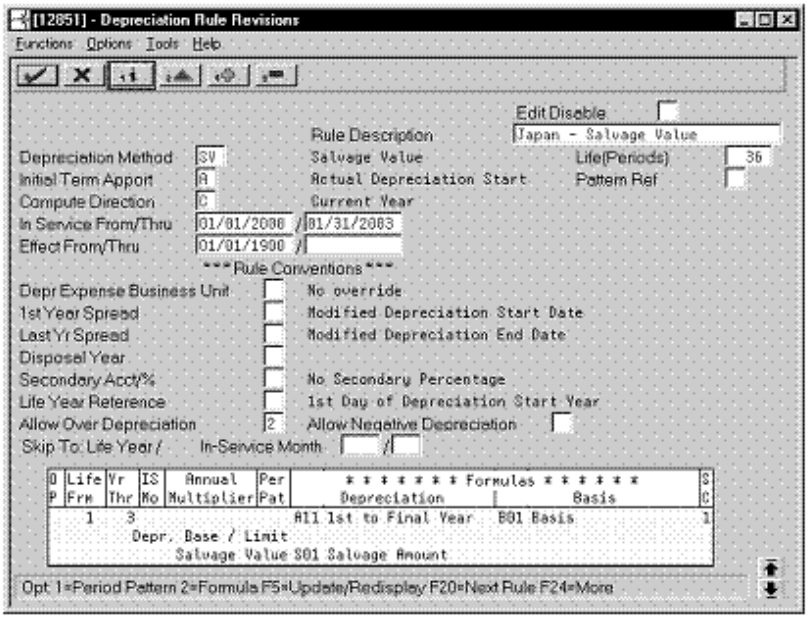
Complete the following fields with the values indicated below:

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)

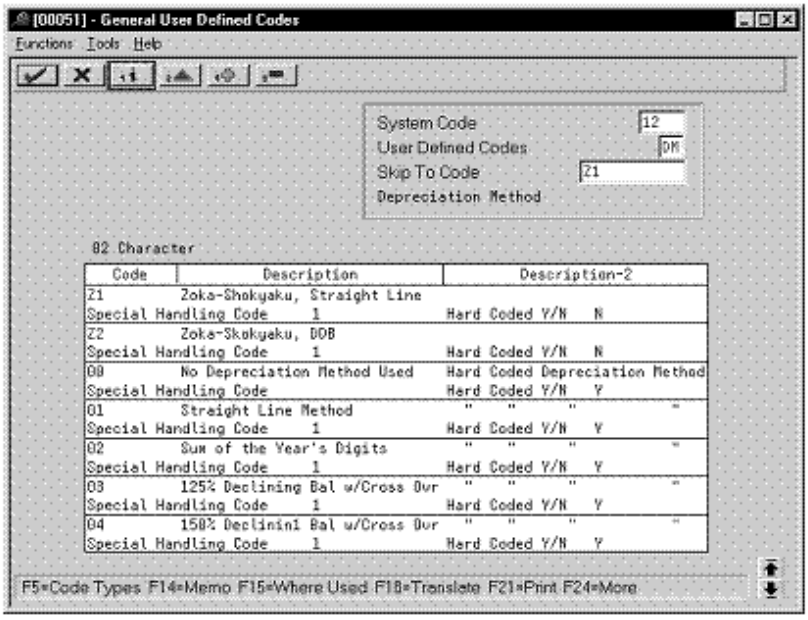
Defining this depreciation method includes the following tasks:

- 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)



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

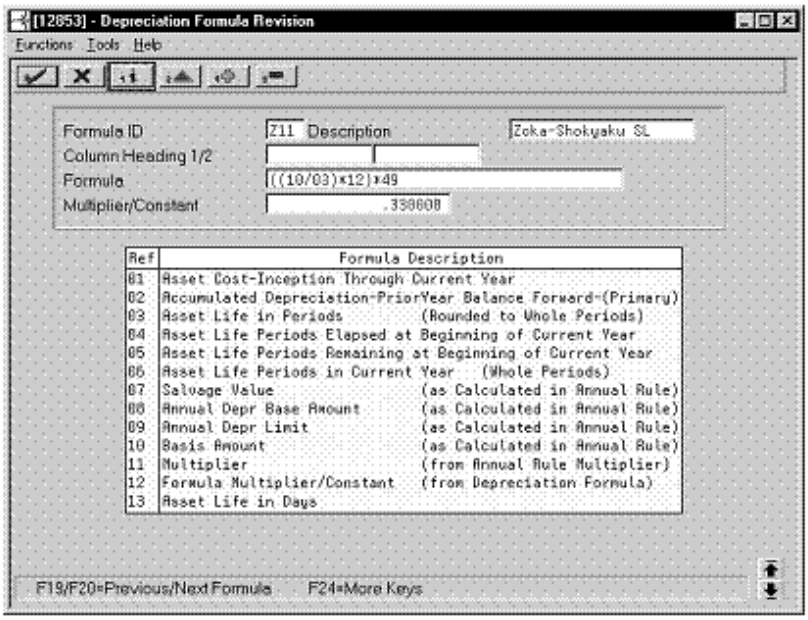
7.2.2 Setting Up Depreciation Formulas

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)

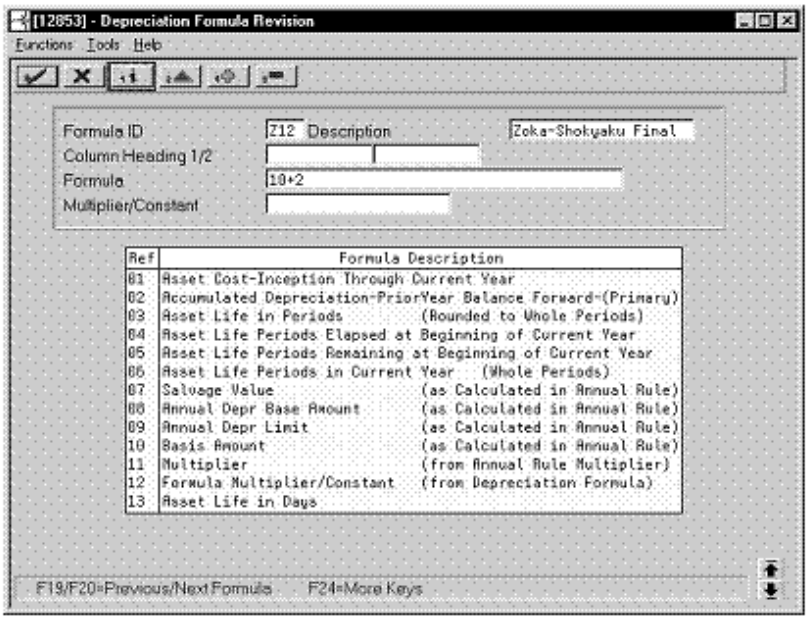


Complete the following fields with the values indicated below:

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)



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

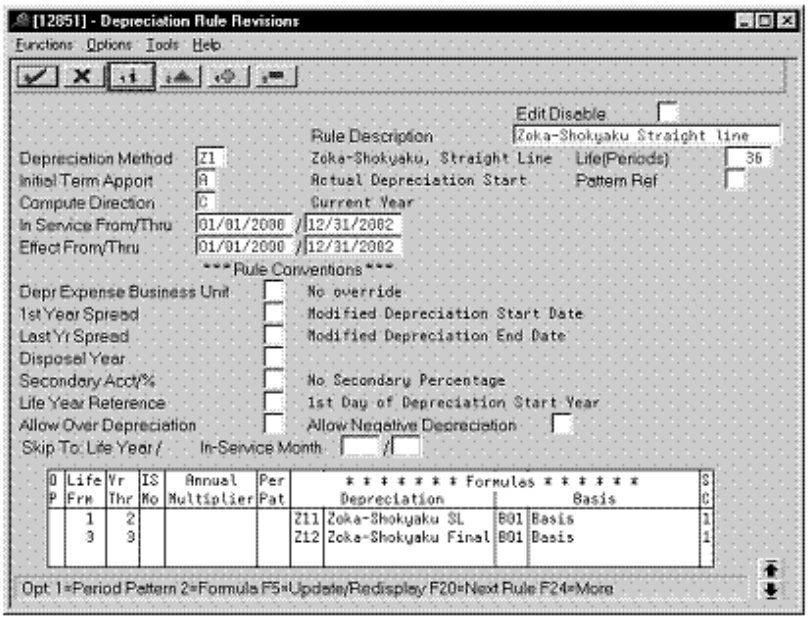
On Depreciation Rule Revisions, set up the depreciation method.

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

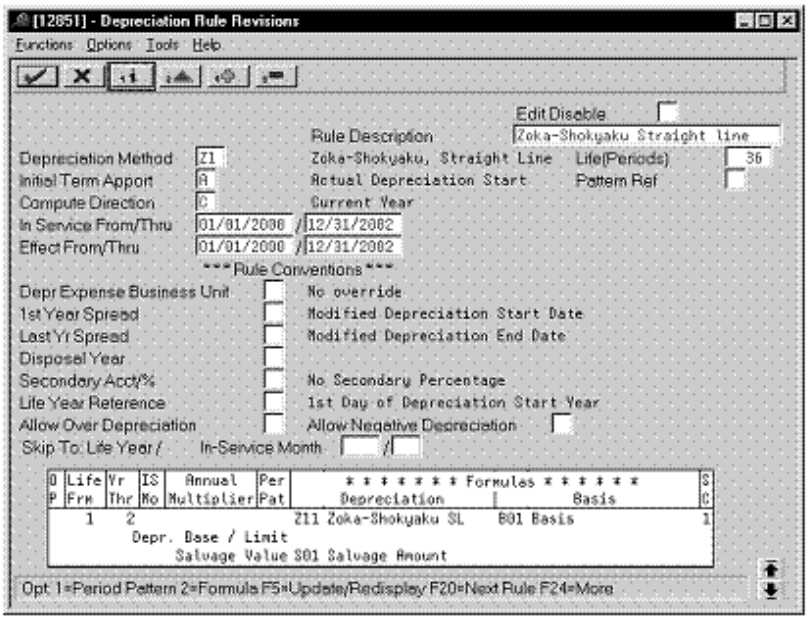
7.2.3.2 Attaching the Formulas to Depreciation Method Z1

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)

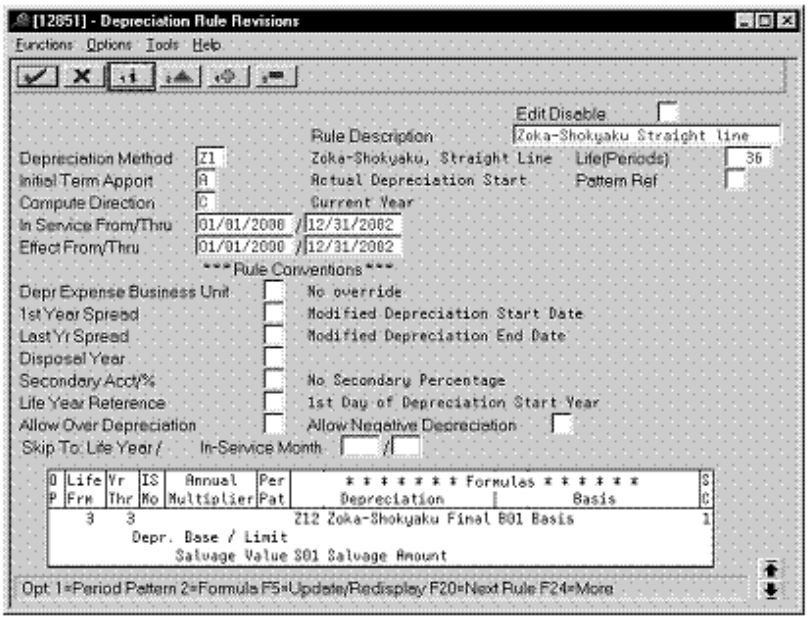


Complete the following fields with the values indicated below:

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)

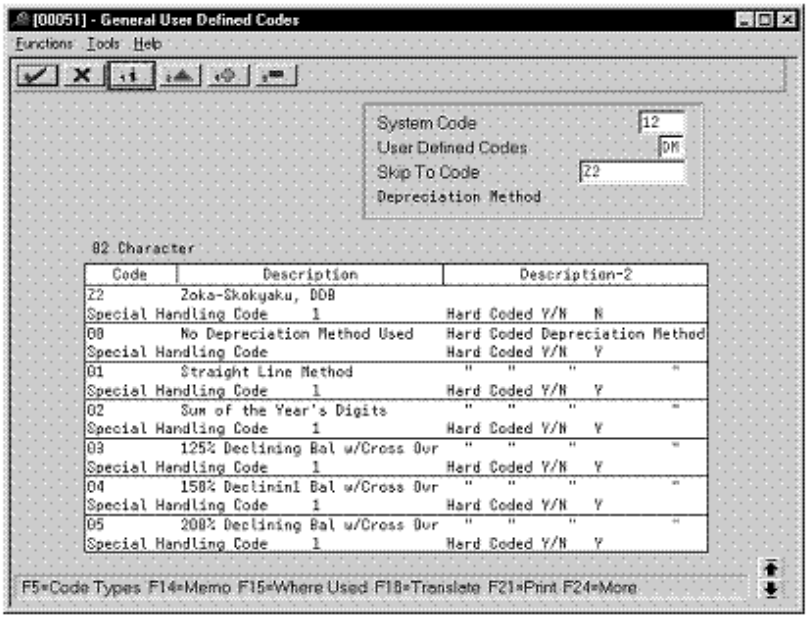
Defining this depreciation method includes the following tasks:

- 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

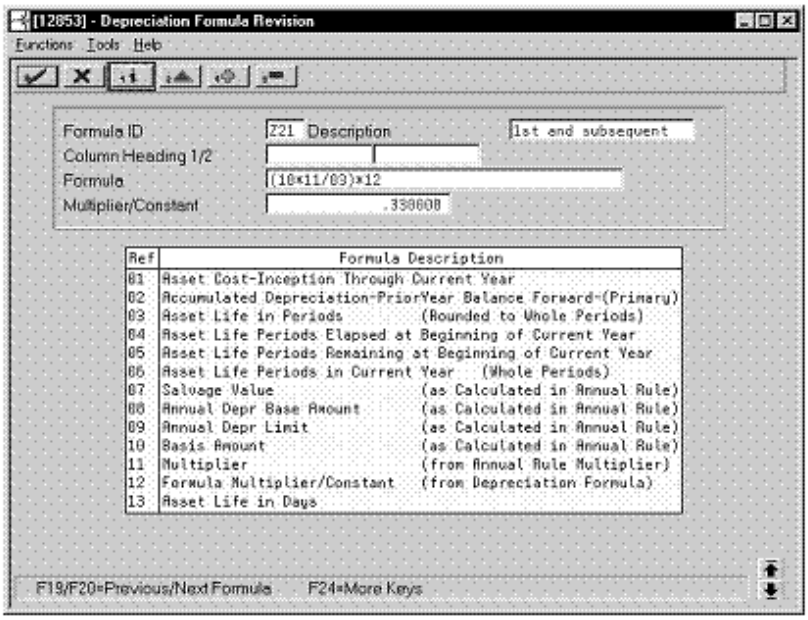
7.3.2 Setting Up Depreciation Formulas

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)

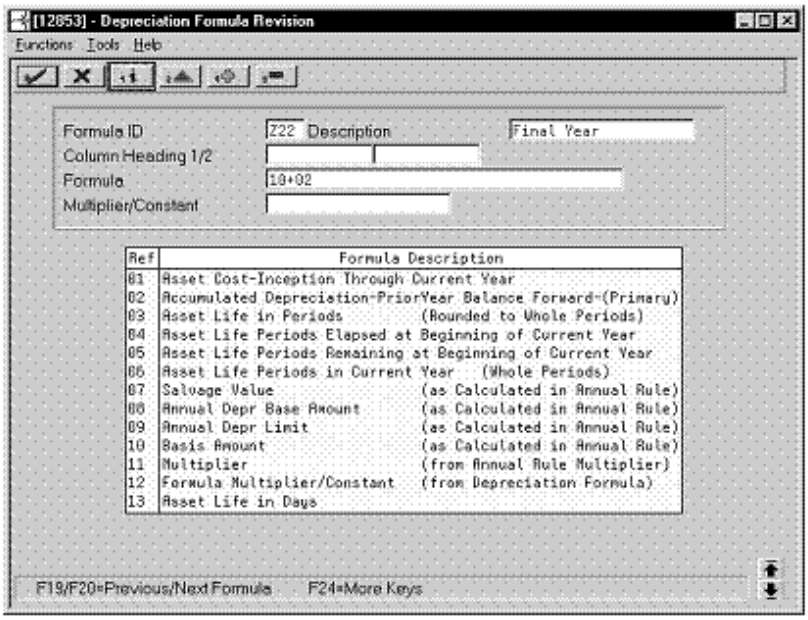


Complete the following fields with the values indicated below:

Field	Value
Formula ID	Z21
Description	1st and subsequent
Formula	(10*11/03)*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

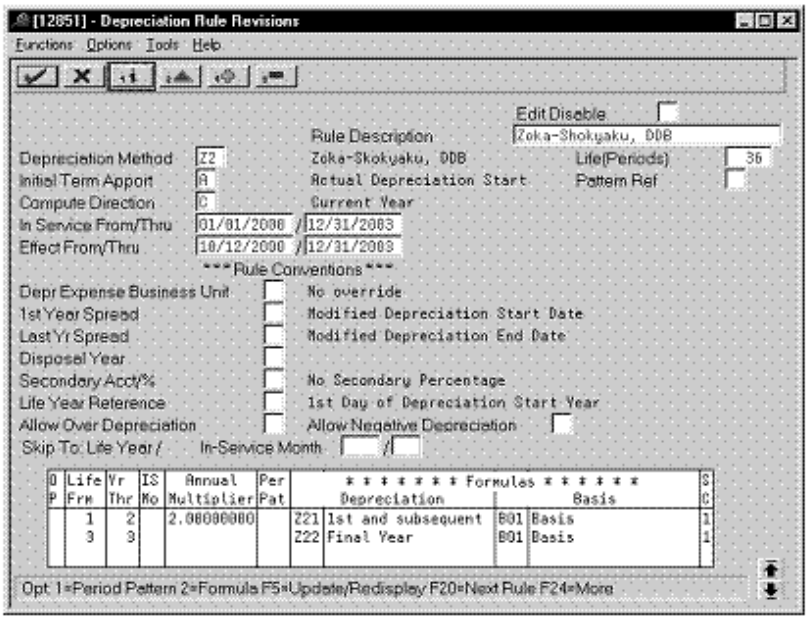
On Depreciation Rule Revisions, set up the depreciation method.

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

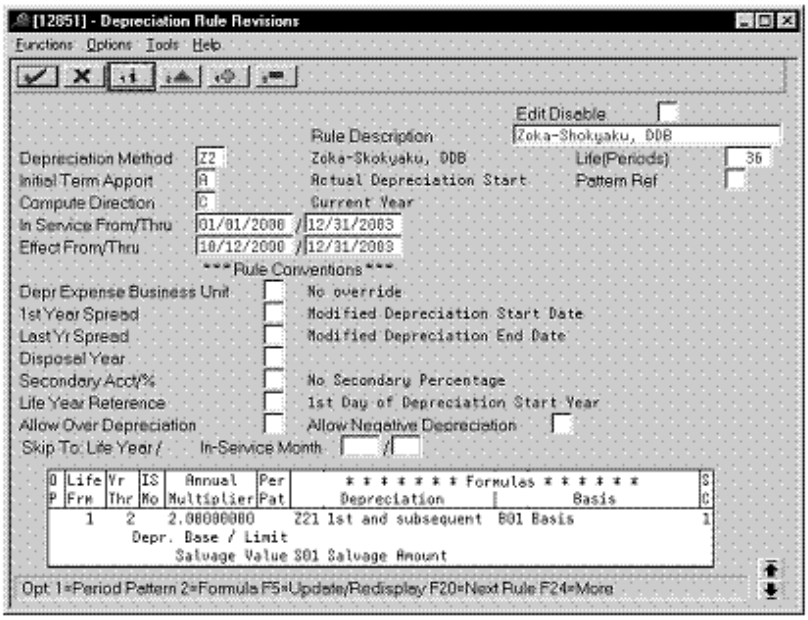
7.3.3.2 Attaching the Formulas to Depreciation Method Z2

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)

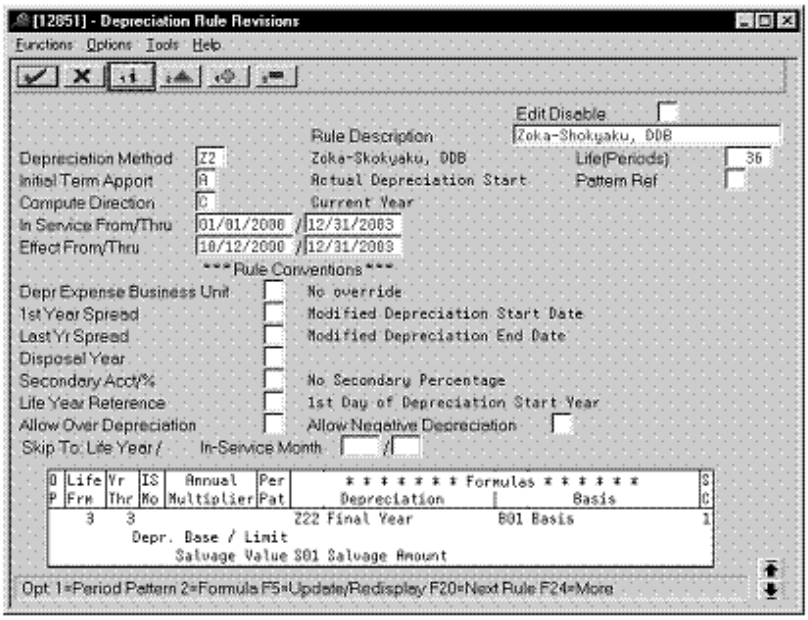


Complete the following fields with the values indicated below:

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)

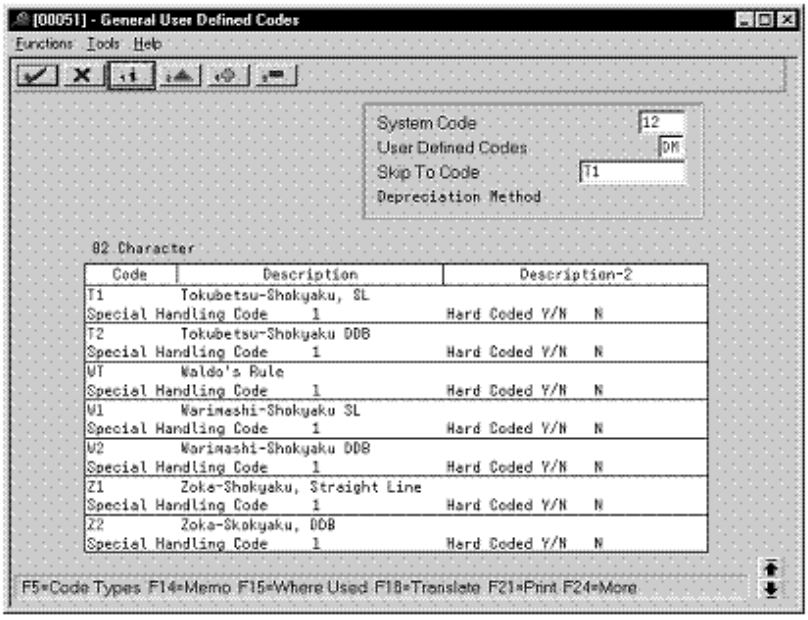
Defining this depreciation method includes the following tasks:

- 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)



Complete the following fields with the values indicated below:

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

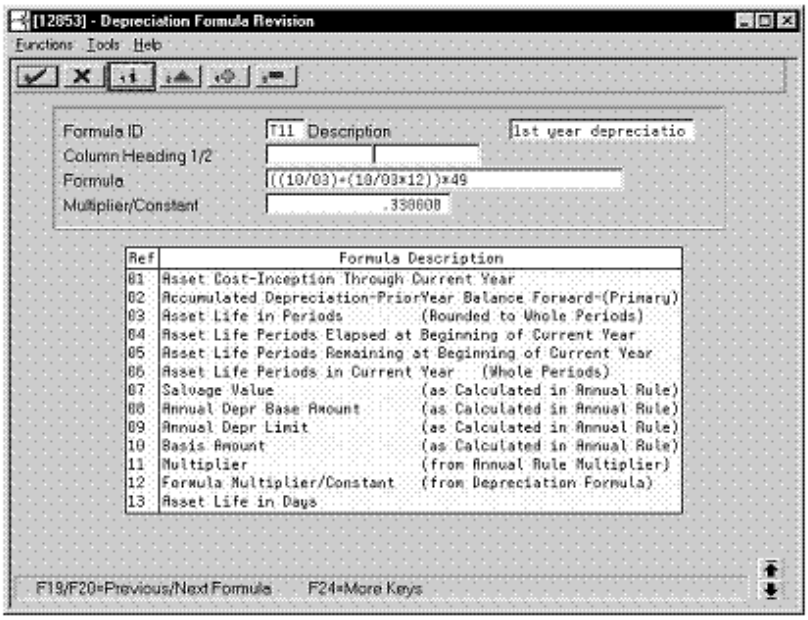
7.4.2 Setting Up Depreciation Formulas

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)

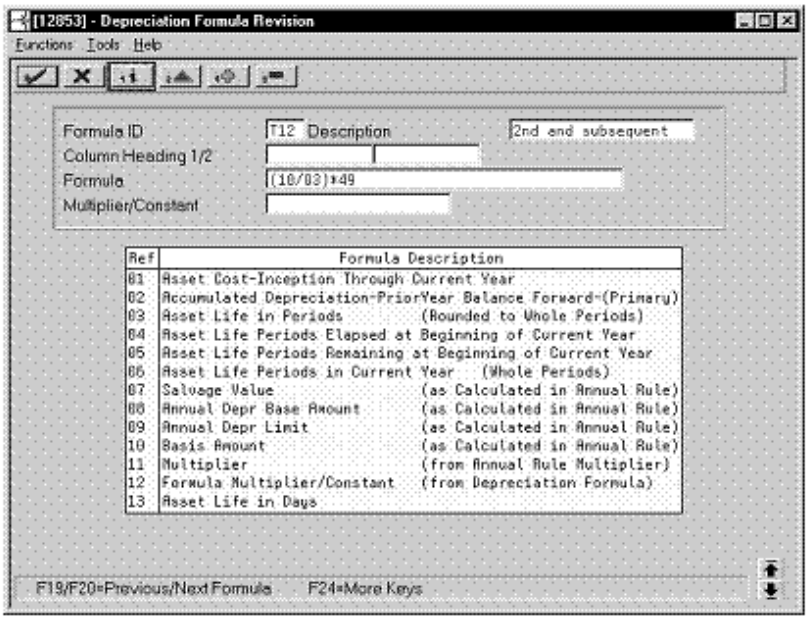


Complete the following fields with the values indicated below:

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)

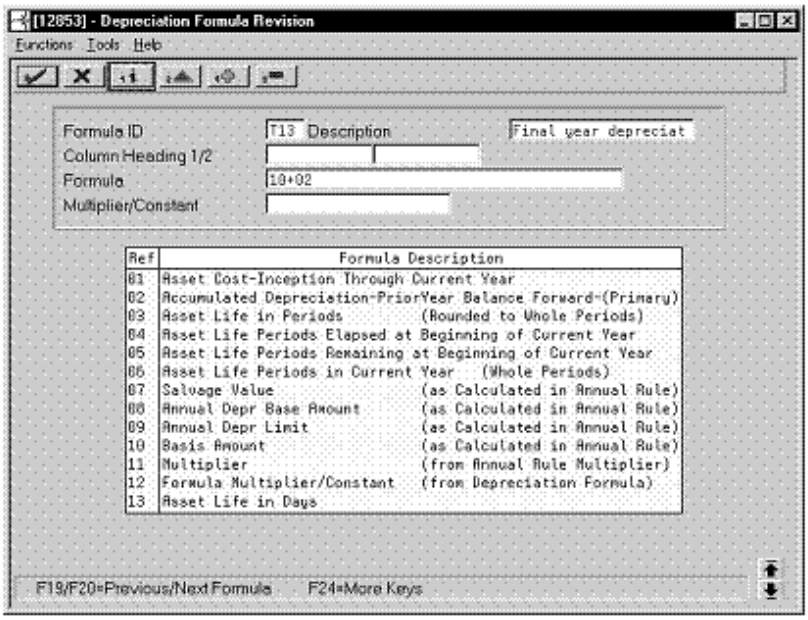


Complete the following fields with the values indicated below:

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)



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

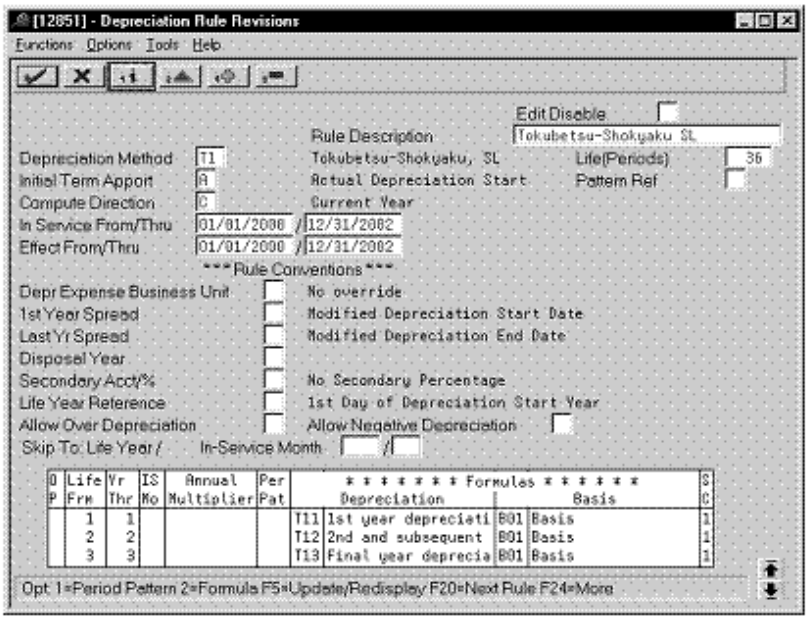
On Depreciation Rule Revisions, set up the depreciation method.

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)



Complete the following fields with the values indicated below:

Field	Value
Depreciation Method	T1
Rule Description	Tokubetsu-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

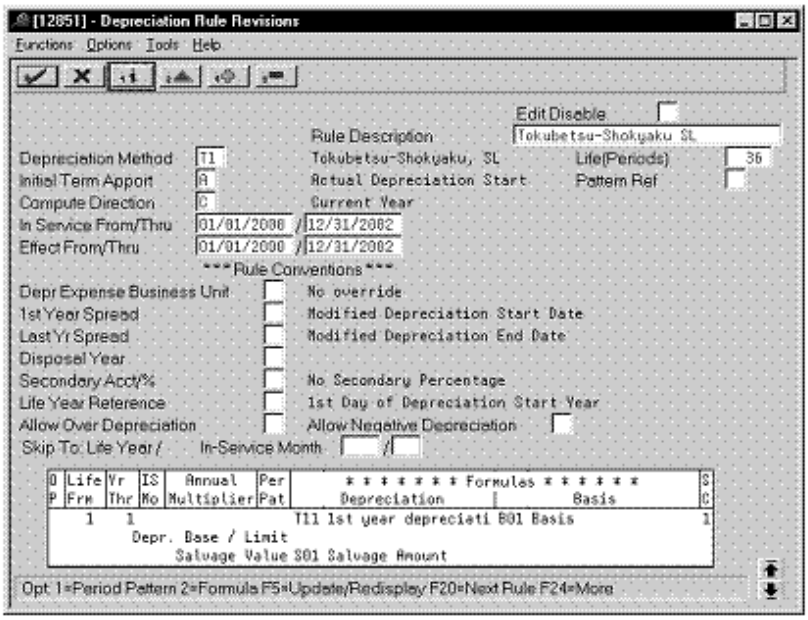
7.4.3.2 Attaching the Formulas to Depreciation Method T1

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)

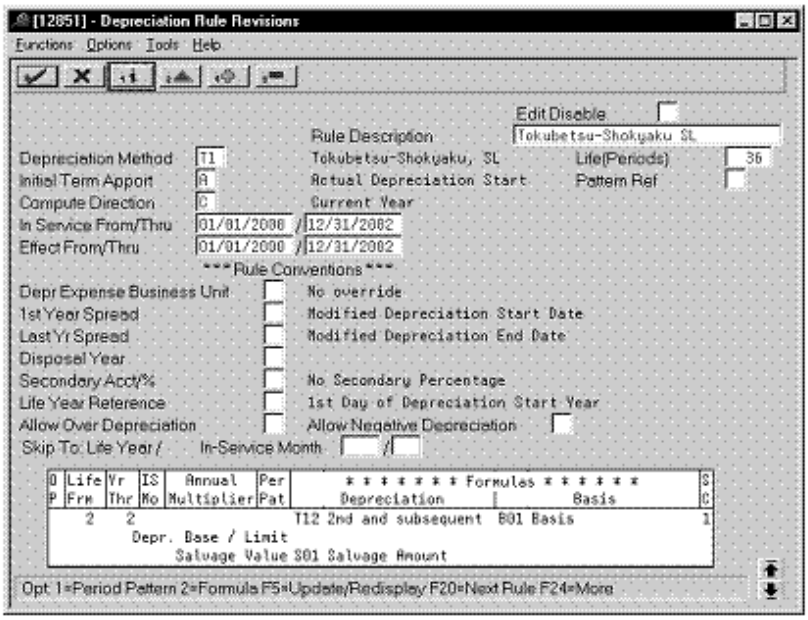


Complete the following fields with the values indicated below:

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)

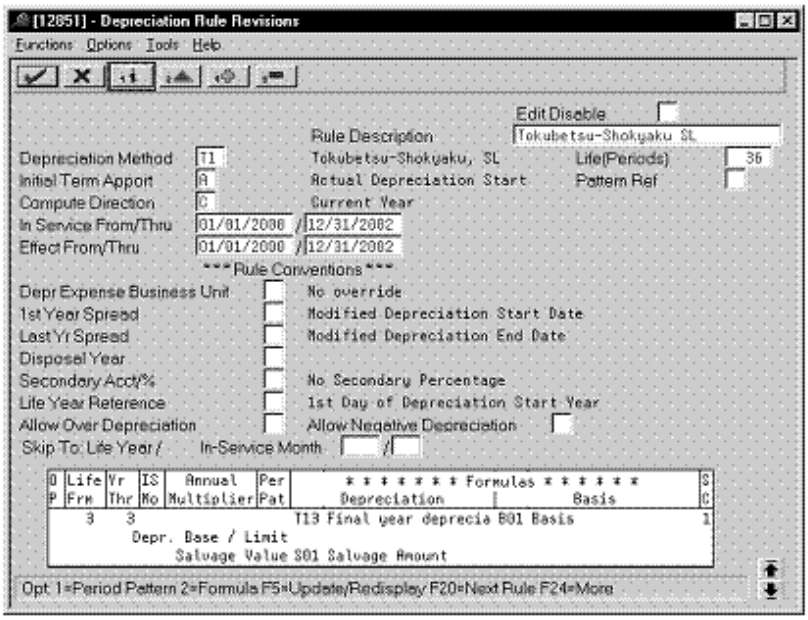


Complete the following fields with the values indicated below:

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)

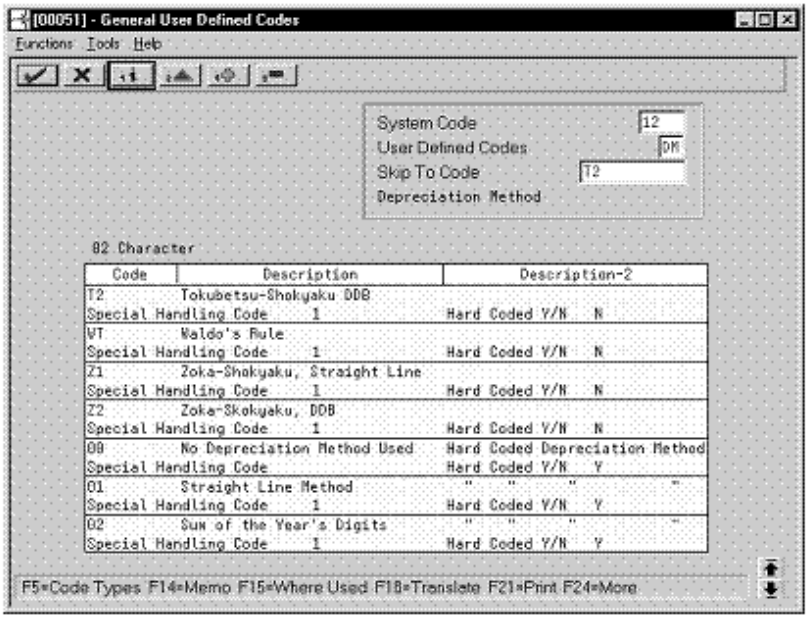
Defining this depreciation method includes the following tasks:

- 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)



Complete the following fields with the values indicated below:

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

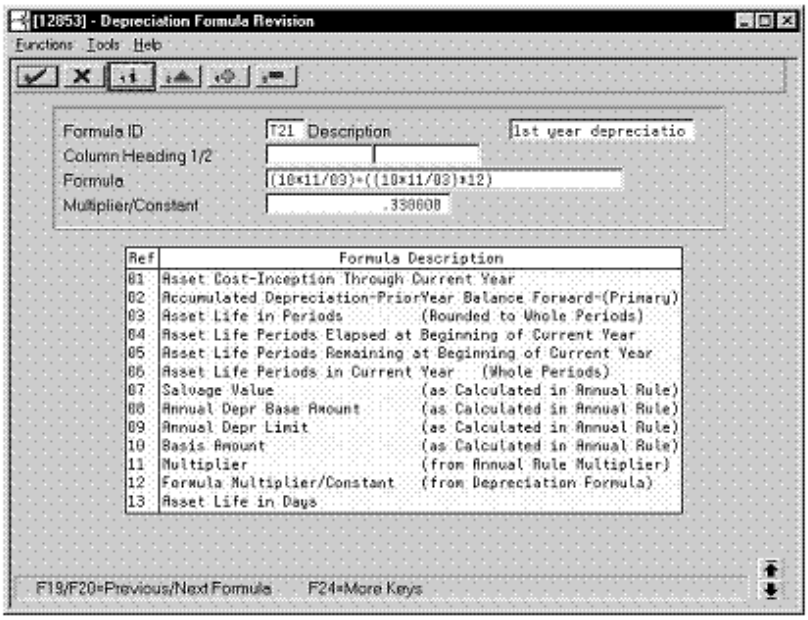
7.5.2 Setting Up Depreciation Formulas

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)

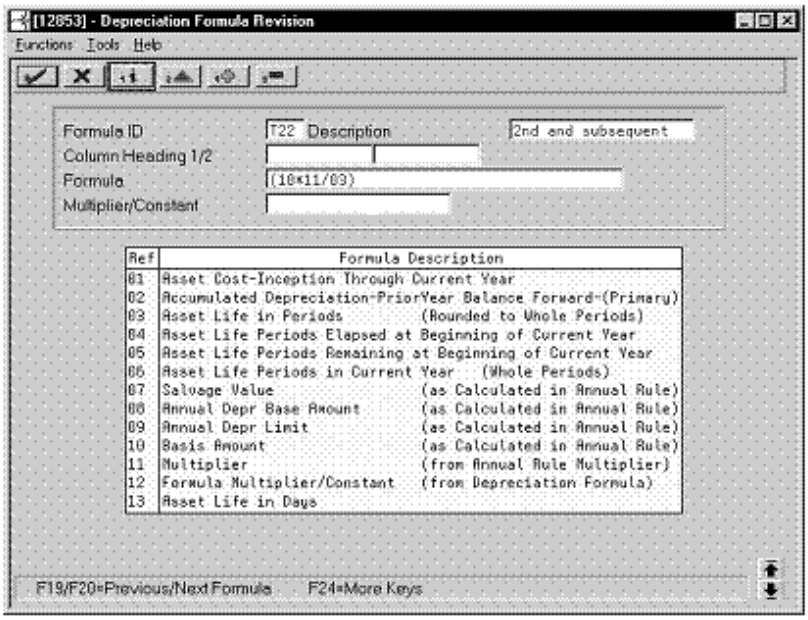


Complete the following fields with the values indicated below:

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)

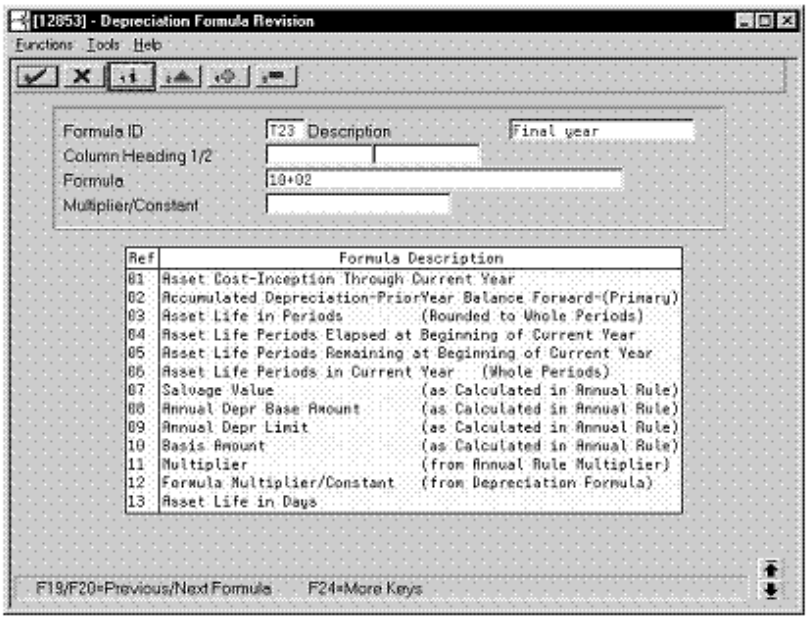


Complete the following fields with the values indicated below:

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)



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

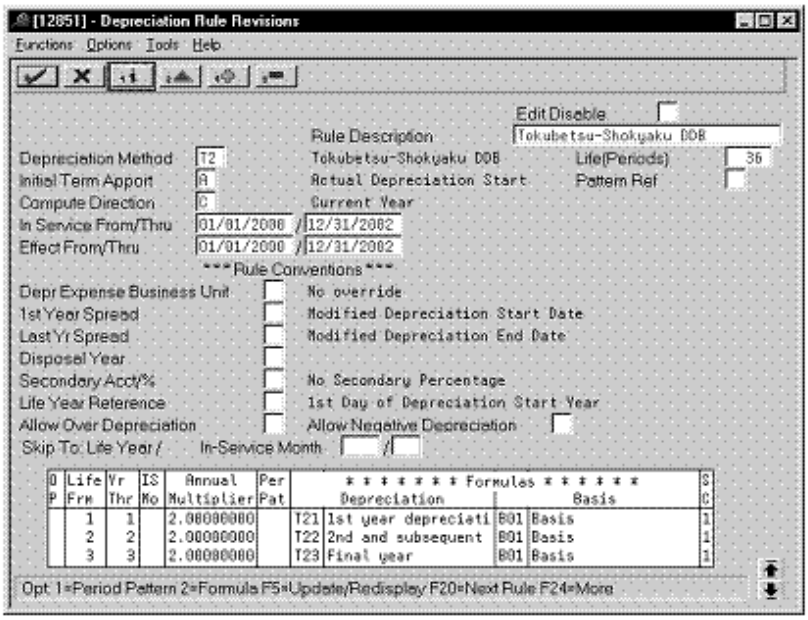
On Depreciation Rule Revisions, set up the depreciation method.

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)



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

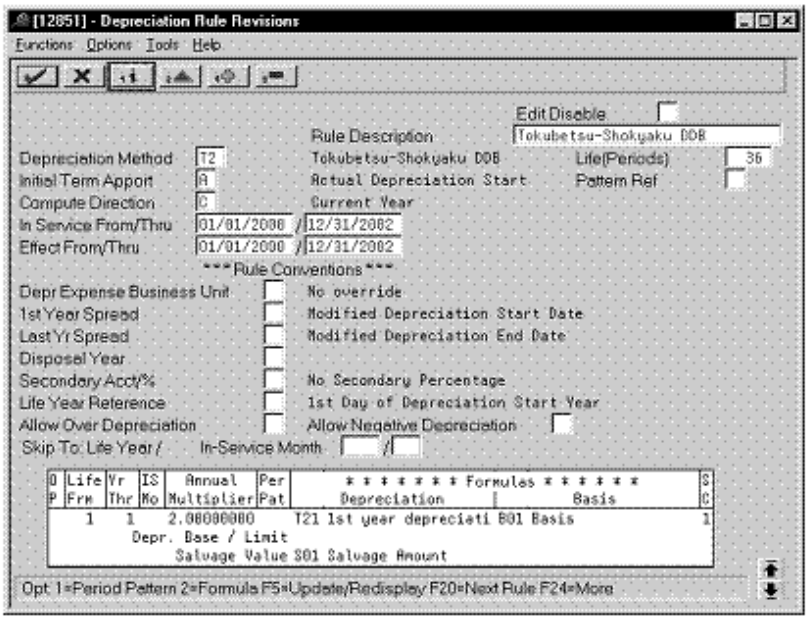
7.5.3.2 Attaching the Formulas to Depreciation Method T2

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)

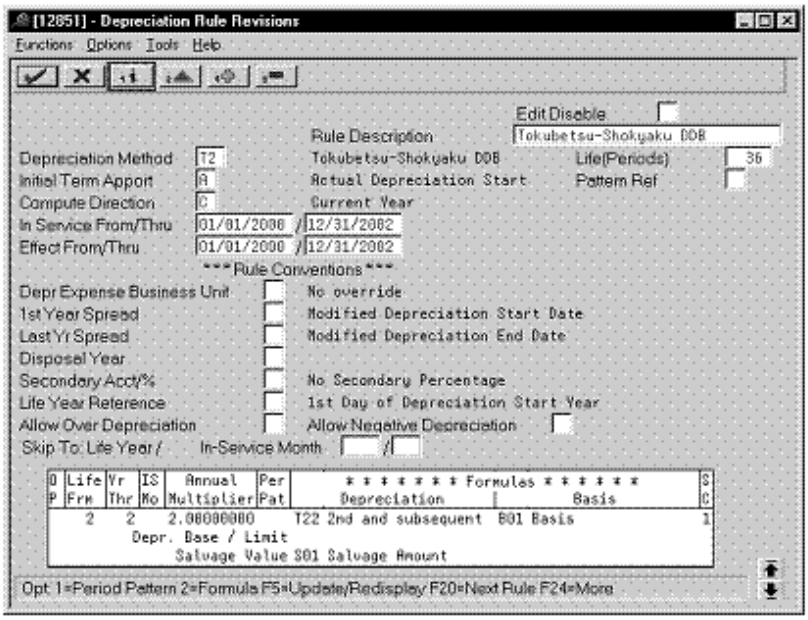


Complete the following fields with the values indicated below:

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)

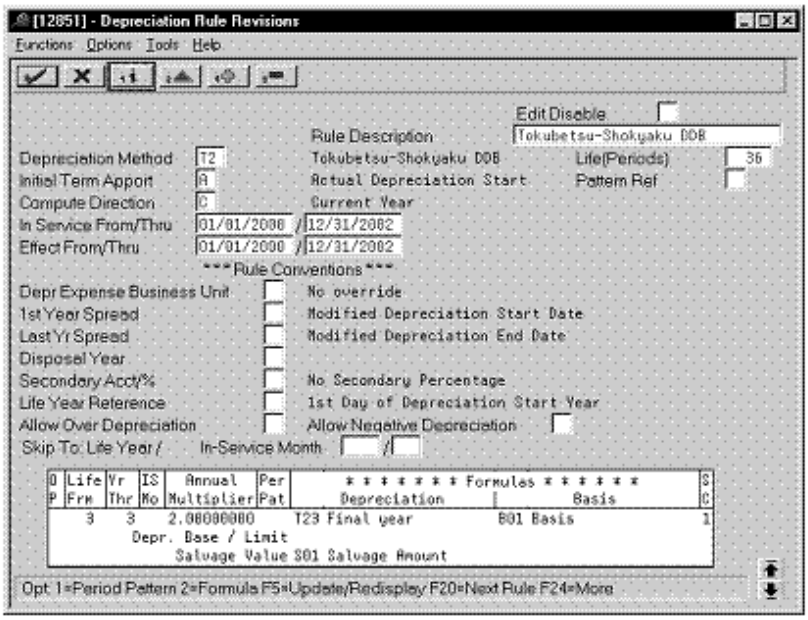


Complete the following fields with the values indicated below:

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)

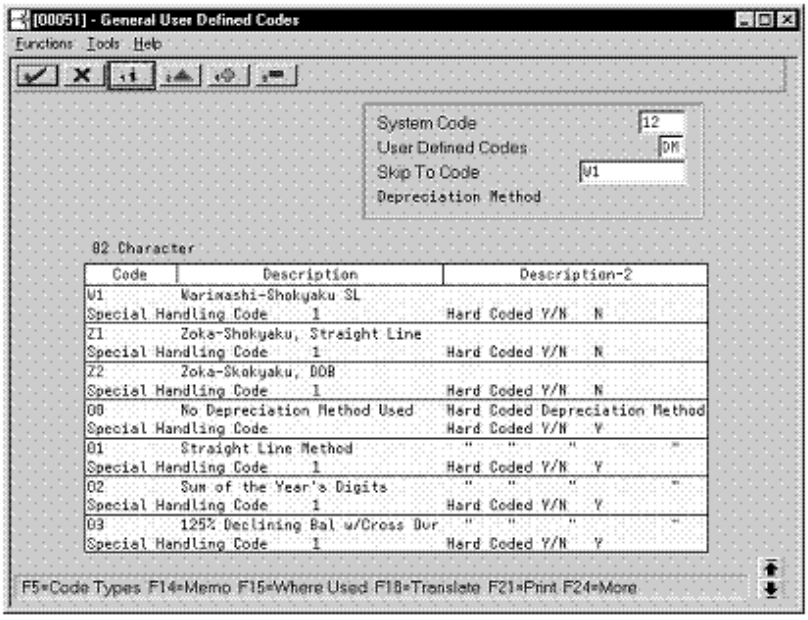
Defining this depreciation method includes the following tasks:

- 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)



Complete the following fields with the values indicated:

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

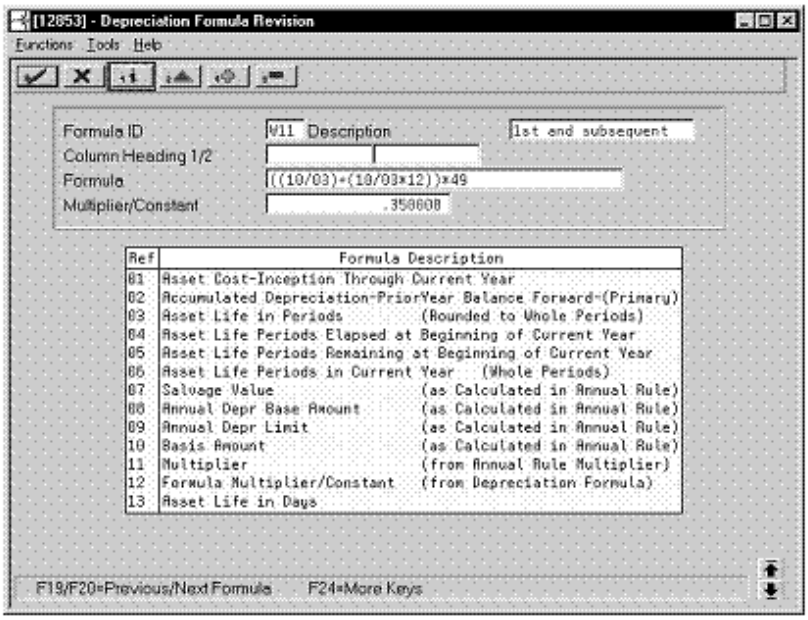
7.6.2 Setting Up Depreciation Formulas

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)

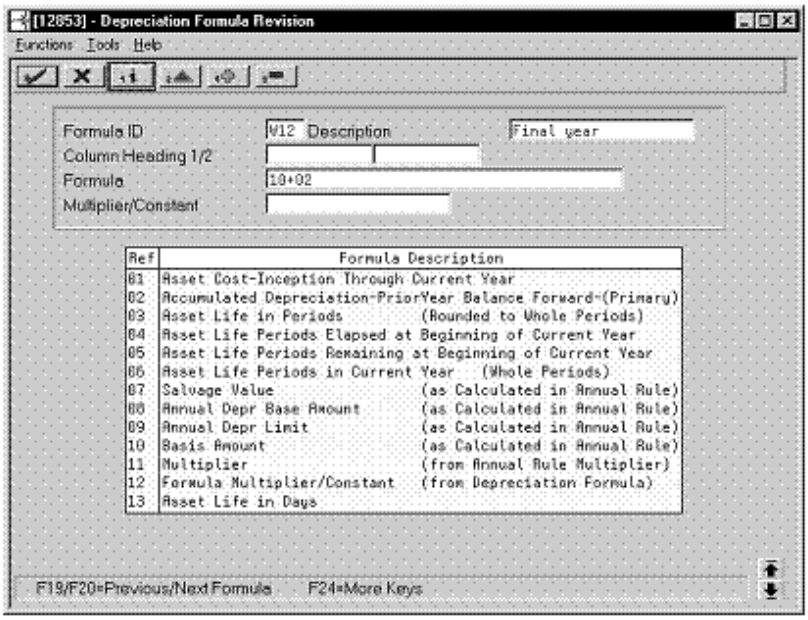


Complete the following fields with the values indicated below:

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)



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

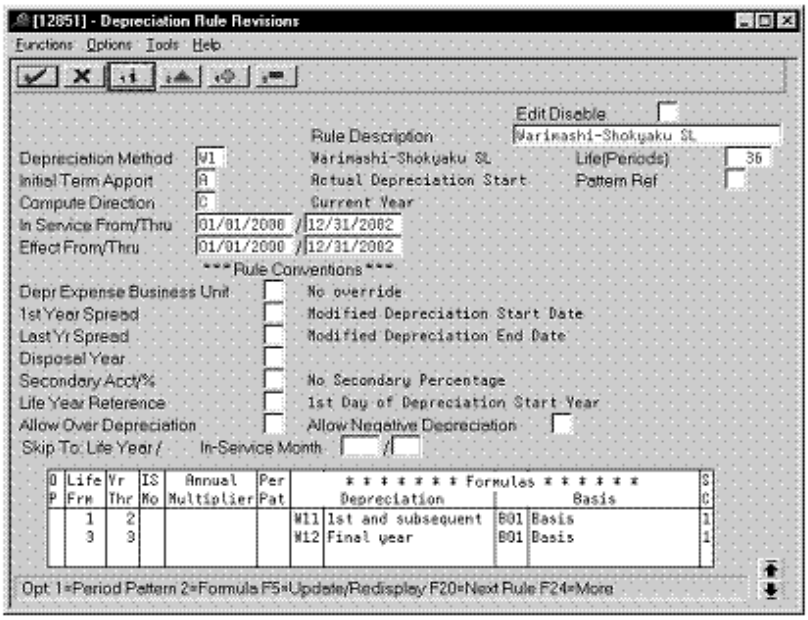
On Depreciation Rule Revisions, set up the depreciation method.

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

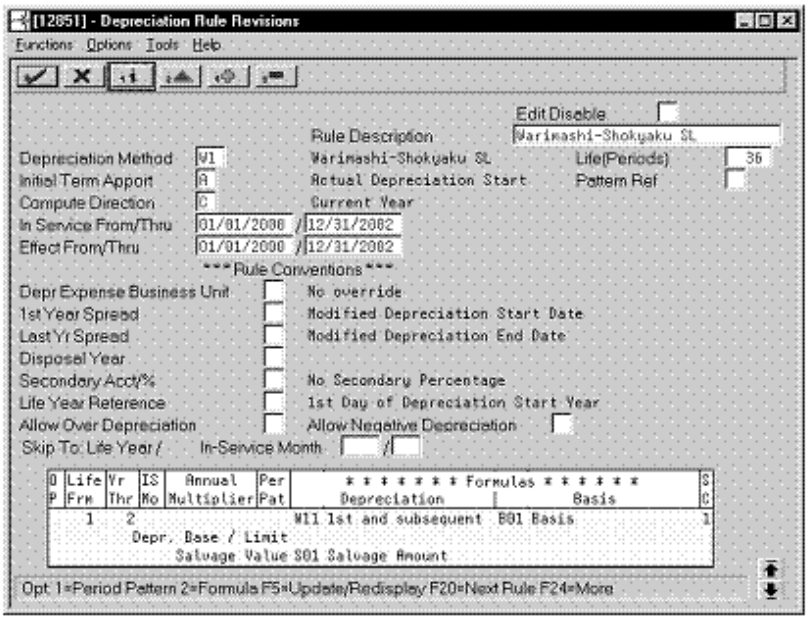
7.6.3.2 Attaching the Formulas to Depreciation Method W1

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)

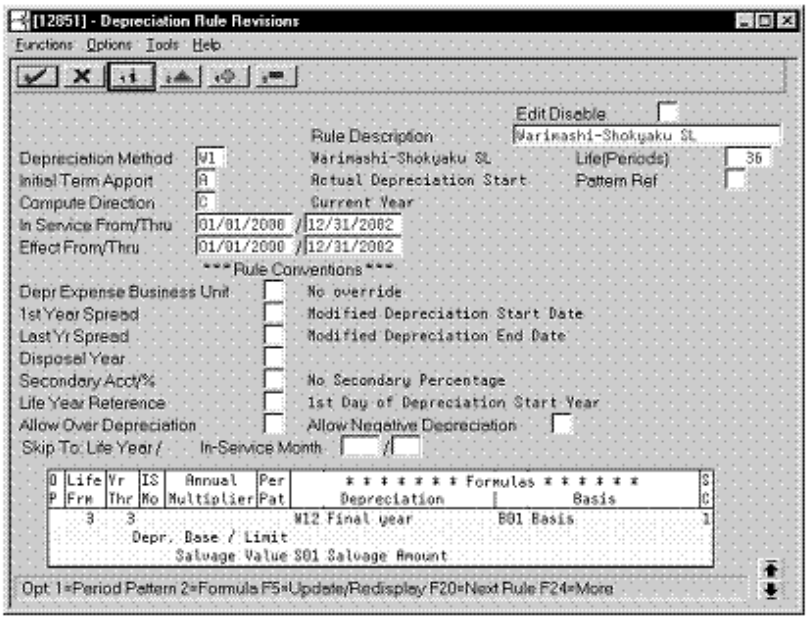


Complete the following fields with the values indicated below:

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)

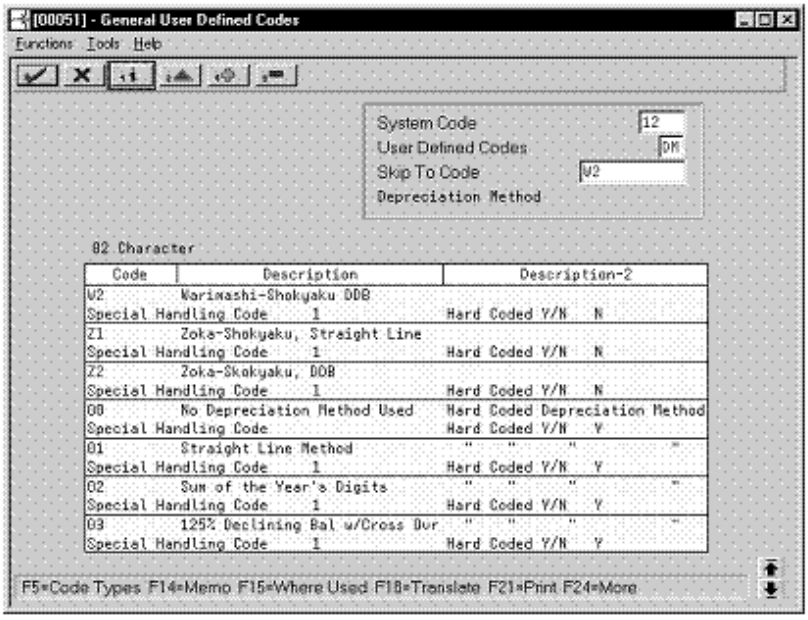
Defining this depreciation method includes the following tasks:

- 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)



Complete the following fields with the values indicated below:

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

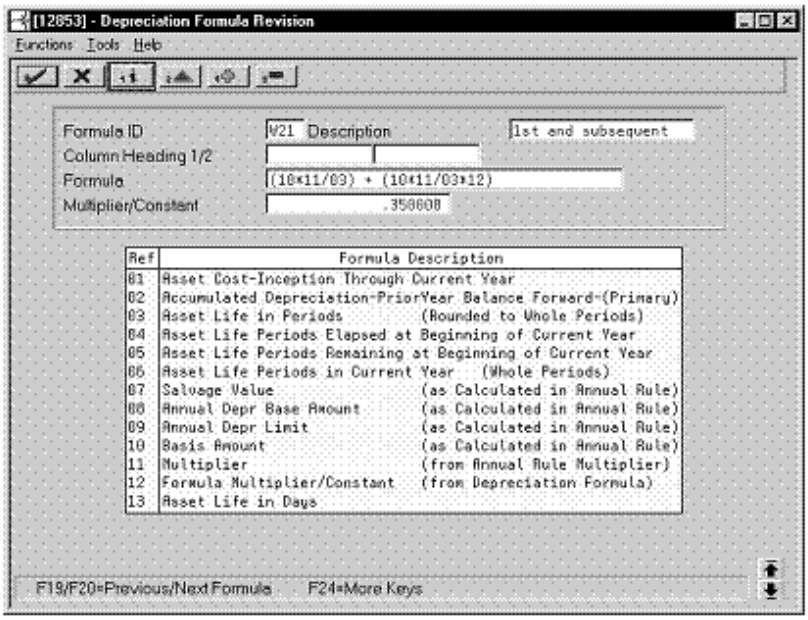
7.7.2 Setting Up Depreciation Formulas

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)

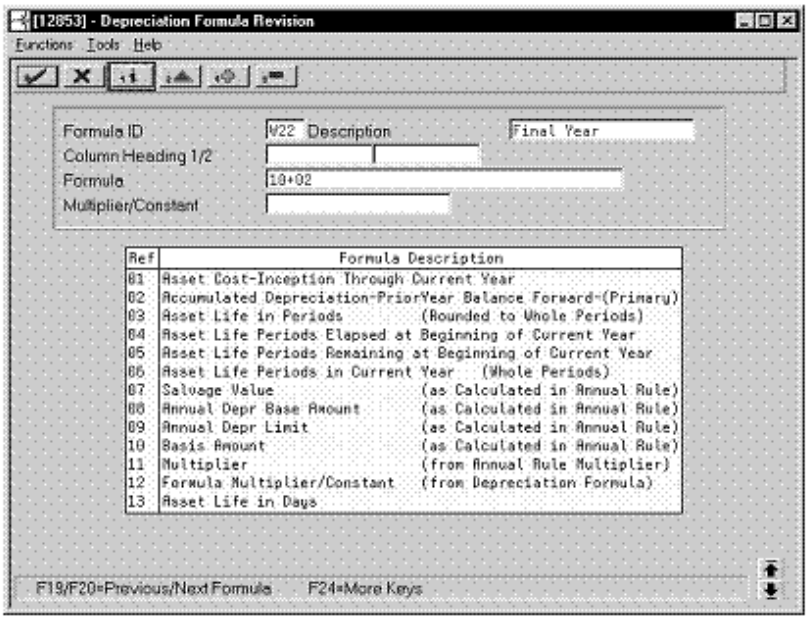


Complete the following fields with the values indicated below:

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

Final Year Depreciation

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



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

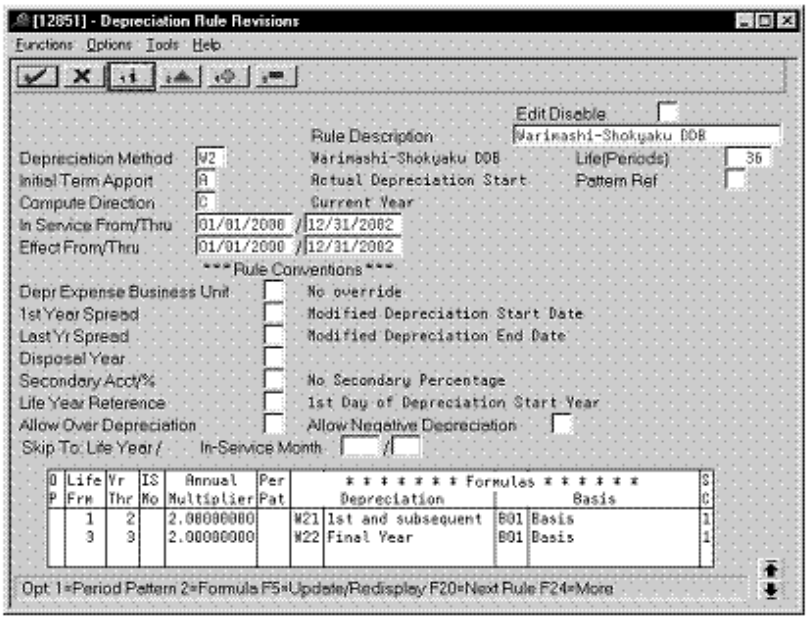
On Depreciation Rule Revisions, set up the depreciation method.

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

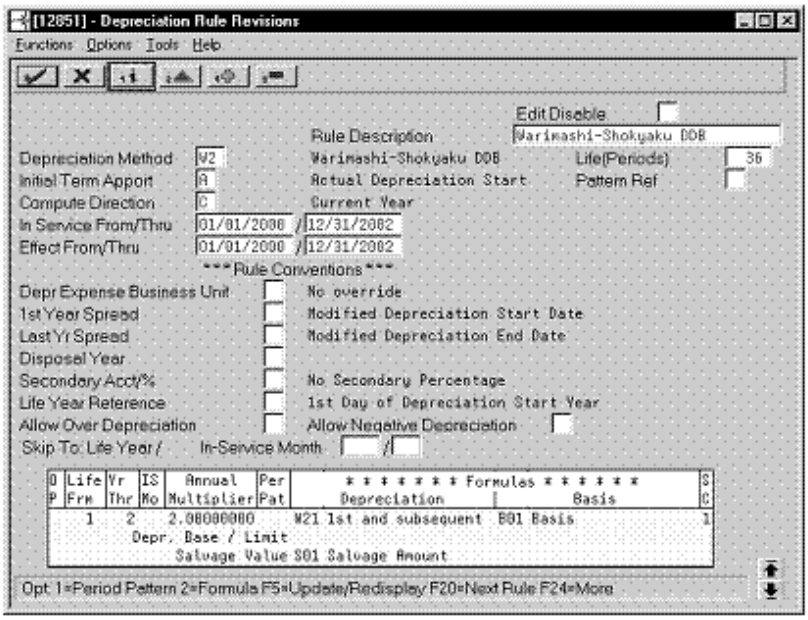
7.7.3.2 Attaching the Formulas to Depreciation Method W2

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)

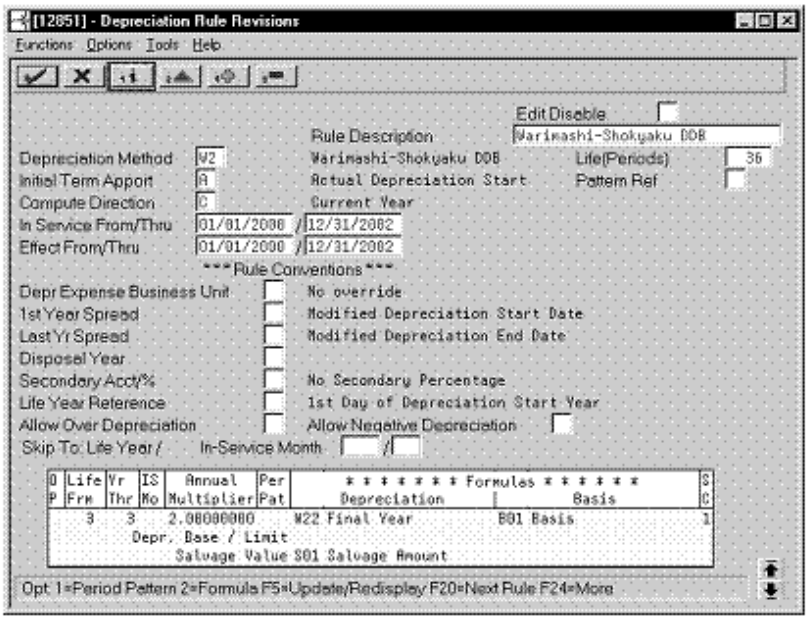


Complete the following fields with the values indicated below:

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

8

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)."

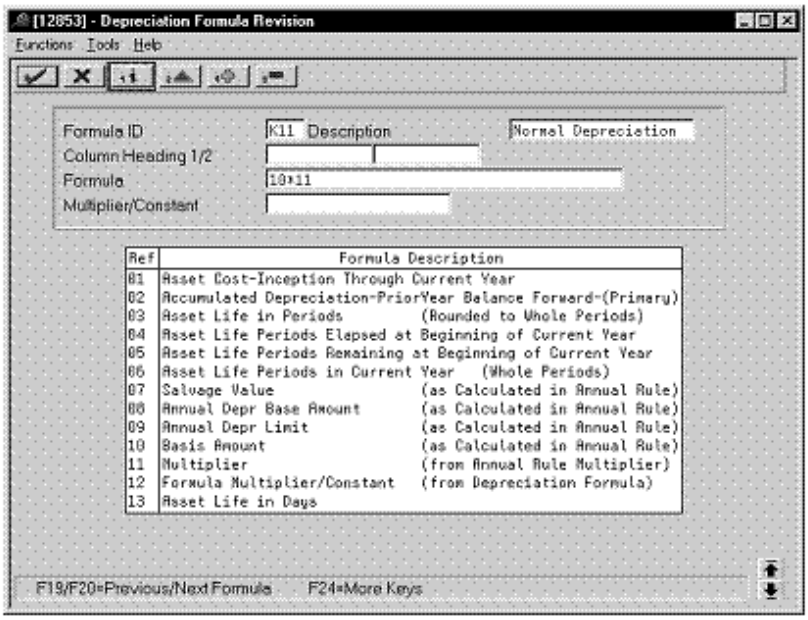
8.1 Frequently Used Depreciation Formulas

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)

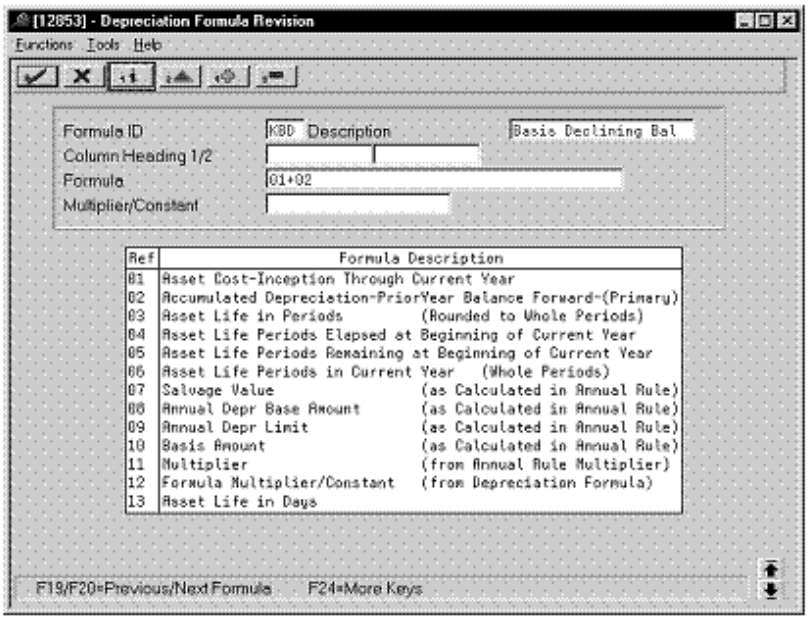


Complete the following fields with the values indicated below:

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)

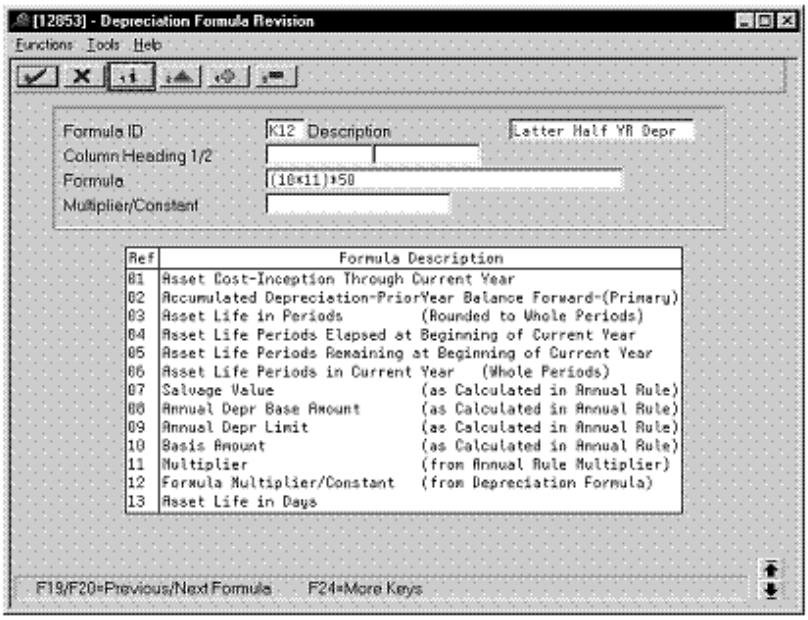


Complete the following fields with the values indicated below:

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)

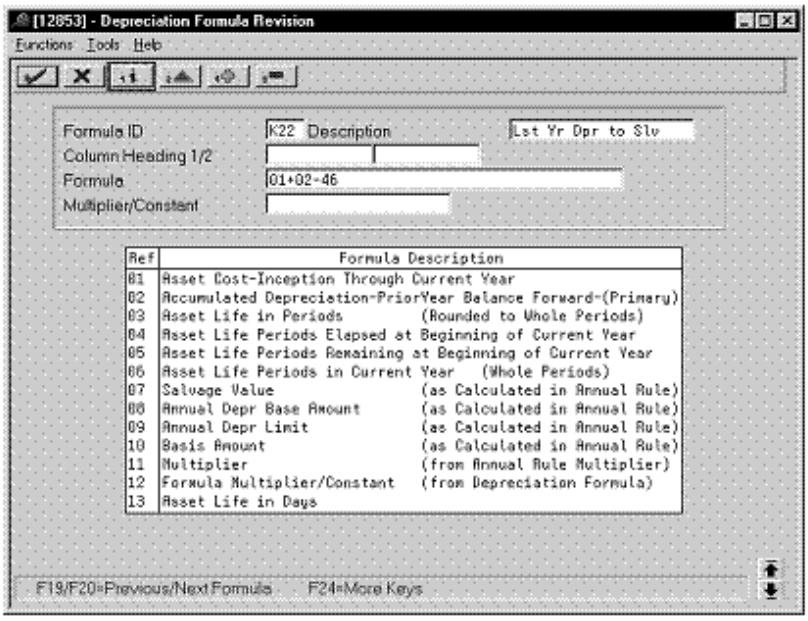


Complete the following fields with the values indicated below:

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)



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)

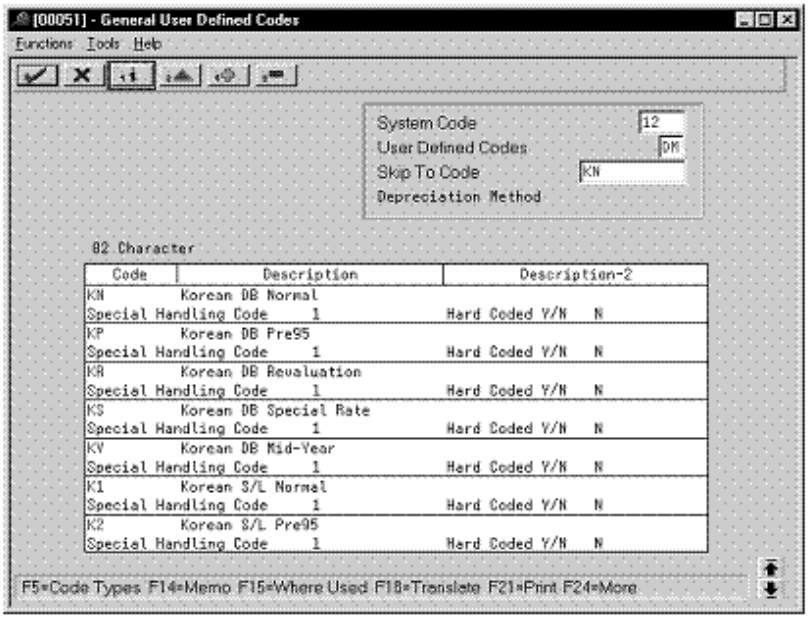
Defining this depreciation method includes the following tasks:

- 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

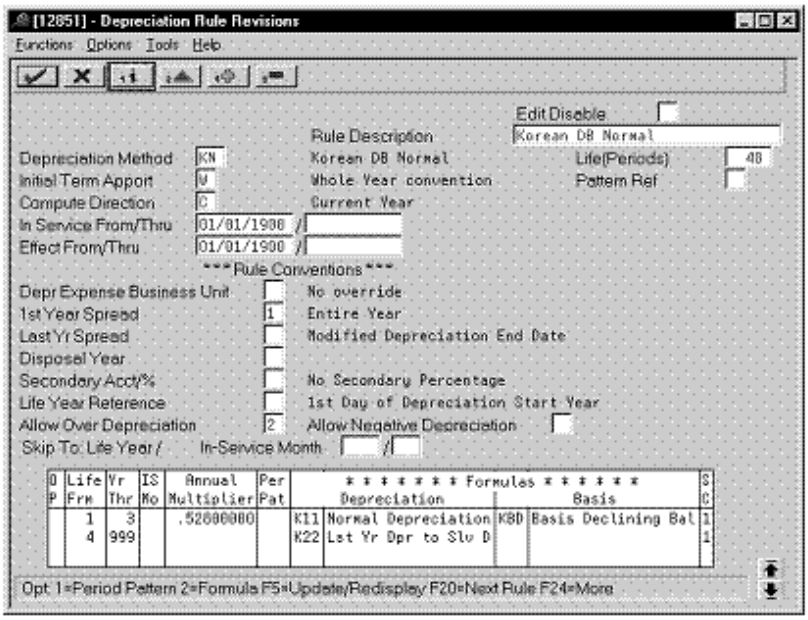
On Depreciation Rule Revisions, set up the depreciation method.

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)



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

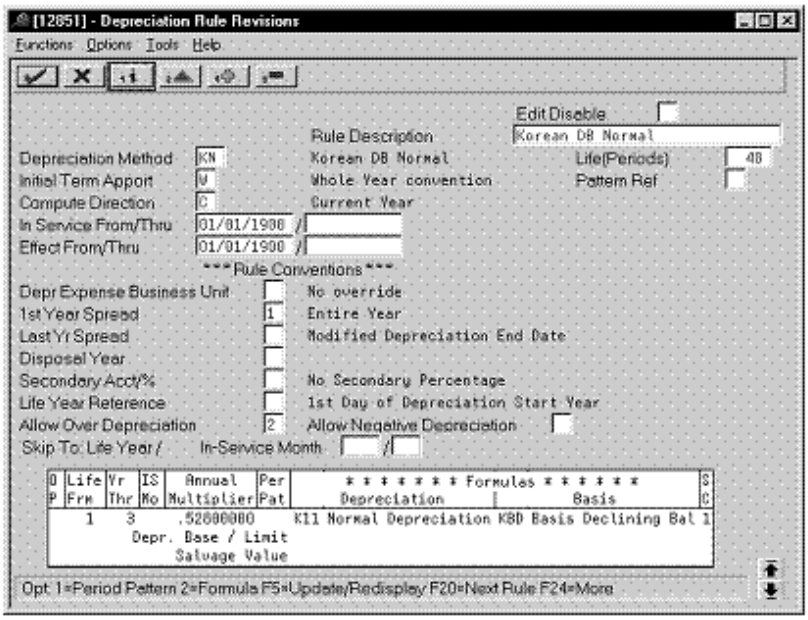
8.2.2.2 Attaching the Formulas to Depreciation Method KN

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)

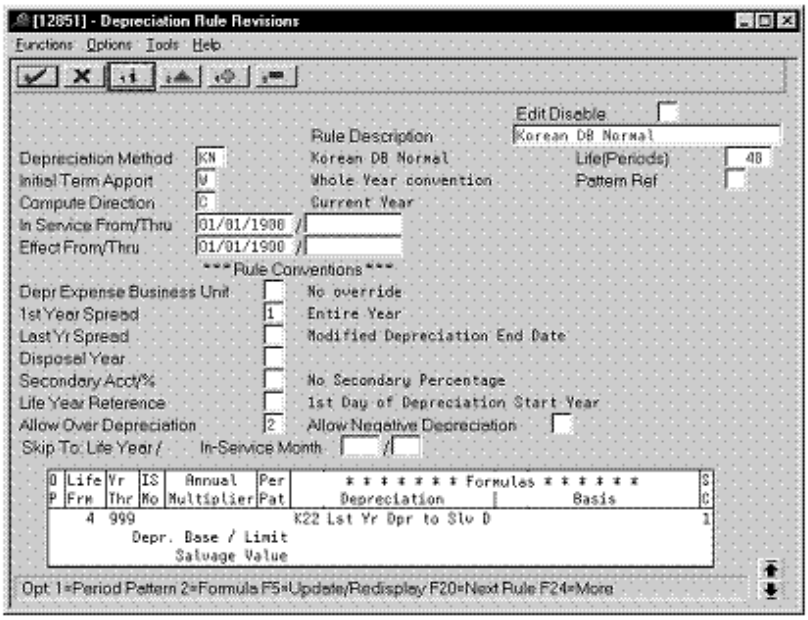


Complete the following fields with the values indicated below:

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)

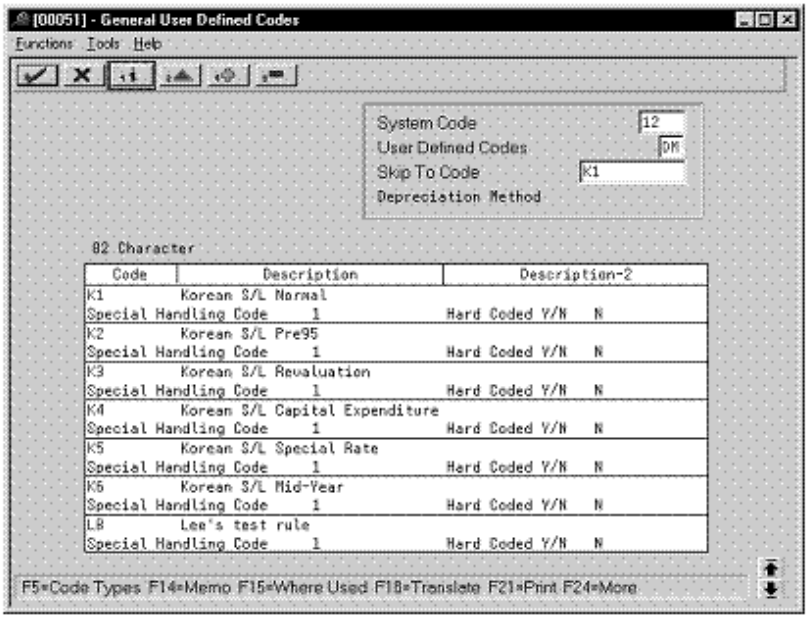
Defining this depreciation method includes the following tasks:

- 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

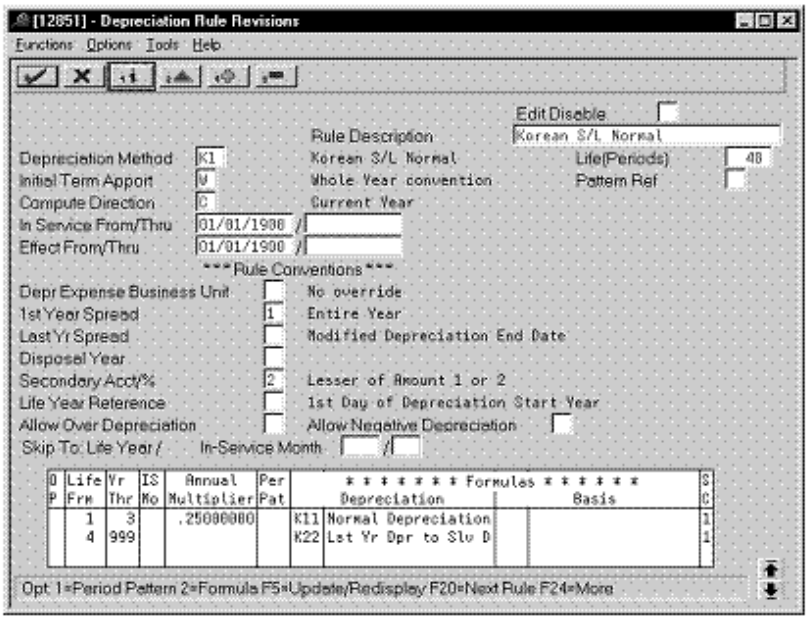
On Depreciation Rule Revisions, set up the depreciation method.

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)



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

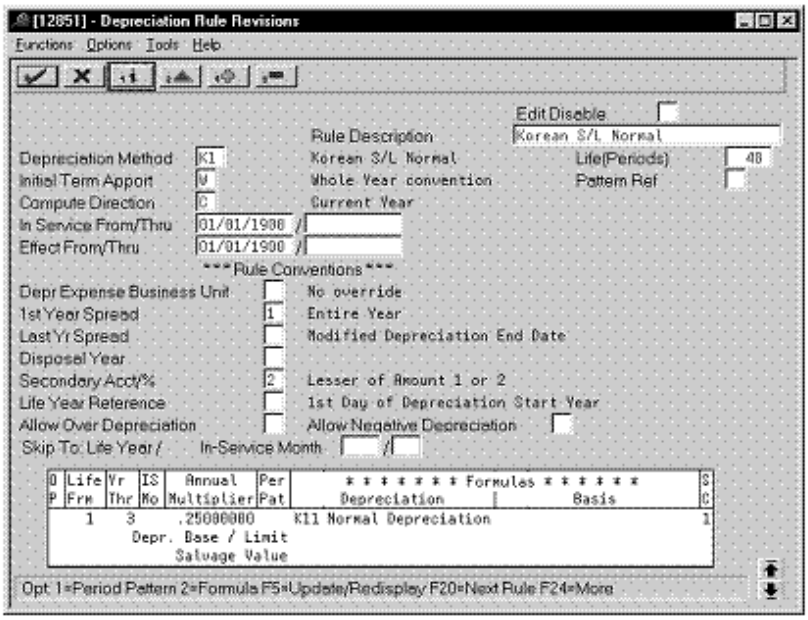
8.3.2.2 Attaching the Formulas to Depreciation Method K1

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)

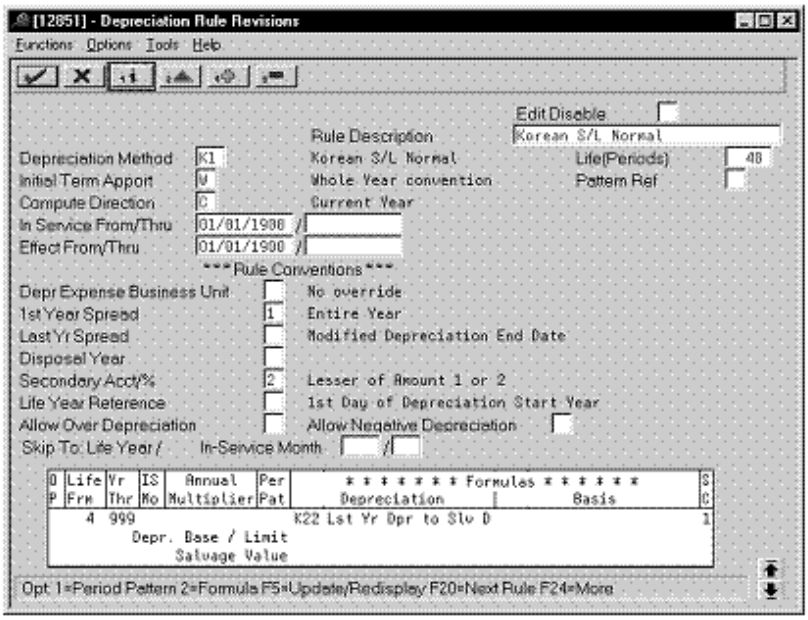


Complete the following fields with the values indicated below:

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)

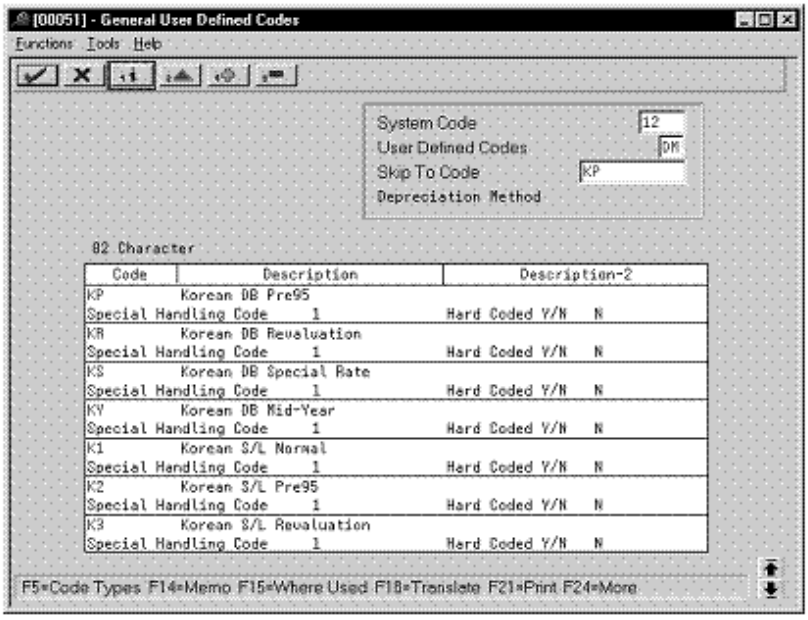
Defining this depreciation method includes the following tasks:

- 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)



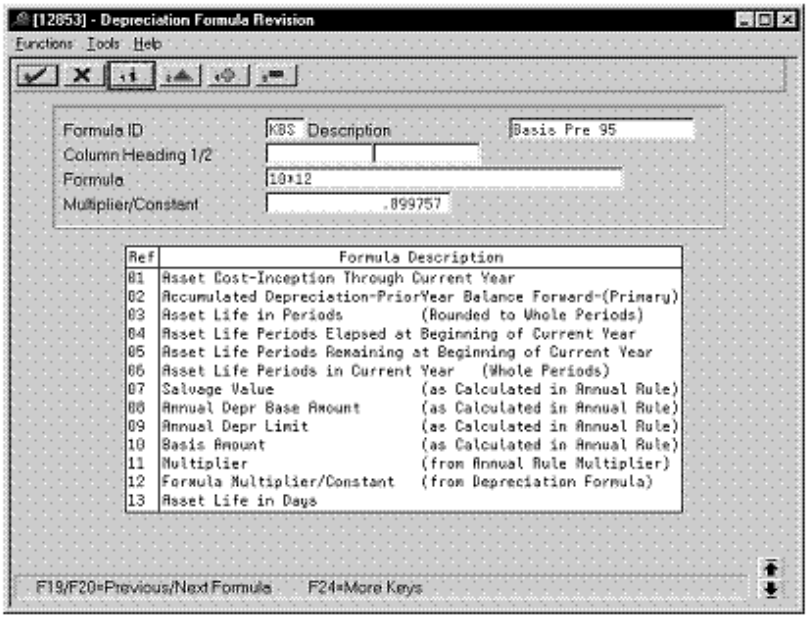
Complete the following fields with the values indicated below:

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

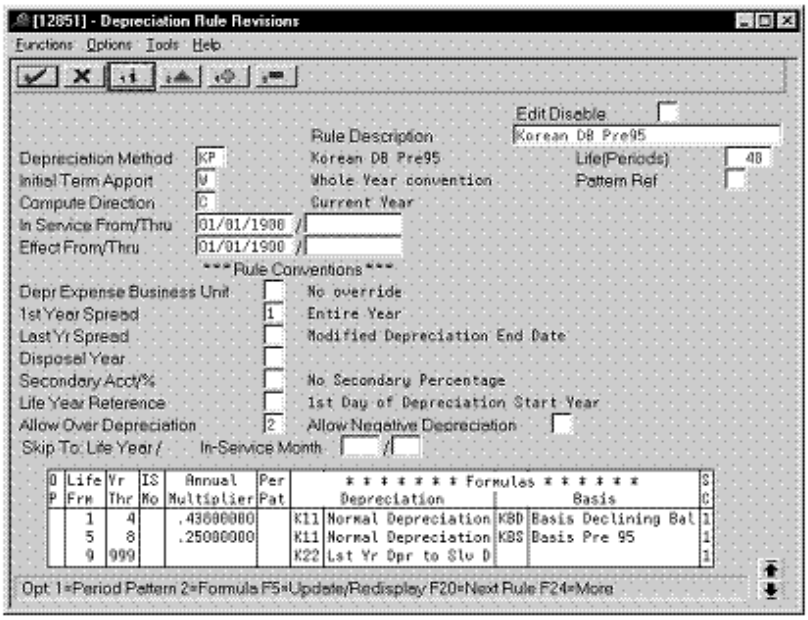
On Depreciation Rule Revisions, set up the depreciation method.

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

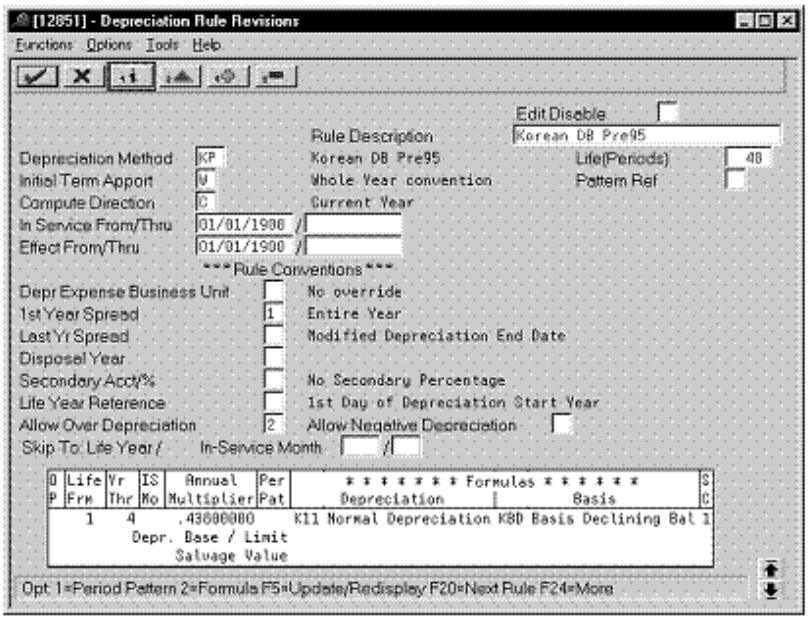
8.4.3.2 Attaching the Formulas to Depreciation Method KP

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)

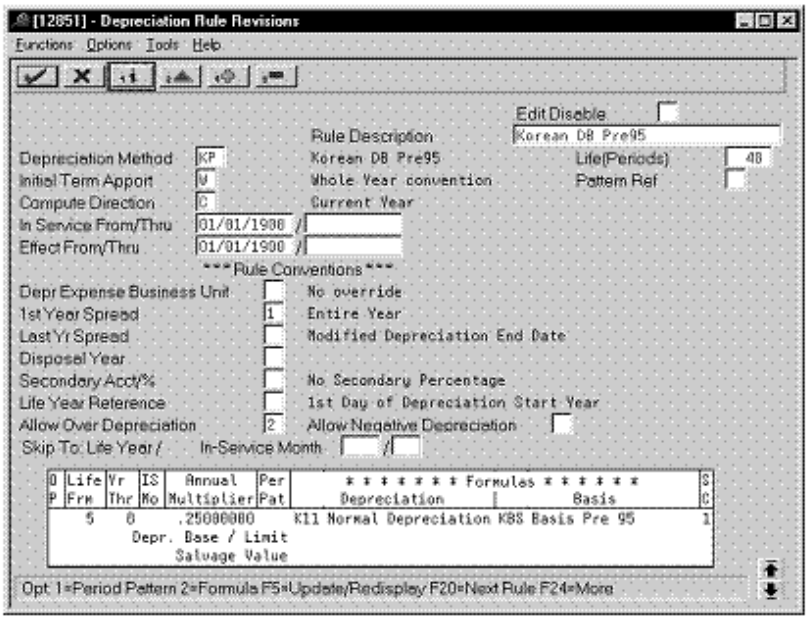


Complete the following fields with the values indicated below:

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)

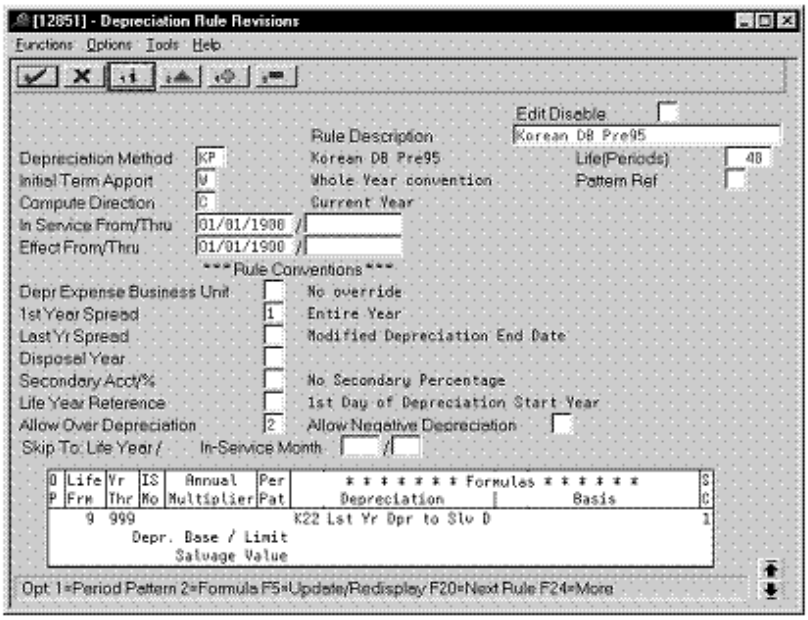


Complete the following fields with the values indicated below:

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)

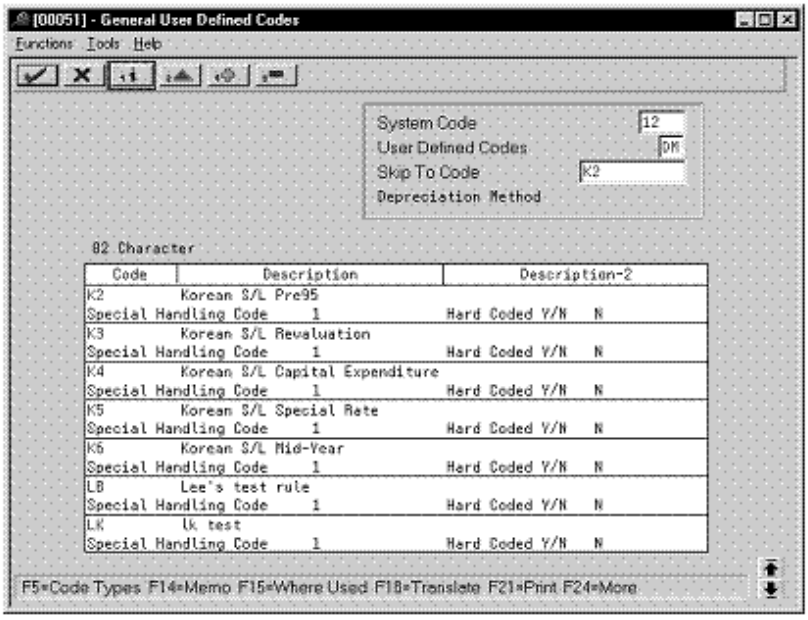
Defining this depreciation method includes the following tasks:

- 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

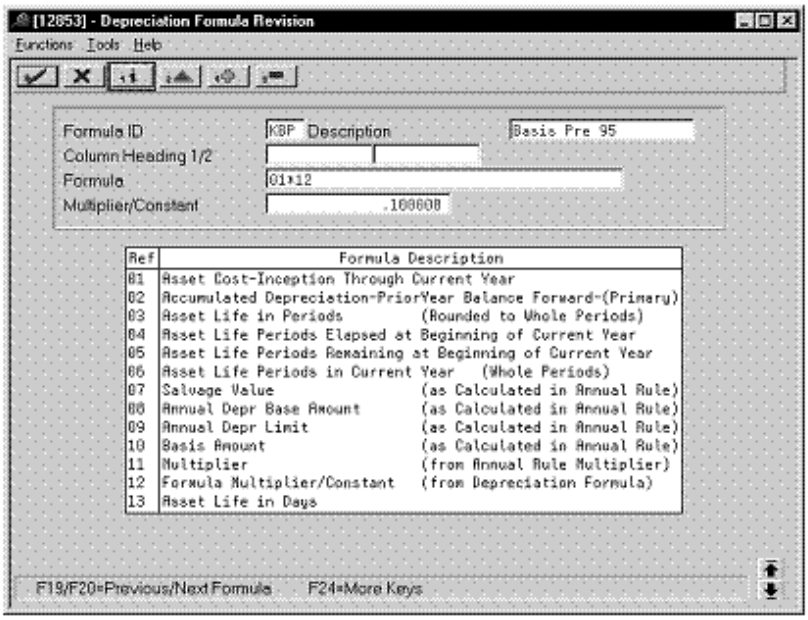
8.5.2 Setting Up Depreciation Formulas

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)

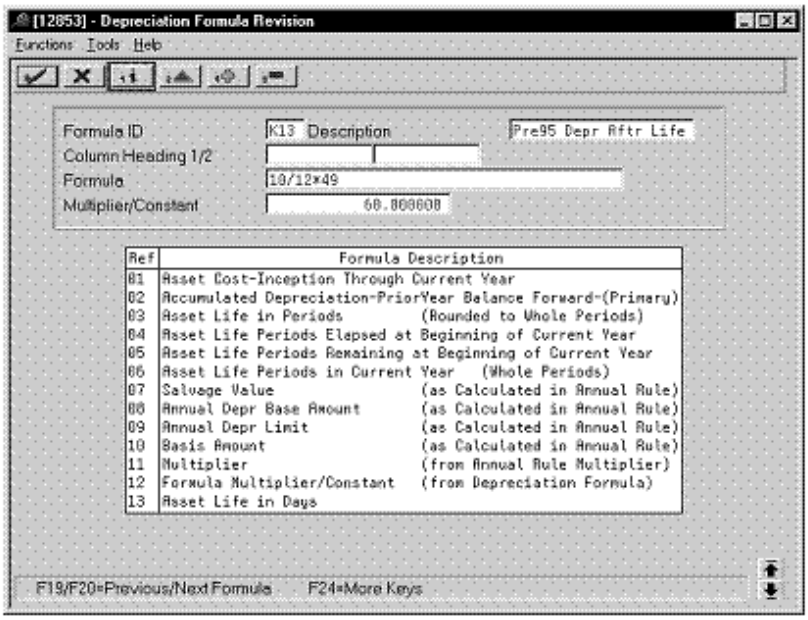


Complete the following fields with the values indicated below:

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)

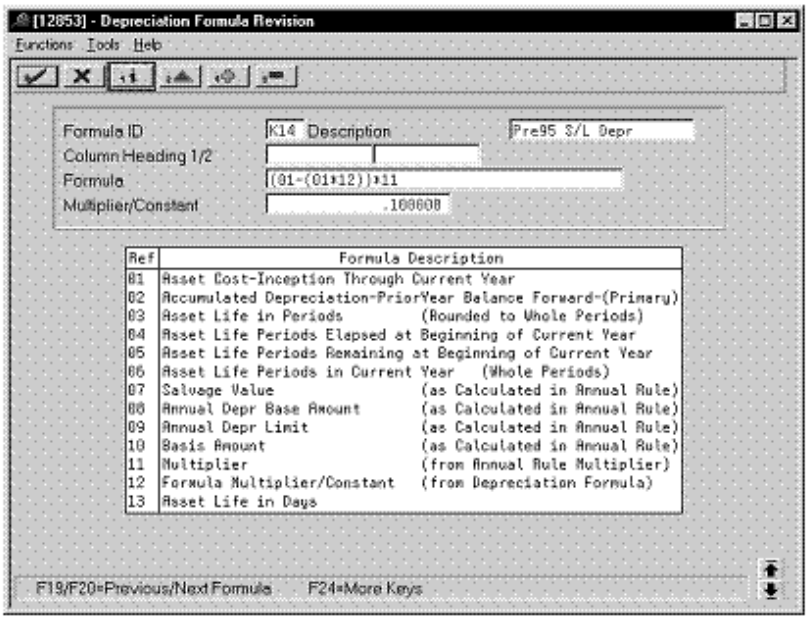


Complete the following fields with the values indicated below:

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)

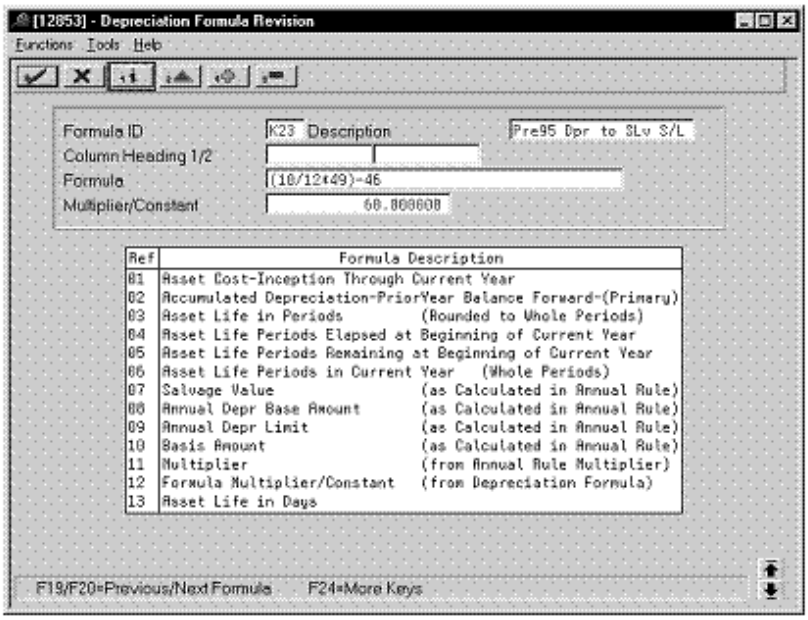


Complete the following fields with the values indicated below:

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

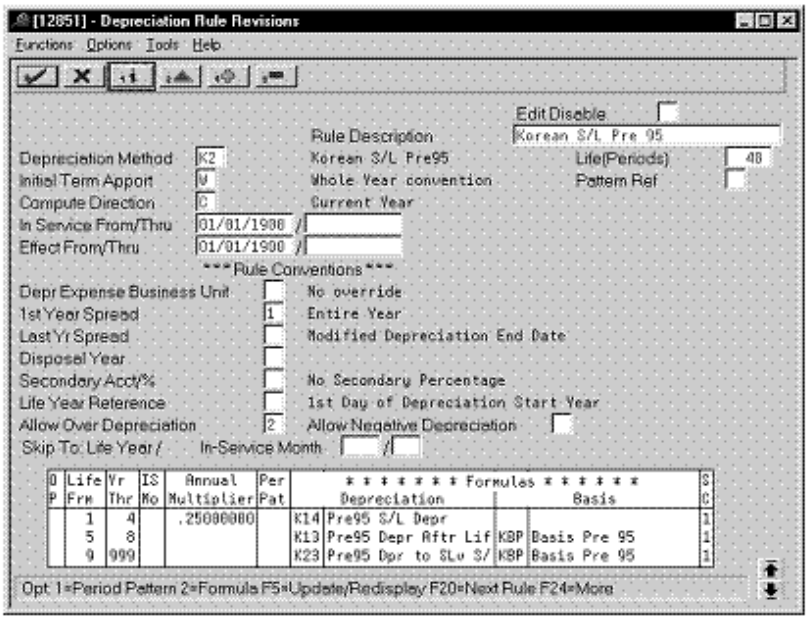
On Depreciation Rule Revisions, set up the depreciation method.

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

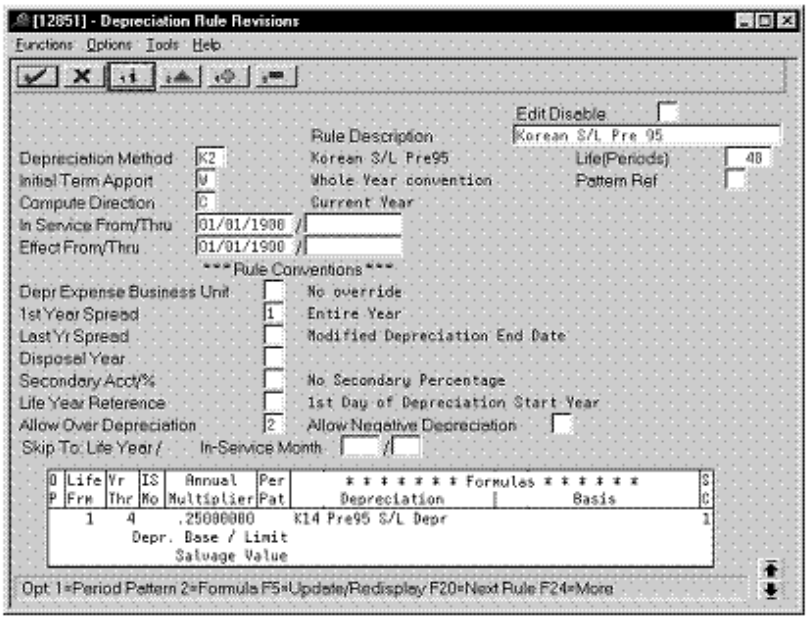
8.5.3.2 Attaching the Formulas to Depreciation Method K2

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)

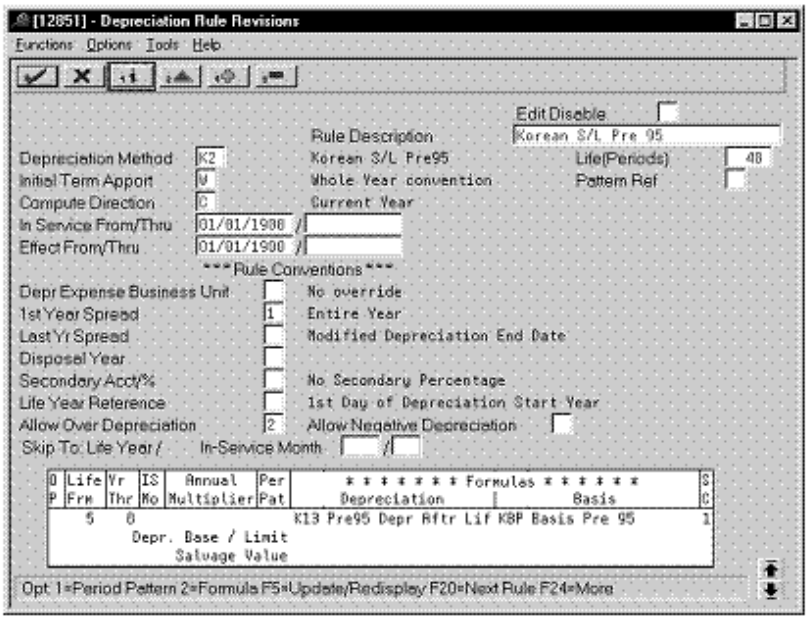


Complete the following fields with the values indicated below:

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)

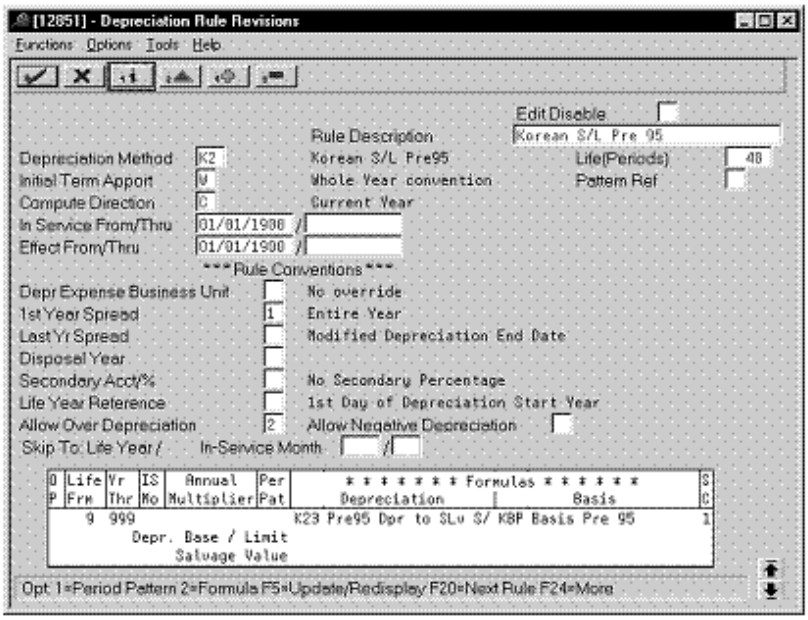


Complete the following fields with the values indicated below:

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)

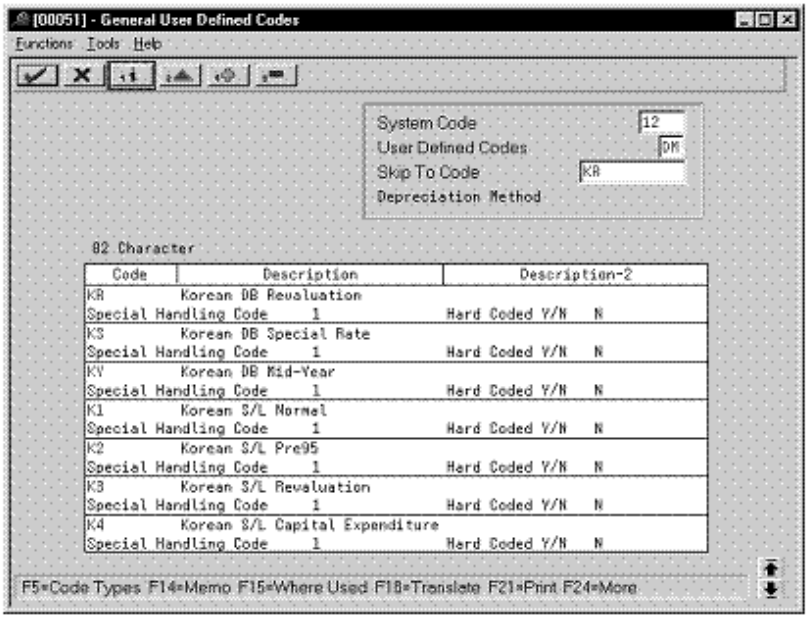
Defining this depreciation method includes the following tasks:

- 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)



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

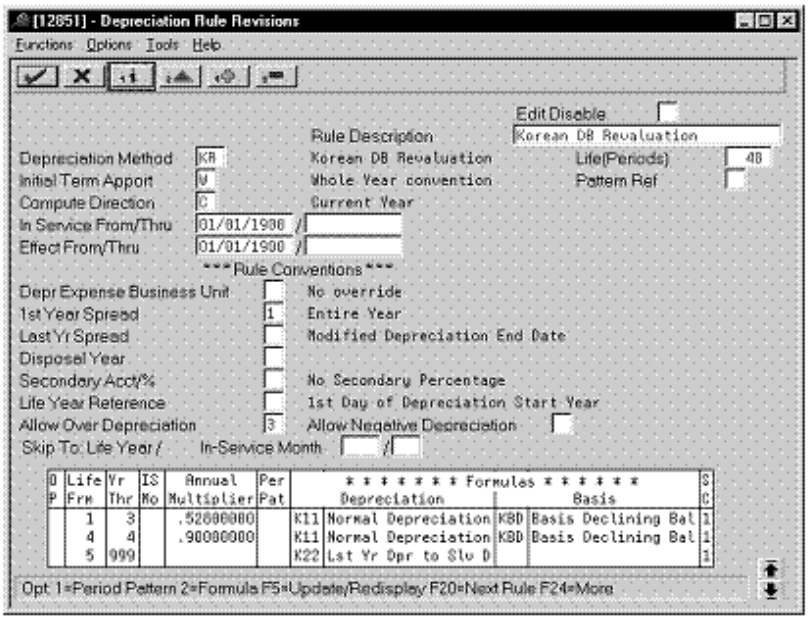
On Depreciation Rule Revisions, set up the depreciation method.

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

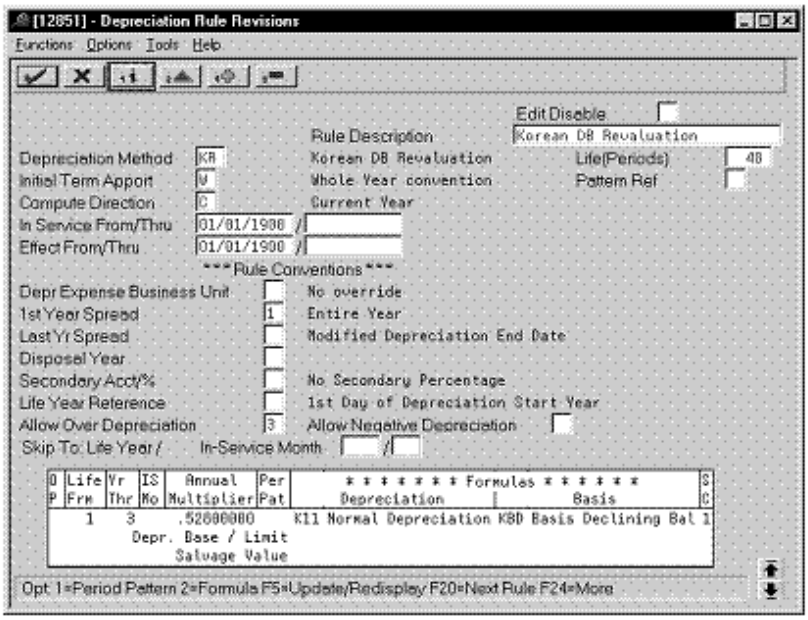
8.6.2.2 Attaching the Formulas to Depreciation Method KR

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)

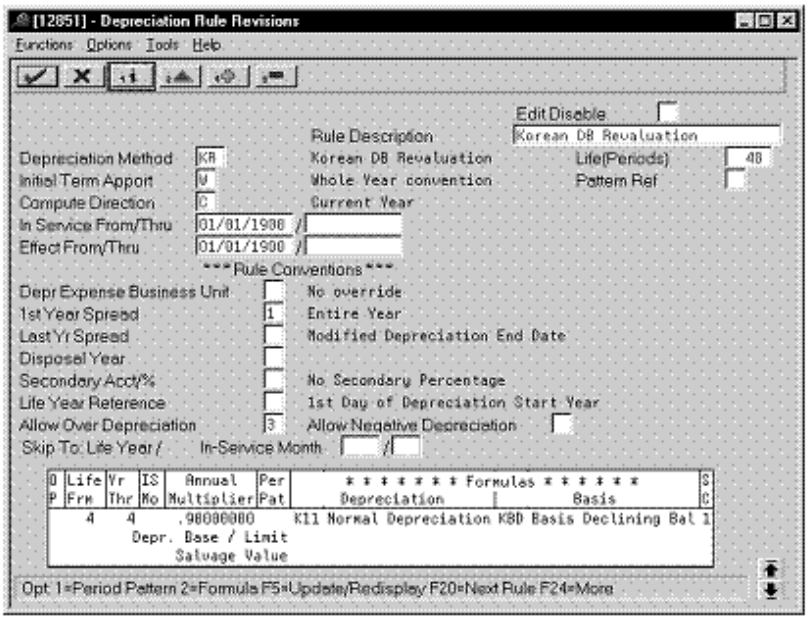


Complete the following fields with the values indicated below:

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)

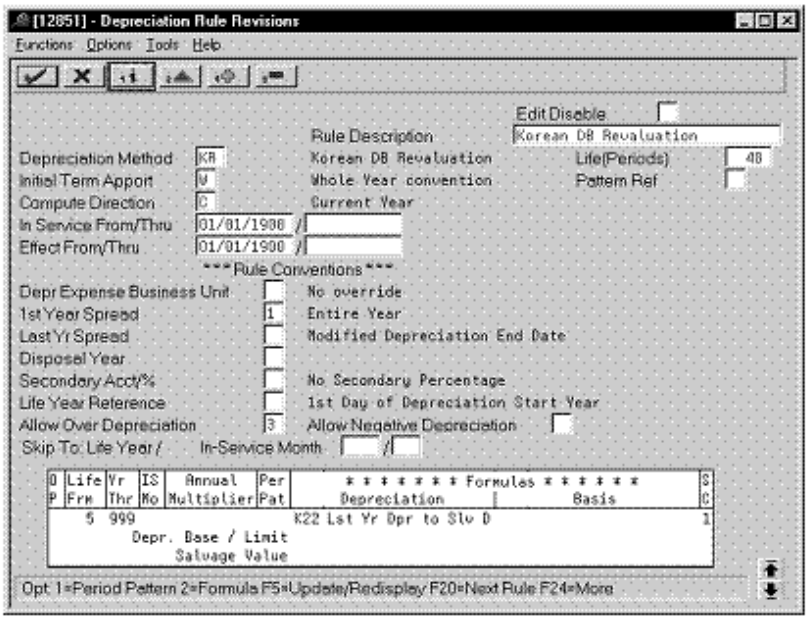


Complete the following fields with the values indicated below:

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)

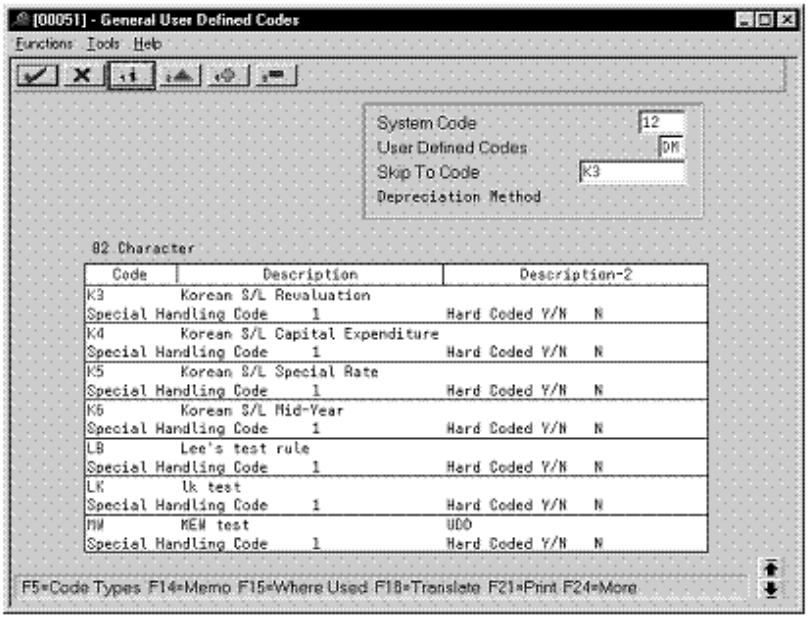
Defining this depreciation method includes the following tasks:

- 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)



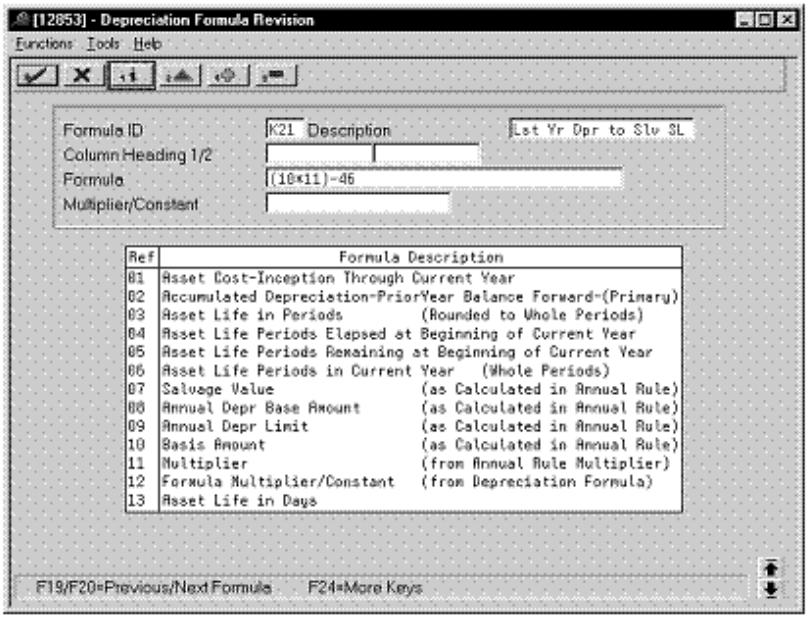
Complete the following fields with the values indicated below:

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)



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

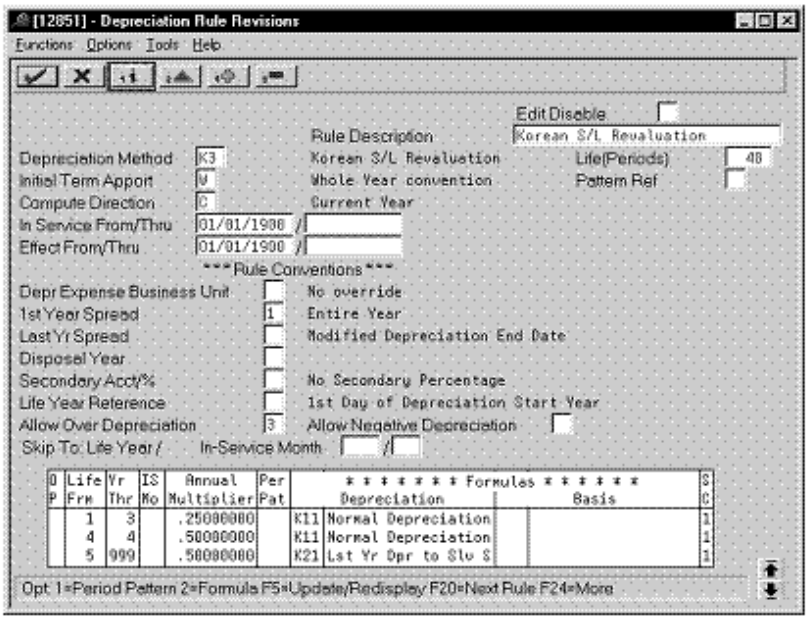
On Depreciation Rule Revisions, set up the depreciation method.

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

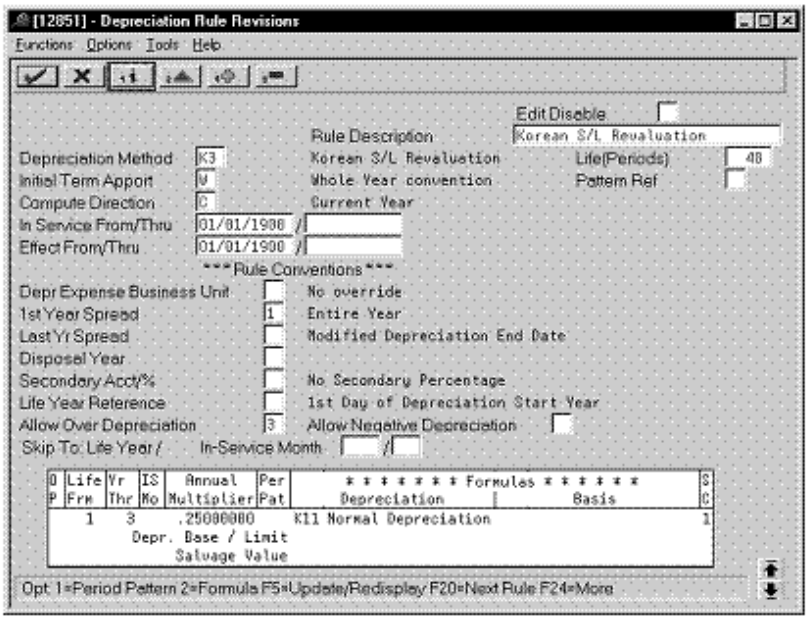
8.7.3.2 Attaching the Formulas to Depreciation Method K3

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)

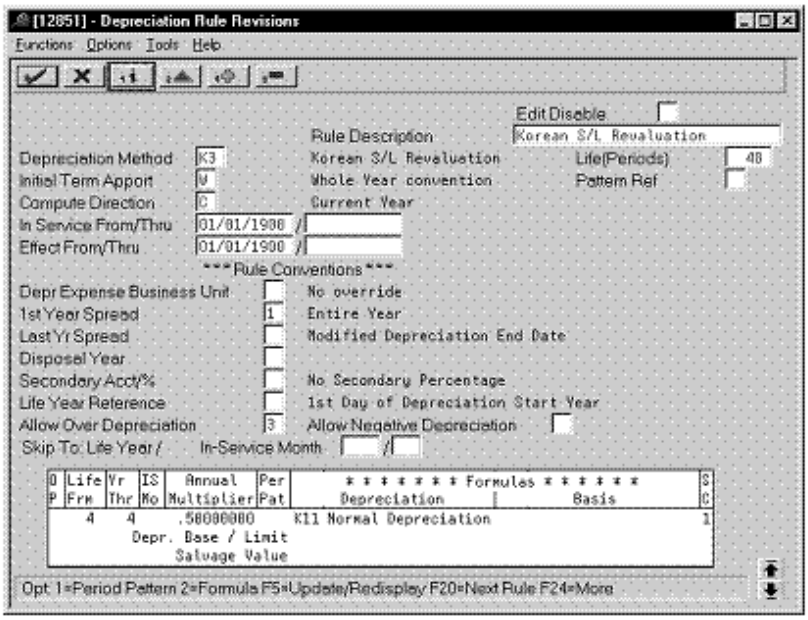


Complete the following fields with the values indicated below:

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)

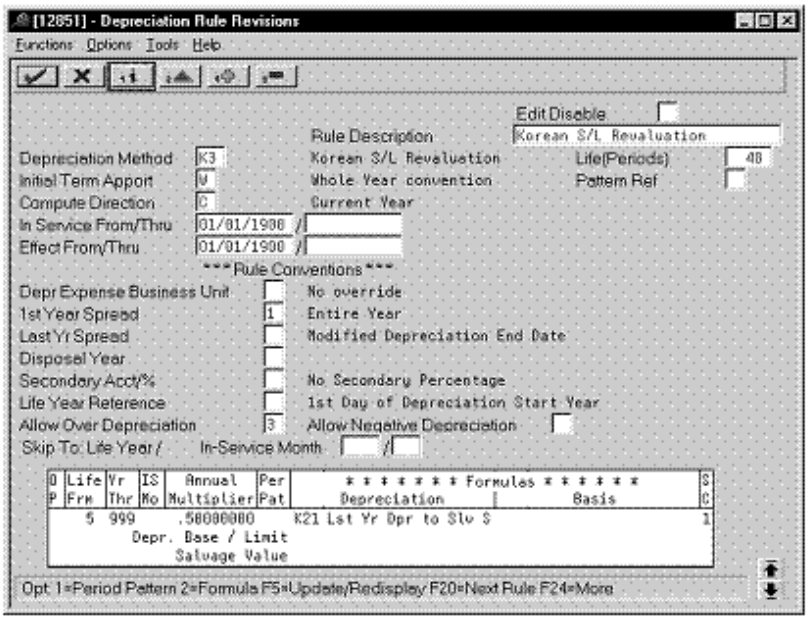


Complete the following fields with the values indicated below:

Field	Value
Life Yr Frm	4
Life Yr Thr	4
Annual Multiplier	.50000000
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)



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)

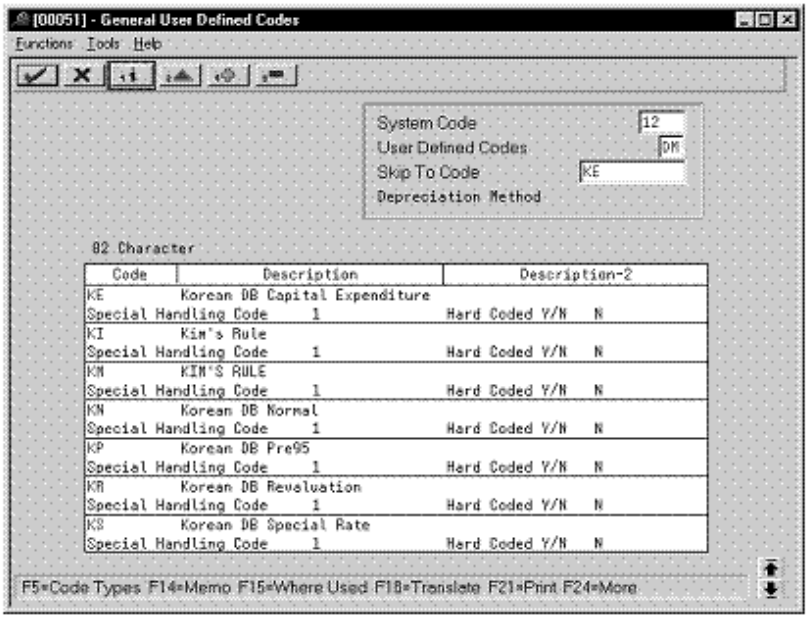
Defining this depreciation method includes the following tasks:

- 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

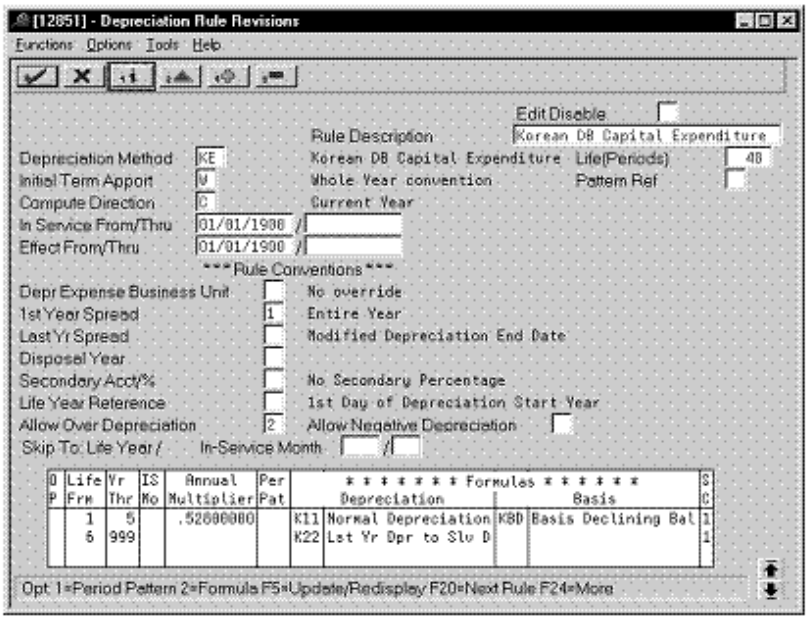
On Depreciation Rule Revisions, set up the depreciation method.

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)



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

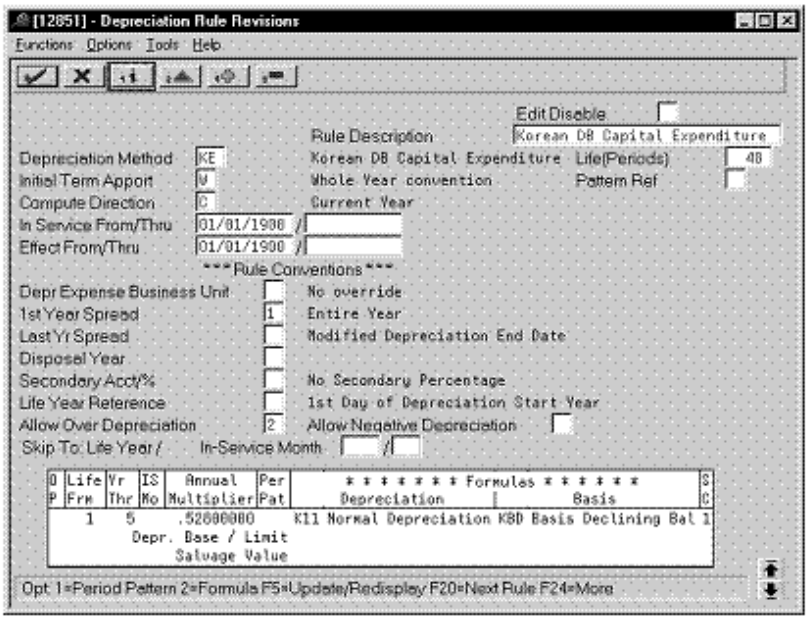
8.8.2.2 Attaching the Formulas to Depreciation Method KE

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)

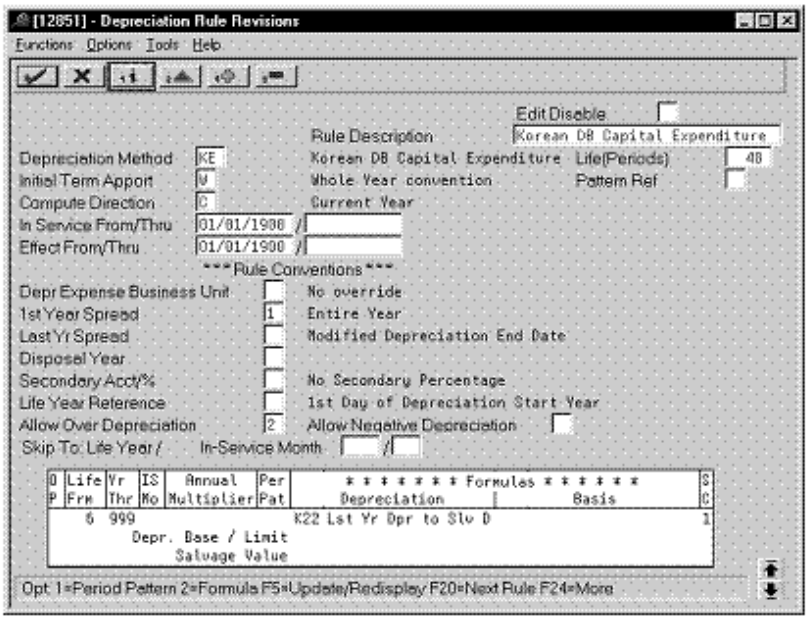


Complete the following fields with the values indicated below:

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)

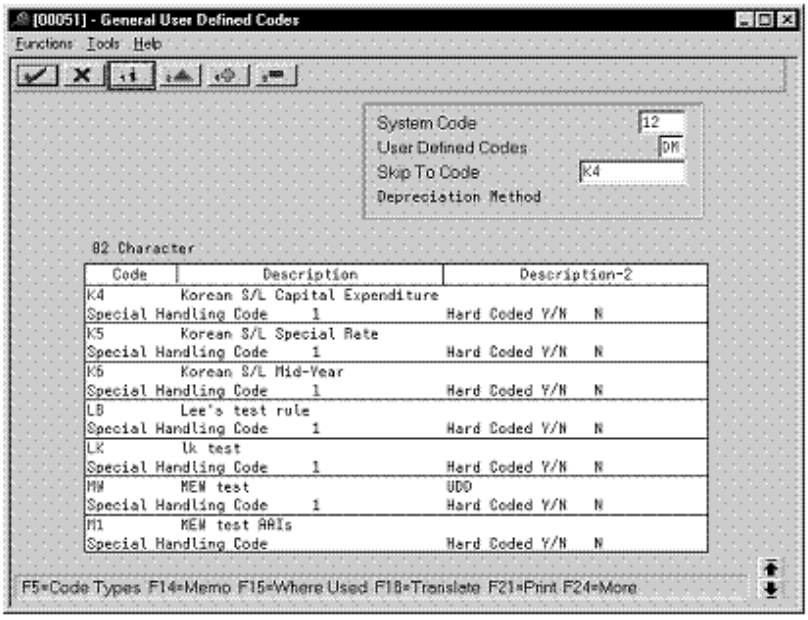
Defining this depreciation method includes the following tasks:

- 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

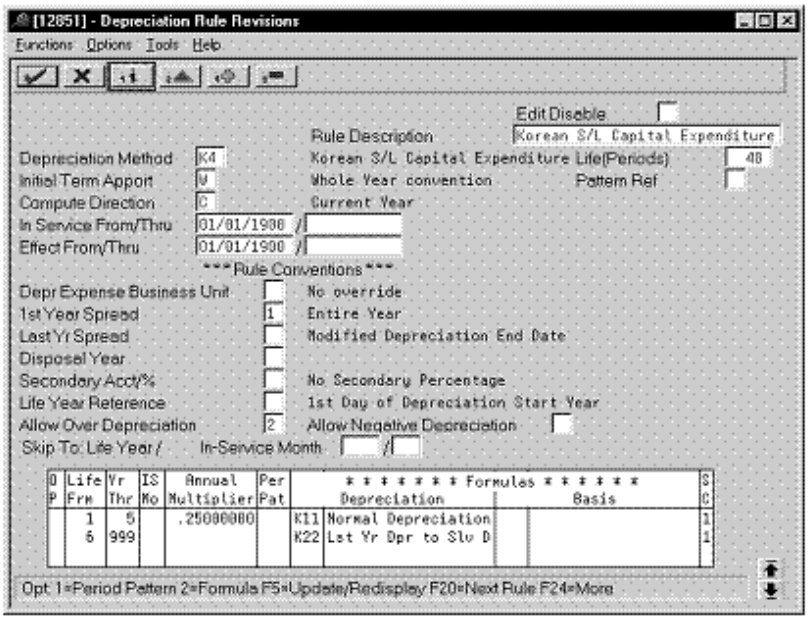
On Depreciation Rule Revisions, set up the depreciation method.

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)



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

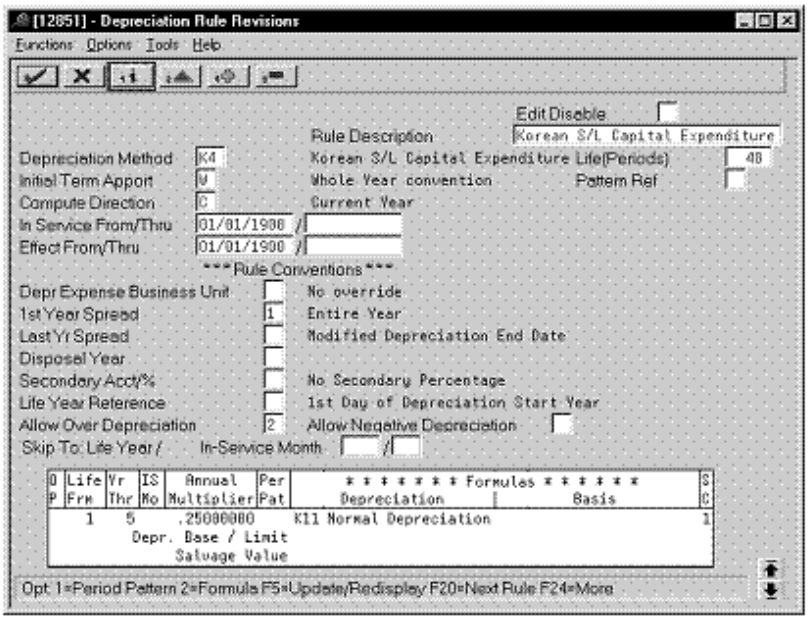
8.9.2.2 Attaching the Formulas to Depreciation Method K4

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)

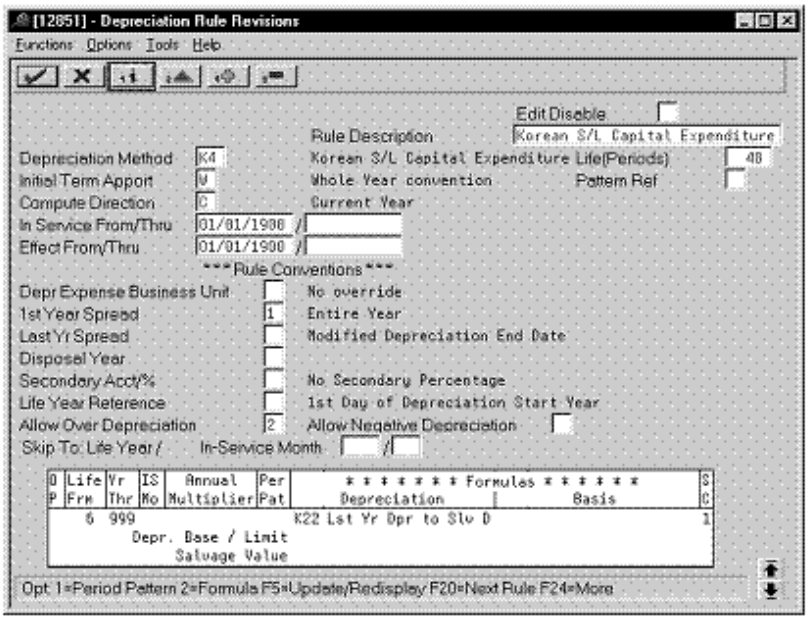


Complete the following fields with the values indicated below:

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)

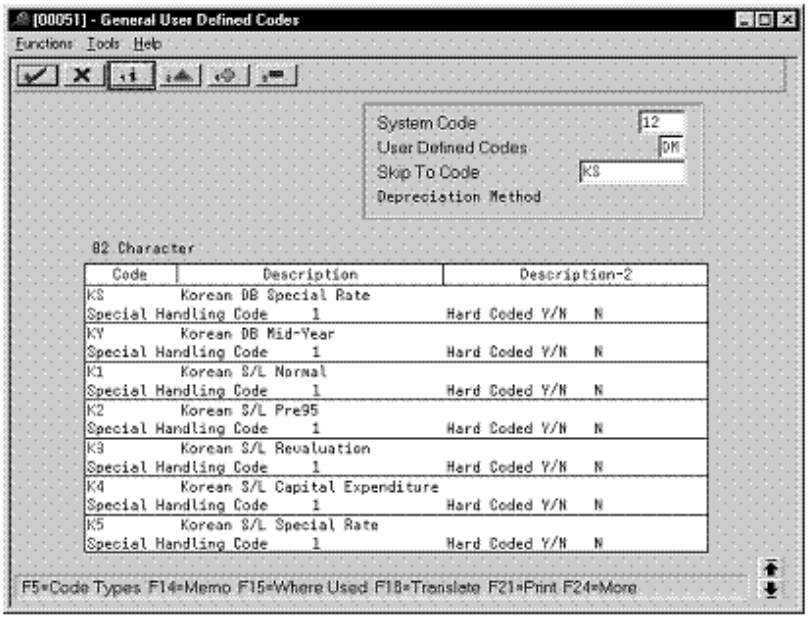
Defining this depreciation method includes the following tasks:

- 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)



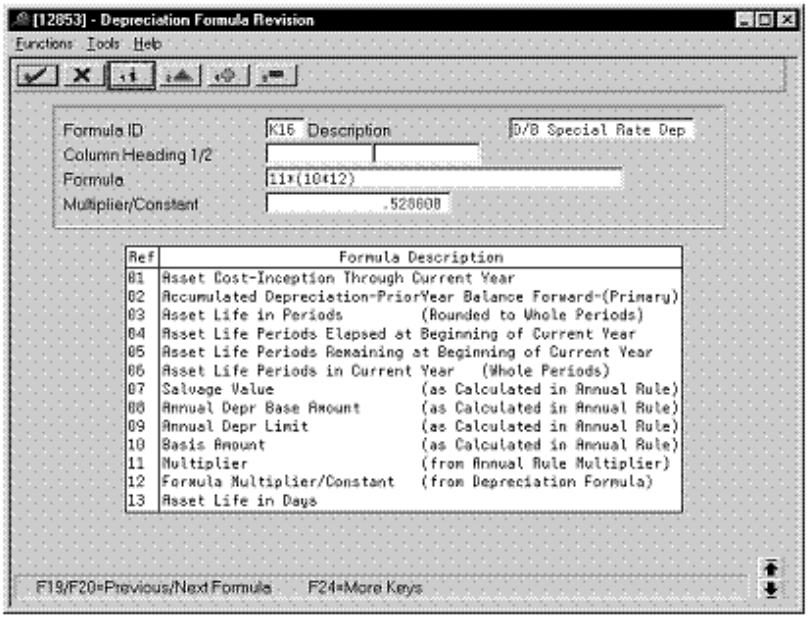
Complete the following fields with the values indicated below:

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)



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

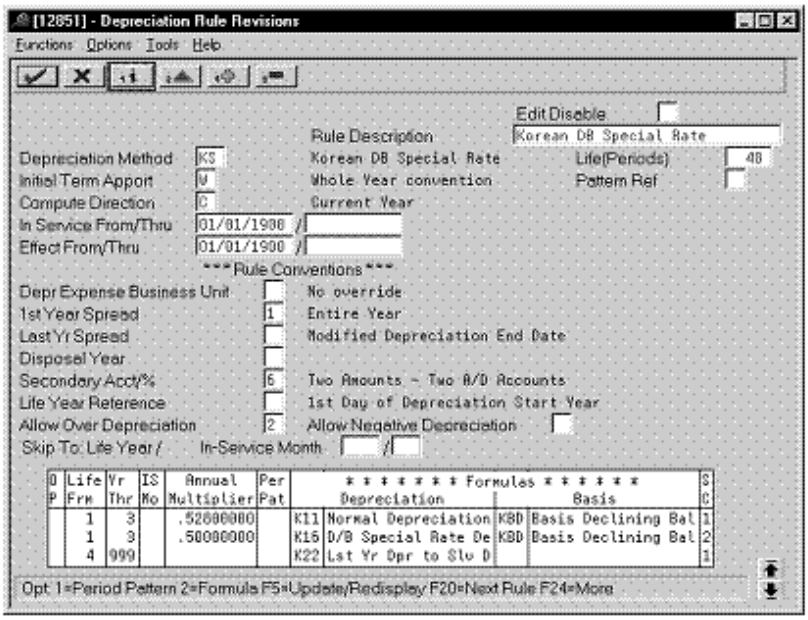
On Depreciation Rule Revisions, set up the depreciation method.

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

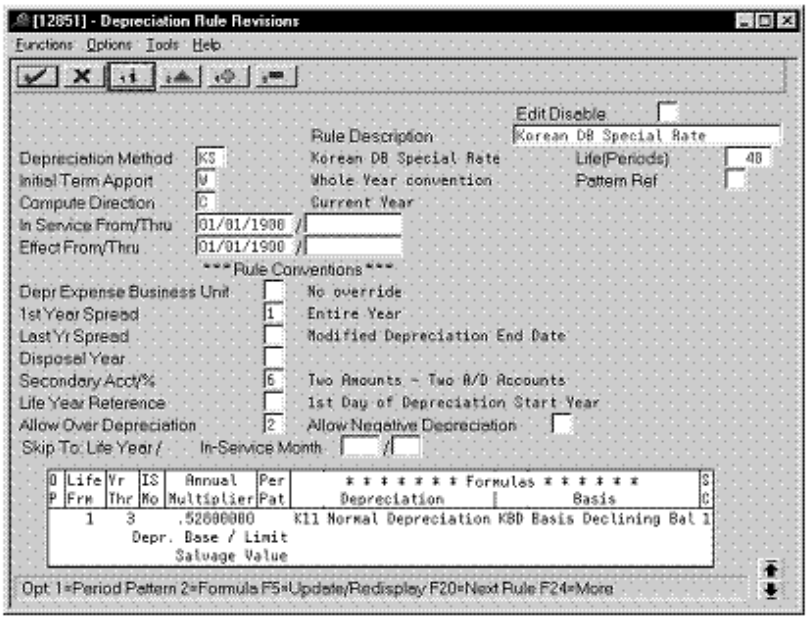
8.10.3.2 Attaching the Formulas to Depreciation Method KS

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)

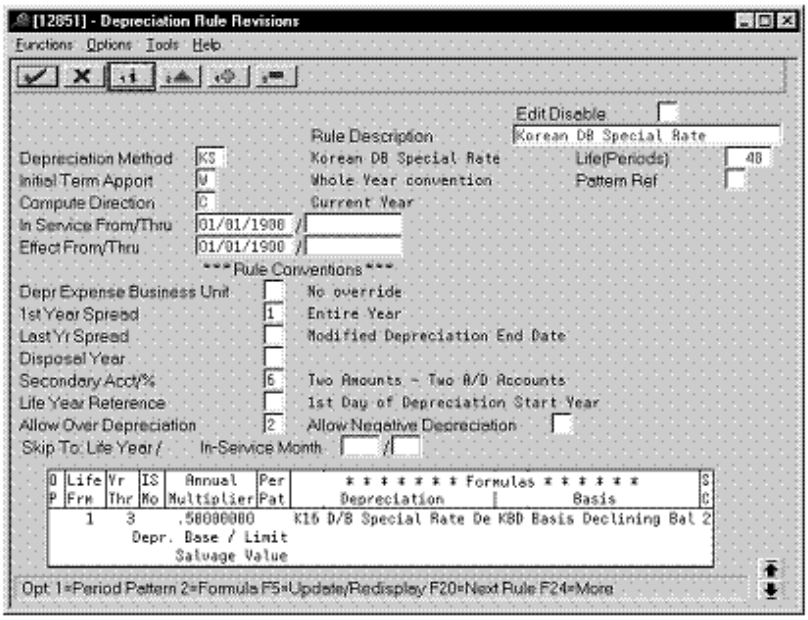


Complete the following fields with the values indicated below:

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)

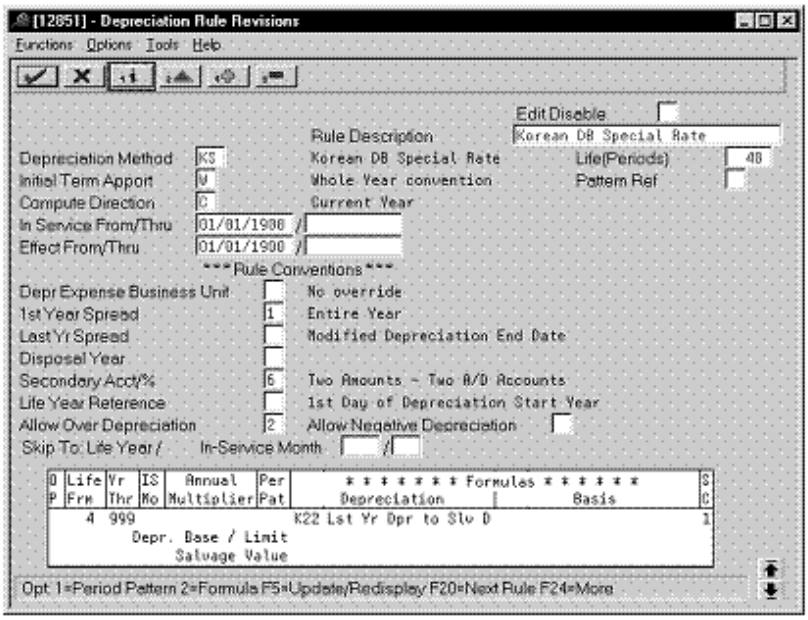


Complete the following fields with the values indicated below:

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)

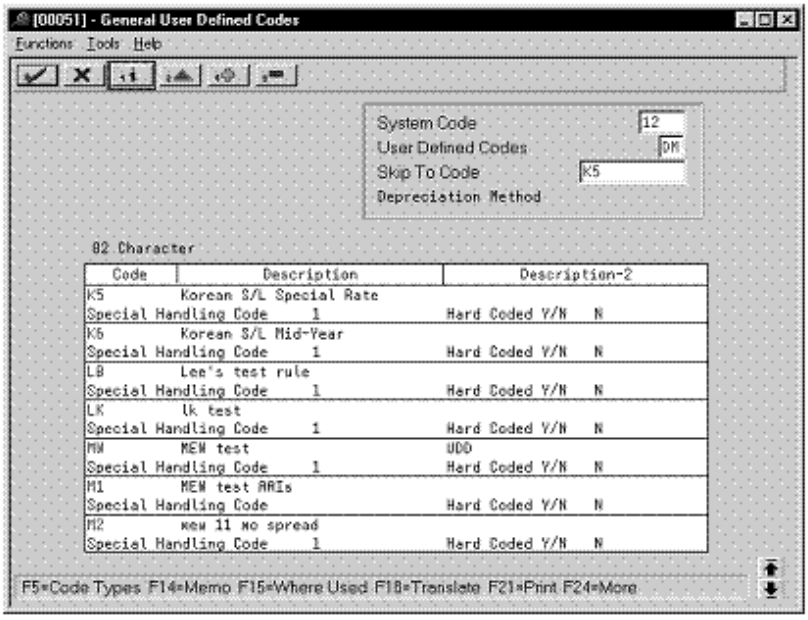
Defining this depreciation method includes the following tasks:

- 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)



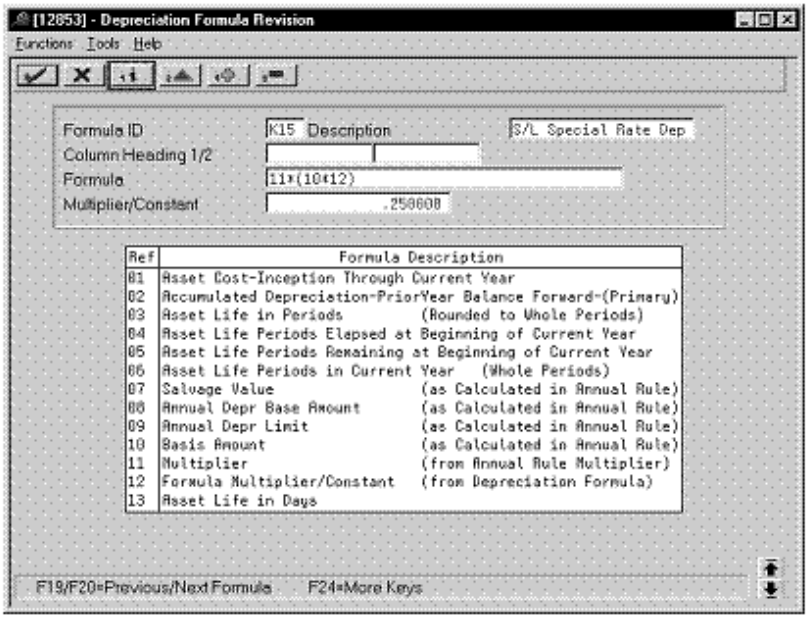
Complete the following fields with the values indicated below:

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)



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

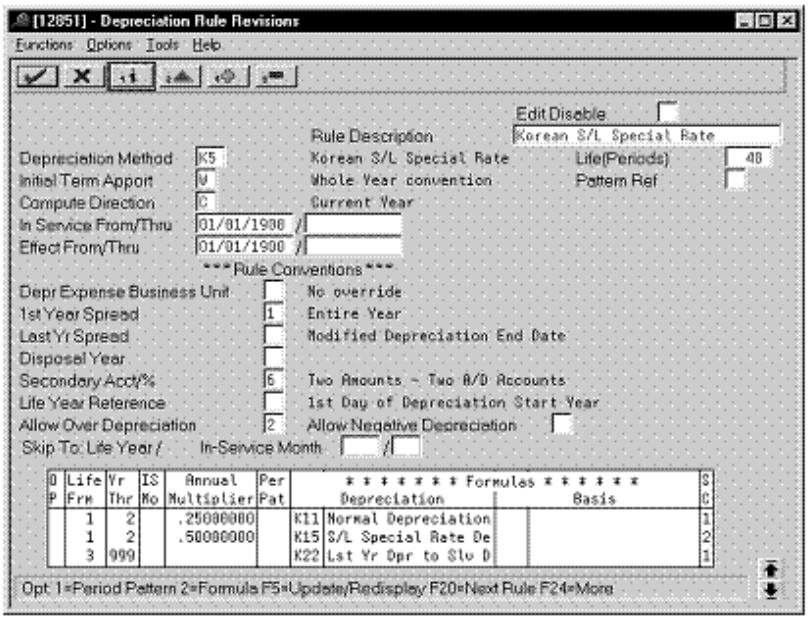
On Depreciation Rule Revisions, set up the depreciation method.

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

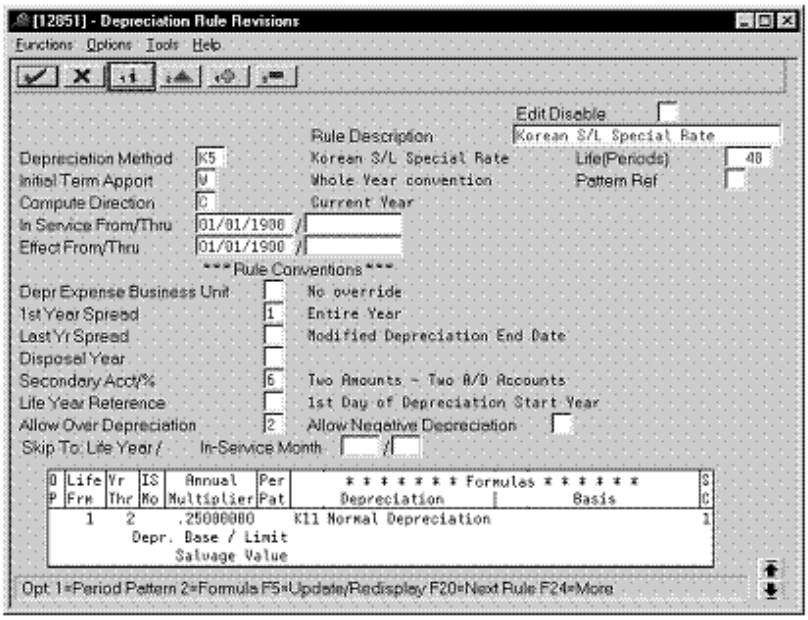
8.11.3.2 Attaching the Formulas to Depreciation Method K5

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)

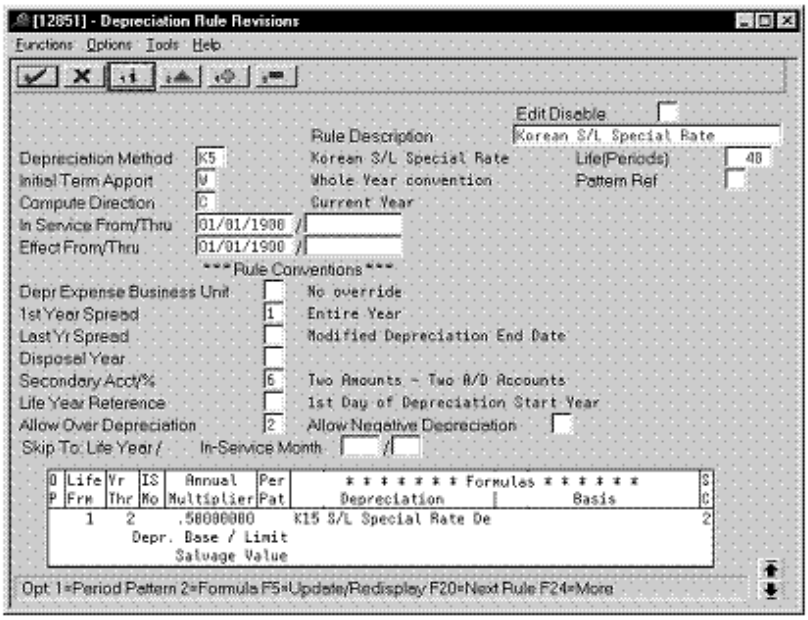


Complete the following fields with the values indicated below:

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)

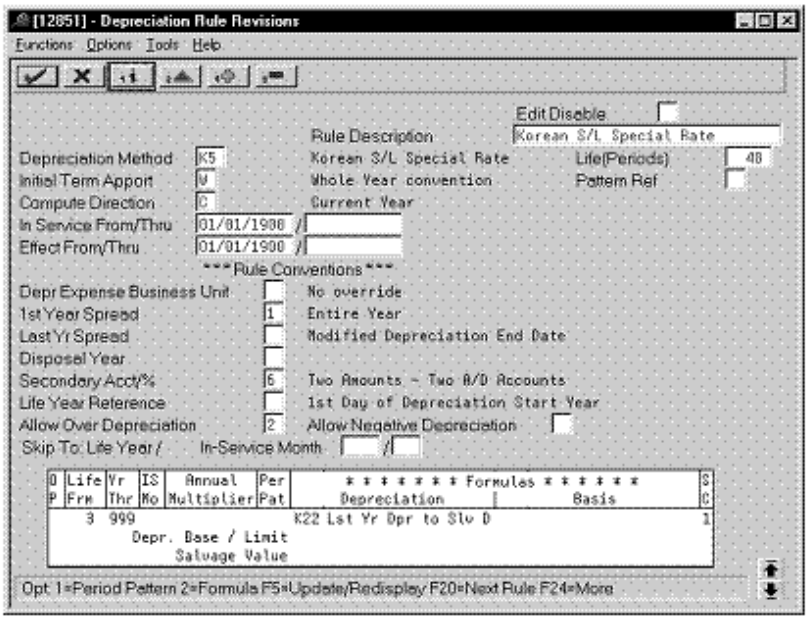


Complete the following fields with the values indicated below:

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)

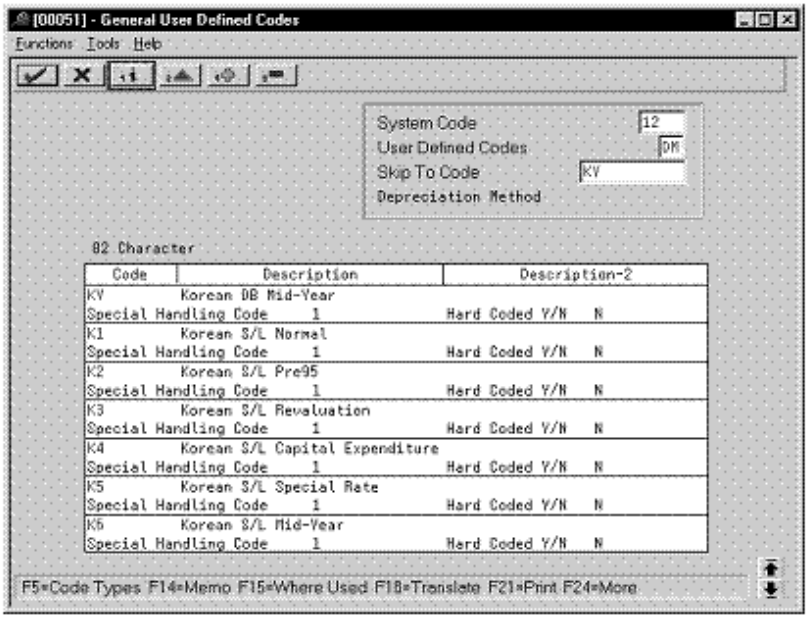
Defining this depreciation method includes the following tasks:

- 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

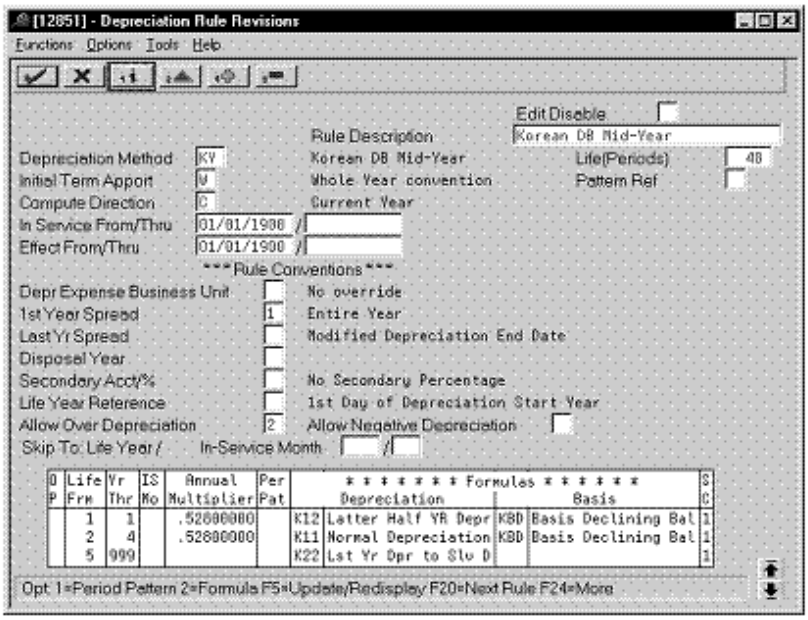
On Depreciation Rule Revisions, set up the depreciation method.

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)



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

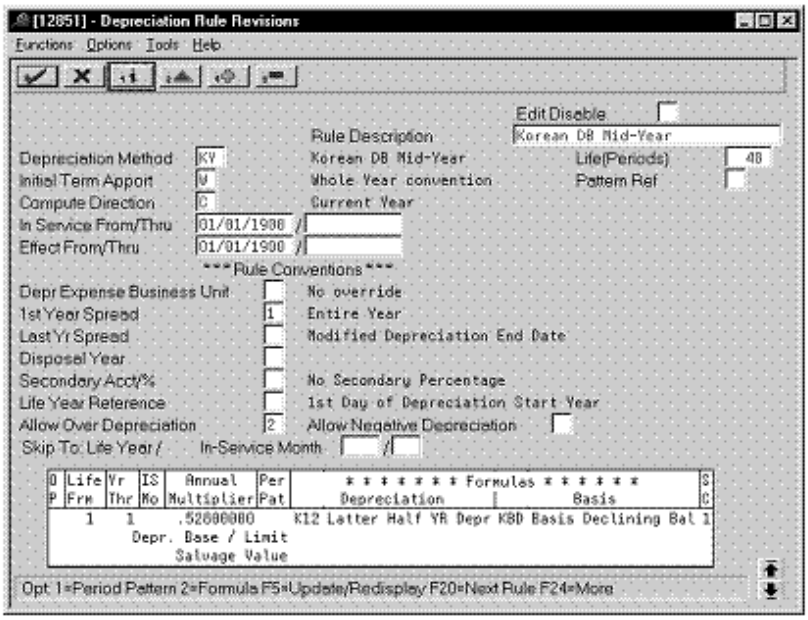
8.12.2.2 Attaching the Formulas to Depreciation Method KY

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)

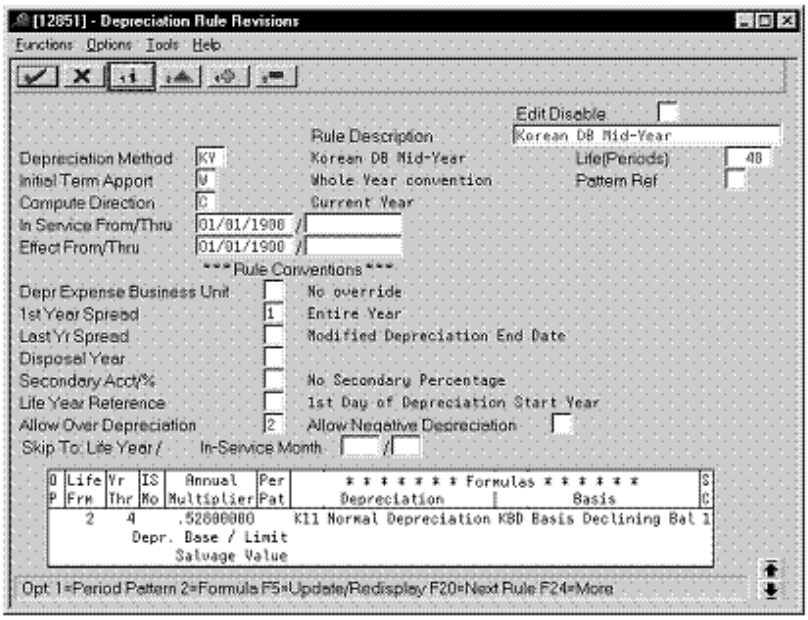


Complete the following fields with the values indicated below:

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)

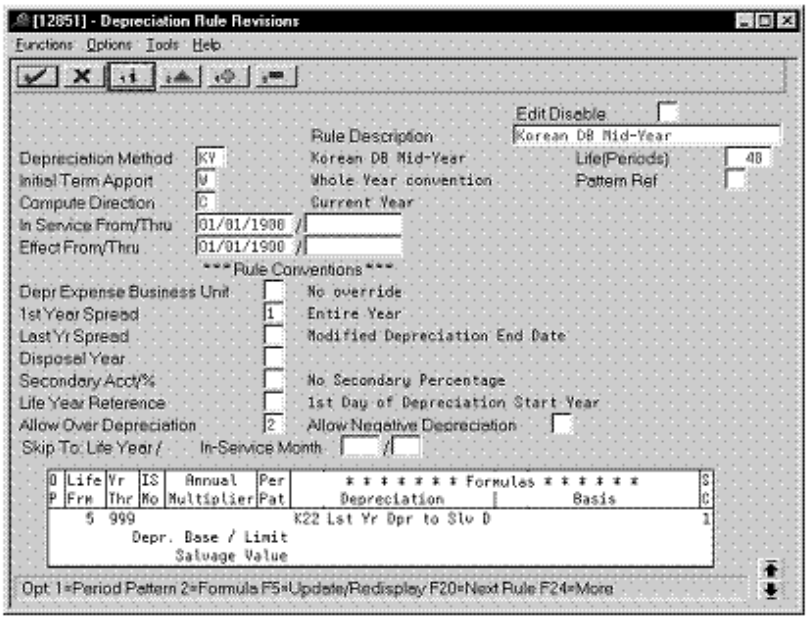


Complete the following fields with the values indicated below:

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)

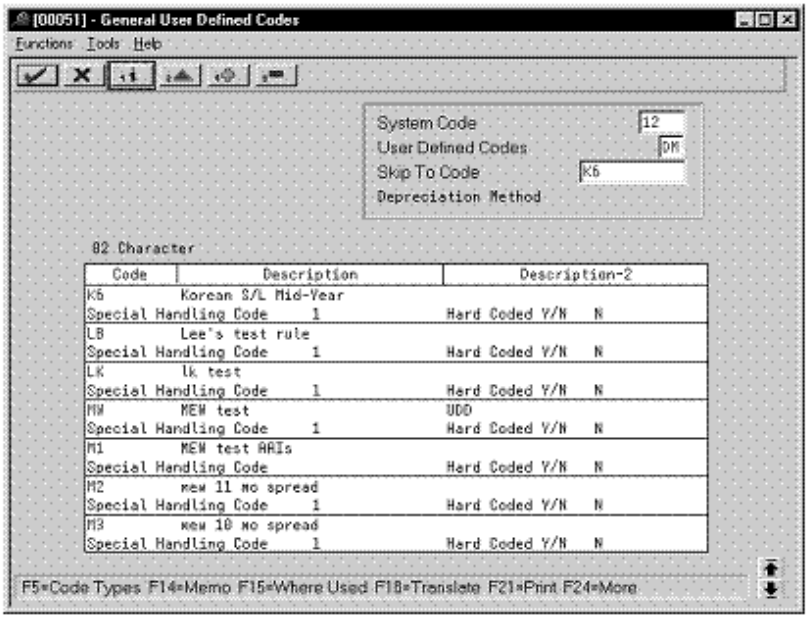
Defining this depreciation method includes the following tasks:

- 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)



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

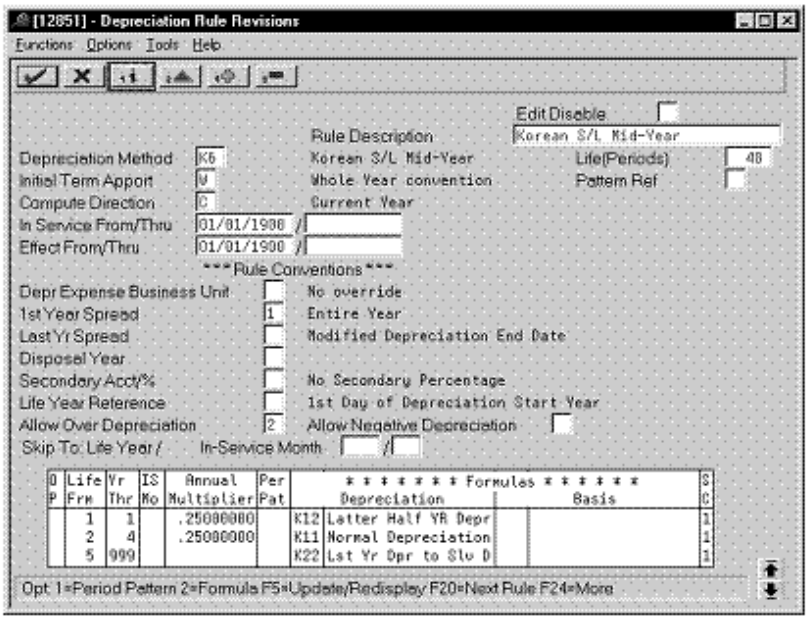
On Depreciation Rule Revisions, set up the depreciation method.

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

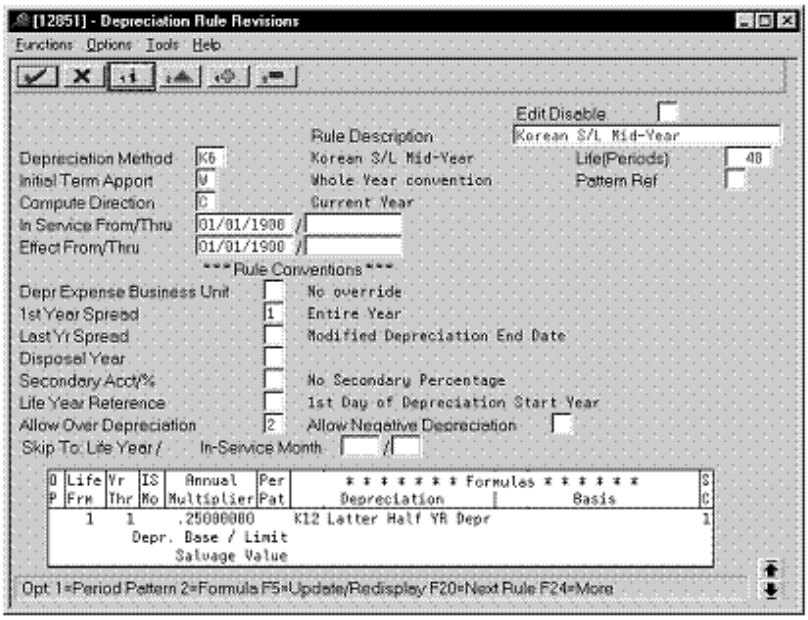
8.13.2.2 Attaching the Formulas to Depreciation Method K6

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)

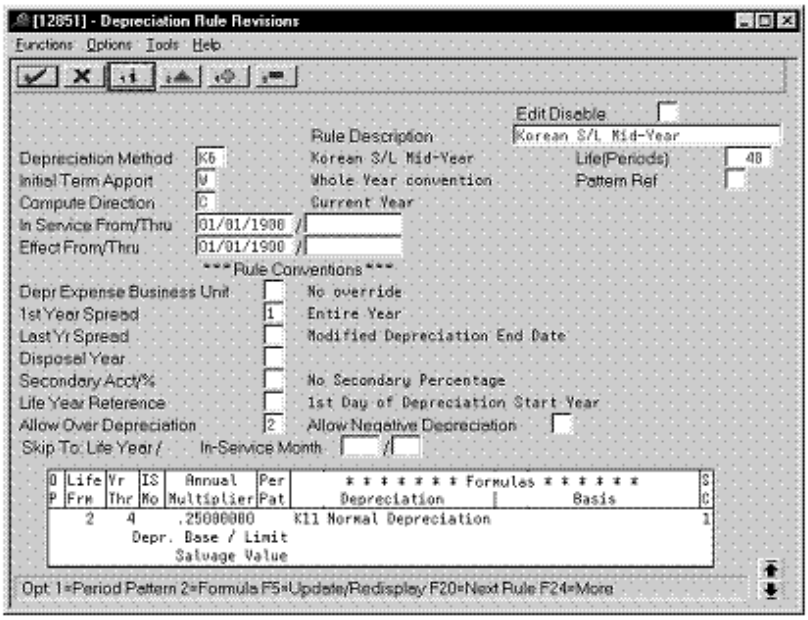


Complete the following fields with the values indicated below:

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)

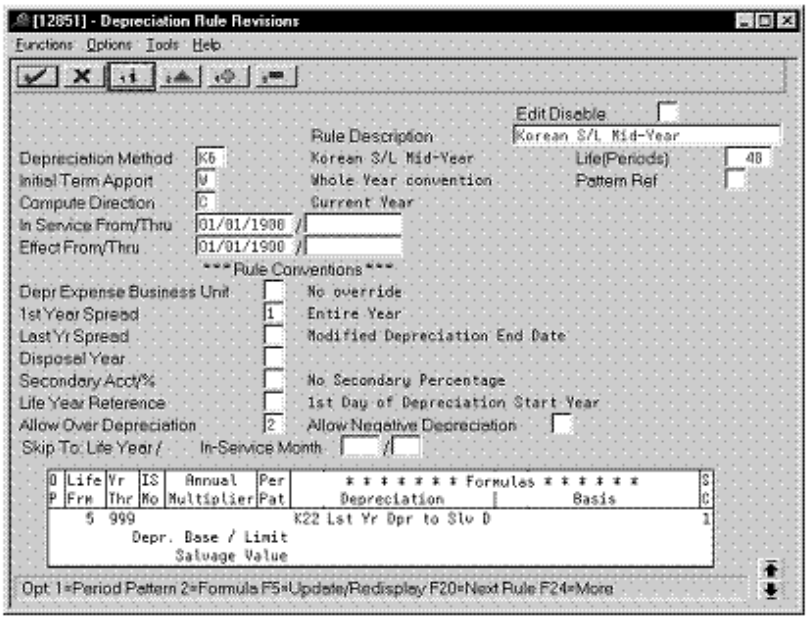


Complete the following fields with the values indicated below:

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

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