

*****DRAFT - NOT FOR FILING*****

1301:9-2-15 Depreciation and amortization.

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~~(A) (A) The term "depreciation" means the systematic allocation of the cost of an asset to expense over the accounting periods making up the assets' useful life according to GAAP. To assure consistency and uniformity, the straight-line method of depreciation used for the following assets generally held by credit unions shall not exceed the following:~~

~~(1) (1) Office furniture—ten years;~~

~~(2) (2) Office equipment—seven years;~~

~~(3) (3) Buildings:~~

~~(a) (a) Concrete and steel—thirty to fifty-five years;~~

~~(b) (b) Masonry—twenty-five to forty-five years;~~

~~(c) (c) Wood frame—twenty to forty years; and~~

~~(d) (d) Portable units—fifteen to thirty years;~~

~~(4) (4) Automobiles—five years;~~

~~(5) (5) Computer software—five years;~~

~~(6) (6) Leasehold improvements shall:~~

~~(a) (a) Amortize over the life of the lease or the usefulness of improvements, whichever has the shortest life. For purposes of this paragraph, life of lease may be for a fixed time period or for a time period that may be extended at the option of the credit union.~~

~~(b) (b) Improvements to space provided free of charge by the sponsor, amortize over ten years or over estimated length of occupancy, whichever is less.~~

~~(c) (c) Organization expenses shall amortize over five years.~~

~~(B) (B) This rule applies to assets placed into service after the effective date of this rule.~~