Formulas for MACRS are shown below:

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MACRS is known as

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Annual Depreciation = Fixed Percent x Original Cost

MACRS is known as the modified accelerated cost recovery system.

Book Value = Original Cost - Accumulated Depreciation

The local Evil Emporium purchased a press for \$12,337.74. The table below shows how the press will depreciate using MACRS. What is the book value of the press at the end of year five? Express your answer as a dollar amount to the nearest cent.

End of Year	Percent Depreciation	Annual Depreciation	Accumulated Depreciation	Book Value
1	22%	\$2,714.30	\$2,714.30	
2	33	4,071.45	6,785.75	
3	16	1,974.04	8,759.79	
4	9	1,110.40	9,870.19	
5	7	863.64	10,733.83	
6	13	1,603.91	12,337.74	

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MACRS is known as the modified accelerated cost recovery system.

Annual Depreciation = Fixed Percent x Original Cost

Book Value = Original Cost - Accumulated Depreciation

The local Get'n Grab purchased a test machine for \$11,014.27. The table below shows how the test machine will depreciate using MACRS. What is the book value of the test machine at the end of year one? Express your answer as a dollar amount to the nearest cent.

1.13	8,591.13 9,362.13	771.00		
1.13	8,591		7	5
,00		1,211.57	==	4
	7,379.56	1,652.14	15	3
7.42	5,727.42	3,414.42	31	2
3.00	\$2,313.00	\$2,313.00	21%	1
eation	Depreciation	Depreciation	Depreciation	
ulated Book Value	Accumulated	Annual	Percent	End of Year

1

MACRS is known as the modified accelerated cost recovery system.

Annual Depreciation = Fixed Percent x Original Cost

Book Value = Original Cost - Accumulated Depreciation

The local Shop-2-Save purchased a compressor for \$13,265.92. The table below shows how the compressor will depreciate using MACRS. What is the book value of the compressor at the end of year five? Express your answer as a dollar amount to the nearest cent.

End of Year 1 2	Depreciation 21%	Annual Depreciation \$2,785.84 4,245.09	Depreciation \$2,785.84
2	32	4,245.09	
3	15	1,989.89	
4	11	1,459.25	
5	8	1,061.27	
6	13	1,724.58	

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MACRS is known as the modified accelerated cost recovery system.

Annual Depreciation = Fixed Percent x Original Cost

Book Value = Original Cost - Accumulated Depreciation

The local Megalo-Rama purchased a compressor for \$14,360.70. The table below shows how the compressor will depreciate using MACRS. What is the book value of the compressor at the end of year one? Express your answer as a dollar amount to the nearest cent.

6	5	4	3	2	1		End of Year
13	8	9	14	34	22%	Depreciation	Percent
1.866.89	1,148.86	1,292.46	2,010.50	4,882.64	\$3,159.35	Depreciation	Annual
14,360.70	12,493.81	11,344.95	10,052.49	8,041.99	\$3,159.35	Depreciation	Accumulated
							Book Value

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MACRS is known as the modified accelerated cost recovery system.

Annual Depreciation = Fixed Percent x Original Cost

Book Value = Original Cost - Accumulated Depreciation

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The local Getn Grab purchased a lift for \$12,090.55. The table below shows how the lift will depreciate using MACRS. What is the book value of the lift at the end of year five? Express your answer as a dollar amount to the nearest cent.

6	5	4	3	2	1		End of Year
16	7	10	15	30	22%	Depreciation	Percent
1,934.48	846.34	1,209.06	1,813.58	3,627.17	\$2,659.92	Depreciation	Annual
12,090.55	10,156.07	9,309.73	8,100.67	6,287.09	\$2,659.92	Depreciation	Accumulated
							Book Value

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MACRS is known as the modified accelerated cost recovery system.

Annual Depreciation = Fixed Percent x Original Cost

Book Value = Original Cost - Accumulated Depreciation

The local Shop-2-Sarve purchased a press for \$18,560.96. The table below shows how the press will depreciate using MACRS. What is the book value of the press at the end of year three? Express your answer as a dollar amount to the nearest cent.

6	5	4	3	2	1		End of Year
9	8	10	16	35	22%	Depreciation	Percent
1,670.48	1,484.88	1,856.10	2,969.75	6,496.34	\$4,083.41	Depreciation	Annual
18,560.96	16,890.48	15,405.60	13,549.50	10,579.75	\$4,083.41	Depreciation	Accumulated
							Book Value

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