

Sage MAS 90 and 200 Fixed Assets 2009.1.1

What's New

Overview

Sage MAS 90 and 200 Fixed Assets 2009.1.1 includes the Fixed Assets SnapShot dashboard, and addresses the American Recovery and Reinvestment Act of 2009. This ACT includes numerous investment tax credits, and extensions of section 179 increases and the 168 allowance.

Sage MAS 90 and 200 2009.1.1 includes:

New Assets Snapshot

The Assets Snapshot desktop provides an easy, at-a-glance summary of your important fixed asset information. Graphical charts and statistics present information in a well organized, concise format. View up-to-date information such as the current status of your assets, active assets by type, your most recent activities, quarterly summary, remaining life, and depreciation comparison. The Assets Snapshot appears every time you open a company or organization, unless you select the "not to display" at startup option. You can also view Assets Snapshot at any time by selecting the Fixed Assets Reports menu , then Assets Snapshot.

- Get concise, well-organized graphical charts and statistics
- View current status of assets, active assets by type, recent activities, quarterly summary, remaining life, and depreciation comparison
- Appears every time you open a company or organization
- Access at any time from the Fixed Assets Reports menu

The SnapShot displays the following asset information:

Asset Listing: A table that displays the net value of your active assets, as well as the number of your assets and their acquired values broken down by their current status (active, disposed, inactive, or transferred).

Asset Listing		
Active Assets Net Value	\$2,627,848.35 *	
Assets	Acq Value	Count
Active	\$4,106,952.87	192
Disposed	\$21,851.00	6
Inactive	\$95,000.00	4
Transferred	\$0.00	0
Other	\$0.00	0
Total	<u>\$4,223,803.87</u>	<u>202</u>

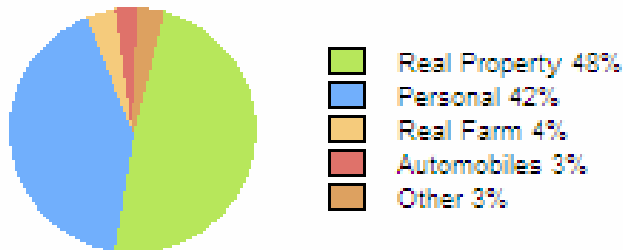
* Not all assets depreciated through same date.



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Active Assets by Property Type: A pie chart that shows the total acquisition values for the top four property types, with all other property types grouped into a category called “Other”.

Active Assets by Property Type
Based on Acquisition Value



Latest Activity Dates: This section displays the latest date that various activities occurred, such as the last time depreciation was run, the last time you performed a Period Close, and the last time an asset was placed in service, disposed, and transferred.

Latest Activity Dates

Last depreciation run: 12/31/2008

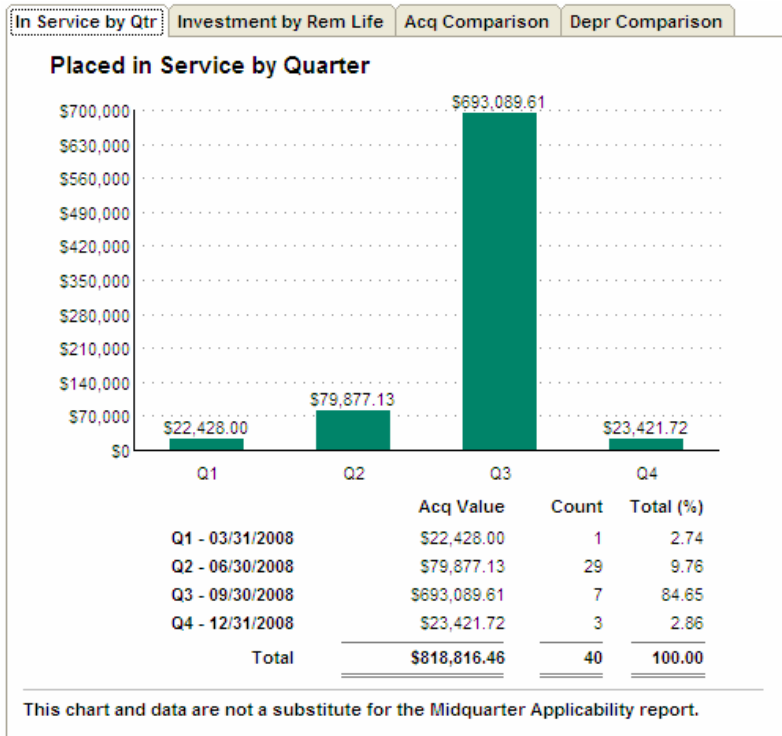
Last period closed: N/A

Last asset purchased:
System No. 179 on 12/05/2008

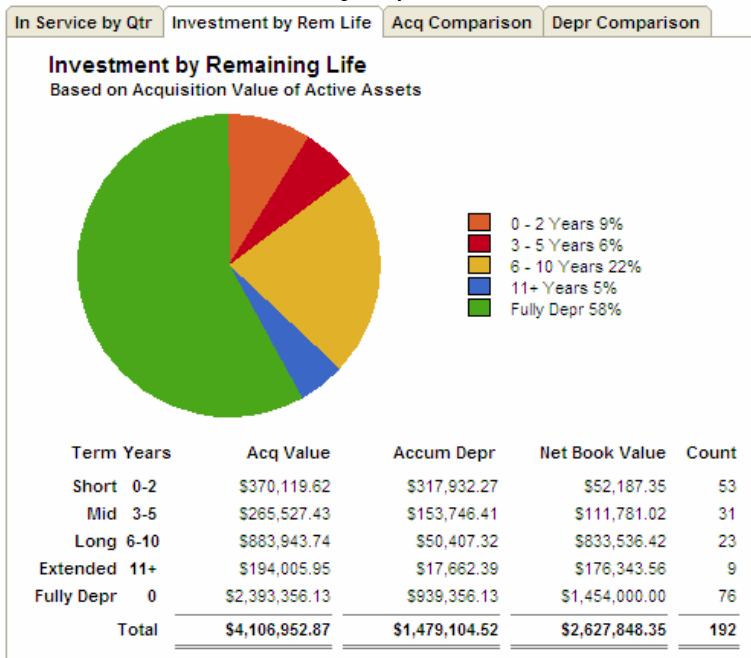
Last asset disposed:
System No. 153 on 10/31/2008

Last asset transferred:
N/A

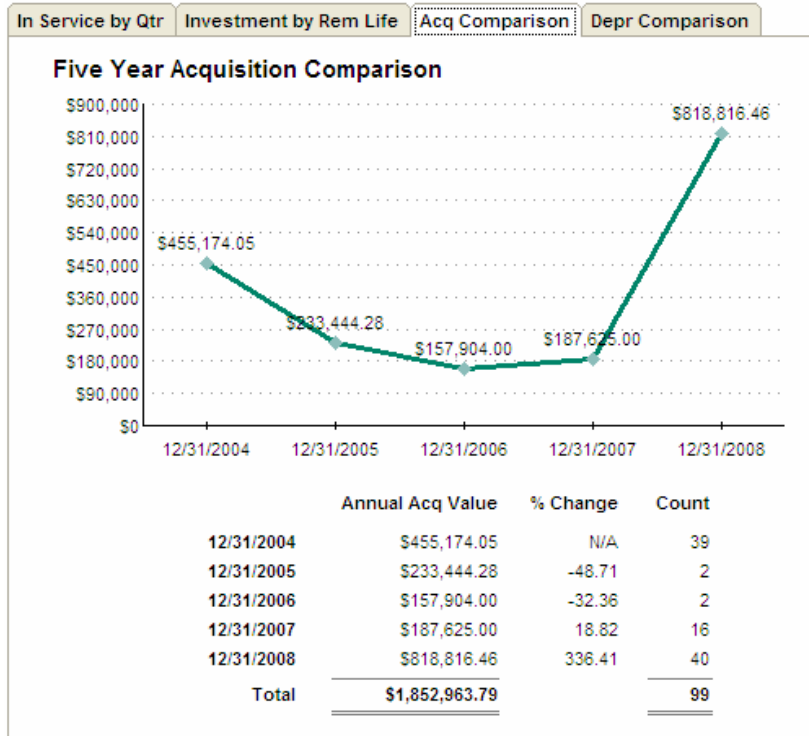
Placed in Service by Quarter Chart: Displays the total acquired value of the assets placed in service in each quarter of the current year.



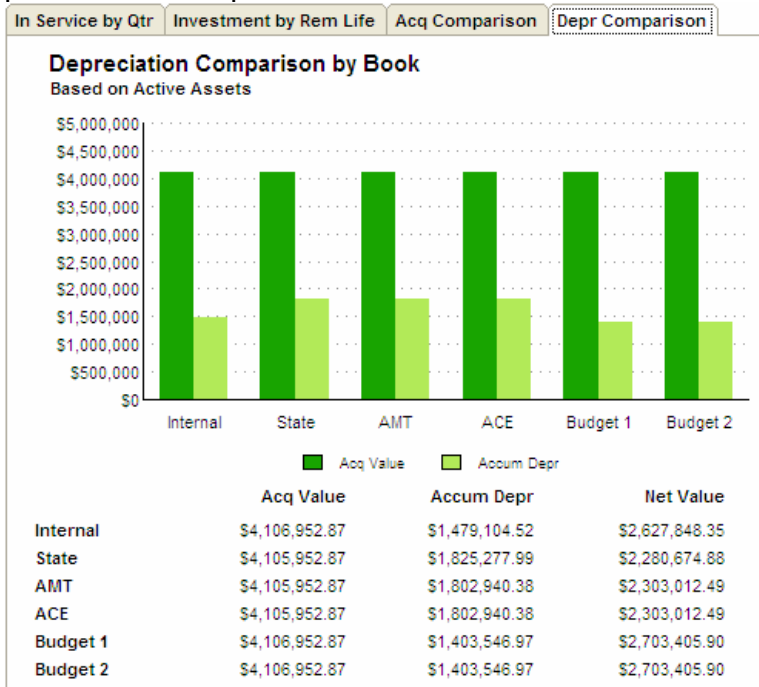
Investment by Remaining Life Chart: Groups active assets into four categories, according to how much time remains before the assets are completely depreciated, and compares the total acquired values of each group. A fifth category displays active assets that have been fully depreciated.



Five Year Acquisition Comparison Chart: Shows the total acquired value of assets placed in service in each of the last five fiscal years.



Depreciation Comparison by Book Chart: Compares the total acquired value and total accumulated depreciation for all active assets through the current reporting period for each open Fixed Asset book.



Sage MAS 90 and 200 Fixed Assets 2009.1.1 also incorporates the changes of the American Recovery and Reinvestment Act of 2009:

Updated Tax Forms

The IRS Form 4562 – Depreciation and Amortization has been updated for the 2008 tax year.

To run the tax forms

1. Calculate depreciation through the end of the fiscal year.
2. Select Tax Forms and Worksheets from the Reports menu.
3. Select the desired report.
4. Complete the fields on the dialog box, and then click the Execute button.

Updated Tax Limits

Luxury Auto Limits

The depreciation limits in effect for automobiles placed in service in 2009 are as follows:

Year 1: \$10,960 *

Year 2: \$4,800

Year 3: \$2,850

Year 4: \$1,775

* If you elect out of the 168 Allowance for the automobile, the depreciation limitation is \$2,960 for the first year.

Light Trucks and Vans Limits

The depreciation limits for light trucks and vans placed in service in 2009 are as follows:

Year 1: \$11,060 *

Year 2: \$4,900

Year 3: \$2,950

Year 4: \$1,775

*If you elect out of Allowance for the truck or van, the depreciation limitation is \$3,060 for the first year.

Section 179 Limits

The maximum Section 179 limit is \$250,000 for assets placed in service in tax years beginning in 2009. In addition, the maximum cost of Sec 179 property that can be placed in service in the year before the phase-out begins is \$800,000 for tax years beginning in 2009.

Increased Sec 179 Limits for Two New Property Zone Types

A higher Section 179 dollar limit already existed for Gulf Opportunity Zone property and Enterprise Zone property. There is now a higher Section 179 dollar limit for two new property zones.

- **Qualified Disaster Zone Property:** The Emergency Economic Stabilization Act of 2008 provides for increased Section 179 limits for assets located in a Qualified Disaster Zone.
- **Kansas Disaster Zone Property:** The 2008 Farm Act provides for increased Section 179 limits for assets located in the Kansas Disaster Zone. Qualified property must be placed in service after May 4, 2007 and before January 1, 2009.

The table below shows the regular Section 179 dollar limit, as well as the increased limits for property located in property zones.

Year	Regular Sec 179	Enterprise Zone	Gulf Opportunity Zone and Kansas Disaster Zone	Qualified Disaster Zone
2008	\$250,000	+ \$35,000 = \$285,000	\$250,000 + cost of property, limited to \$100,000 = \$350,000	\$250,000 + cost of property, limited to \$100,000 = \$350,000
2009	\$250,000	+ \$35,000 = \$285,000	N/A (Gulf Opportunity Zone and Kansas Disaster Zone property must be placed in service before January 1, 2009.)	\$250,000 + cost of property, limited to \$100,000 = \$350,000

Follow the steps below to designate an asset as Enterprise Zone, Gulf Opportunity Zone, Qualified Disaster Zone, or Kansas Disaster Zone property.

To select a property zone:

1. Enter the appropriate Property Type, Placed-in-Service Date, Acquisition Value, Depreciation Method, and Estimated Life.

2. In the Sec. 179/Bonus field, click the down arrow. The Sec. 179/Bonus Details screen appears.

Enter the amount of §179 deductions you are claiming for this asset. Select a zone type only if the asset is located in a special zone that qualifies for increased expensing.

Regular §179

Qualified §179 Property [What is qualified §179 property?](#)

Zone Type: **K - Kansas Disaster Zone**

\$179 Amount: **\$1,000.00**

Pre-ACRS Bonus: **\$0.00**

Other §179 Deductions

\$179/Other Code: **N**

Codes:

- B - EPA Sulfur Control Requirements
- C - Qualified Refineries
- D - Energy Efficient Commercial Buildings
- E - Advanced Mine Safety Equipment
- O - Other Asset Basis Reduction
- N - Not Applicable

\$179/Other Amount: **\$0.00**

Total §179/Bonus: \$1,000.00

OK Cancel Help

3. Select the Qualified §179 Property check box if it is not already selected.
4. In the Zone Type field, select the appropriate zone. The application enters a default amount in the §179 Amount field.
5. Click OK.

Extension for Section 179C, 179D, and 179E Property

The immediate expensing of Section 179C property, qualified refineries, has been extended two years through 12/31/2013.

The immediate expensing of Section 179D property, energy efficient commercial buildings, has been extended for five years through 12/31/2013.

The immediate expensing of Section 179E property, advanced mine safety equipment, has been extended for one year through 12/31/09.

Updated ITC Credits Available

The Emergency Economic Stabilization Act of 2008 and the American Recovery and

Reinvestment Act of 2009 created new ITC credits and extended the dates or increased the percentage for existing credits.

Four New Investment Tax Credits Available

New credits are available for combined heat and power system property (10%), qualified small wind energy property (30% or \$4,000), geothermal heat pump systems (10%), and advanced energy projects (30%).

Note: The \$4,000 annual limitation on the tax credit for qualified small wind energy is eliminated after 12/31/2008.

To enter the new ITC credits

1. Enter the appropriate Property Type, Placed-in-Service Date, Acquisition Value, Depreciation Method, and Estimated Life.
2. Click in the ITC Amount field, and then click the down arrow. The Investment Tax Credit screen appears.

The screenshot shows a dialog box titled "Investment Tax Credit". It has a title bar with a close button (X). The dialog is divided into two main sections. The first section, labeled "Options", contains three fields: "ITC Credit:" with a dropdown menu showing "(1) Heat/Power system", "ITC Credit %:" with a text box containing "10.00", and "ITC Credit Amount:" with a text box containing "\$1,000.00". The second section, labeled "Basis Reduction Amount", contains one field: "Amount:" with a text box containing "\$500.00". At the bottom of the dialog are three buttons: "OK", "Cancel", and "Help".

3. In the ITC Credit field, select the desired credit.
4. Change the amounts in the remaining fields, or else accept the default entries.
5. Click OK.

Grants in Lieu of Investment Tax Credits

Taxpayers can either claim a tax credit or apply for a grant when they place in service specified energy property.

Taxpayers can receive grants for property placed in service during 2009 or 2010. They can apply for grants after 2010 and before December 31, 2016 (the credit termination

date) only if construction of the property began during 2009 or 2010. To be eligible for the grant, the property must be either an electricity production facility otherwise eligible for the renewable electricity production credit, or qualifying property otherwise eligible for the energy credit. The amount of the grant is 30% for Code Sec. 45 and Code Sec. 48 property, and 10% for qualified microturbine, combined heat and power system, and geothermal heat pump property.

Extended Rehabilitation Credits

Rehabilitation credits (ITC Codes G and H) have been extended until 12/31/2011 for property located in special zones. Expenditures in connection with certified historic structures are allowed a credit of 26%. Expenditures for qualified rehabilitated buildings are allowed a credit of 13%.

Increased Credit for Advanced Coal Projects

After 10/2/2008, an ITC Credit of 30% is allowed for expenditures for advanced coal projects (ITC Code W).

Extended Energy Credits

ITC Credits for expenditures for solar energy property (ITC Code S), fuel cell property (ITC Code U), and microturbine property (ITC Code V) have been extended through 12/31/2016.

Extended 168 Allowance

Under IRS Code Section 168, qualified property placed in service from January 1, 2009 through December 31, 2009 is allowed an additional 50% depreciation deduction in the year the property is placed in service. Qualified property includes property with a recovery period of 20 years or less, computer software, water utility property, and qualified leasehold improvement property. The 50% depreciation deduction is extended an additional year for certain aircraft and certain property with longer production periods; such property must be placed in service by December 31, 2010.

168 Allowance Available for Reuse and Recycling Property

You can claim a 168 Allowance of 50% on certain reuse and recycling property placed in service after 8/31/08.

Extended Indian Reservation Property Rules

In 1993, Congress created a system whereby qualifying Indian Reservation property must be depreciated over shorter recovery periods than otherwise allowed. This accelerates the allowable depreciation deductions. Qualifying Indian Reservation property must be placed in service before January 1, 2010, an extension of two years.

Extended Leasehold Improvement and Restaurant Property Rules

Leasehold improvements are permanent betterments made to leased property that is owned by someone else and which will usually revert to the owner at the end of the lease period. Prior to 2004, leasehold improvements were required to be depreciated using the same depreciation method, life, and averaging convention as the underlying

property to which they were attached. In 2004, Congress required businesses to depreciate leasehold improvements using the straight-line depreciation method over a 15-year recovery period and applying either a half-year or midquarter averaging convention. Leasehold improvements must use a 15-year recovery period if placed in service before January 1, 2010, an extension of two years.

Qualified restaurant property placed in service from January 1, 2008 through December 31, 2009 also must use a 15-year recovery period and the straight-line depreciation method. Additionally, the definition of Qualified Restaurant property has been expanded to include Section 1250 buildings with placed-in-service dates from January 1, 2009 through December 31, 2009. The buildings are eligible for the reduced recovery period of 15 years (ADS 39 years).

15-Year Recovery Period Available for Retail Improvement Property

Qualified Retail Improvement property placed in service from 1/1/09 – 12/31/09 is allowed a 15-year cost recovery period with a class life of 39 years and is required to use straight line depreciation. Qualified retail improvement property is **not** allowed the 50% 168 Allowance.



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