

## Replacement Schedule for Capital Items (Effective Oct. 1, 2023)

### 1. New Assets:

The following schedule should be used to determine the depreciable/useful life of a new asset. This schedule is not intended to be all inclusive. If the asset is not listed on the schedule, one of the following methods should be used to determine the useful life:

- Generally accepted accounting principles,
- Independent evaluation,
- Manufacturer's estimated useful life,
- Internal Revenue Service (IRS) Publication 946,
- Industry standards,
- Years for which the vehicle was tested at a federal test facility, such as FTA/Altoona Testing. For more information regarding Altoona testing, go to <http://altoonabustest.psu.edu/>.

<b>Asset Class:</b>	<b>Description:</b>	<b>Depreciable/Useful Life:</b>
Bus: Small body on van cut-away	Light duty chassis - less than 30 feet	FTA/Altoona testing results
Bus: Medium body on truck chassis/trolleys	Medium duty chassis - less than 30 feet	FTA/Altoona testing results
Bus: Medium body on truck chassis/trolleys	Heavy duty chassis - 30 feet to 34 feet	Delivered prior to Jan. 1, 2008: 10 years or 350,000 miles. Delivered on or after Jan. 1, 2008: Altoona testing results
Bus: Large	Heavy duty chassis - 35 feet to 60 feet	Delivered prior to Jan. 1, 2008: 12 years or 500,000 miles. Delivered on or after Jan. 1, 2008: Altoona testing results
Cars, minivans, standard van, conversion van	Less than 13,000 pounds gross vehicle weight (GVW).	4 years or 100,000 miles

<b>Asset Class:</b>	<b>Description:</b>	<b>Depreciable/Useful Life:</b>
Trucks	Light duty (less than 13,000 pounds GVW).	4 years
Trucks	Heavy duty (more than 13,000 pounds GVW).	6 years
Office furniture and fixtures	Desks, files, safes.	10 years
Office equipment	Copiers, radios (digital/analog, 911, repeater, voice antenna, automatic vehicle locators), fax, phones, security cameras.	5 years
Computers and peripheral equipment	Computers, card readers, card punches, high-speed printers, mass storage units.	5 years
Software	Costs related to the purchase of the software should be capitalized. Costs of upgrades and enhancements that enable the software to perform tasks that it was previously incapable of performing should be capitalized. Fees paid for training, conversion costs and software maintenance are to be expensed.	3 years
Maintenance tools, equipment	Power/hand tools, lawn mowers, snow blowers.	5 years

Asset Class:	Description:	Depreciable/Useful Life:
Maintenance equipment and fixtures	Vehicle hoist/lift (four/six post life, in-ground, drive-on, scissor lift-electric or hydraulic), transmission flush and exchange unit, floor sweeper/scrubber, pressure washer/steam cleaner (hot/cold)/parts cleaner/steamer - upholstery cleaner, portable/vehicle installed generator, brake lathes/milling machines/drill press/grinders, lubrication and fuel dispensing equipment, carbon monoxide detectors/fuel leak detectors, roller cabinets, portable tool stands, compressors, diagnostic equipment, tractors - utility, lawn and attachments (e.g., back blades, snow blowers, mower decks).	12 years
Passenger bus shelter		10 - 15 years
Ferry Boat	Water transportation vessel, that transports pedestrians and/or automobiles with passengers for public transportation purposes.	20 years
Buildings	Administration, maintenance garages, cold storage building/bus shelter.	40 years
Land	Cannot be depreciated.	0 years

**2. Used Assets:**

If a used asset is purchased, the transit agency must determine a useful life based on such factors as: type of construction, nature of the equipment, past usage patterns, age, mileage, and technological developments. The asset class will remain the same as listed above under new assets. Acceptable methods to

determine useful life include but are not limited to:

- Transit agency's independent auditor to recommend a useful life,
- Manufacturer's estimated depreciable/useful life,
- IRS Publication 946,
- Industry standards.

**Note:** The useful life of a used asset will be handled on a case-by-case basis. Contact your MDOT project manager regarding this request.