

Table 3. (continued)

Asset Description	Month/year purchased	Number (A)	Cost per unit (B)	Total Cost (A x B)	Years of useful life	Salvage value	Depreciation method	Accumulated depreciation (total)	Annual depreciation expense ¹	Tax basis ² (C)	Market value per unit (D)	Total market value (A x D) ³	Taxable Gain/Loss (A x D) - C
Non-Current Assets													
Purchased Breeding Livestock													
Bull 7-yr. old	1/06	2	1,500	3,000	5	2,000	SL	800	200	250	1750	3,500	3,250
Bull 4-yr. old	1/10	2	1,800	3,600	5	2,400	SL	40	240	3,060	1,950	3,900	840
Subtotal - Purch. Brdg. Lvstk.									440	3,310		7,400	4,090
Raised Breeding Livestock													
Replacement heifers		10	450	4,500			SL				600	6,000	6,000
Bred heifers		10	550	5,500			SL				900	9,000	9,000
Cows		80	650	52,000			SL				1,000	80,000	80,000
Subtotal - Raised Brdg. Lvstk.				62,000						0		95,000	95,000
JS5410	7/03	1	38,500	38,500	15	15,000	SL	10,186	1,567	0	24,000	24,000	24,000
JD 9200	5/07	1	96,000	96,000	15	24,000	SL	12,800	4,800	39,984	90,000	90,000	50,016
Krause 36' disk	5/07	1	27,500	27,500	15	2,000	SL	4,533	1,700	11,454	17,500	17,500	6,046
CIH 2366 combine	5/01	1	105,450	105,450	12	20,000	SL	61,715	7,121	0	85,000	85,000	85,000
Kent 30' springtooth	7/03	1	9,250	9,250	20	1,000	SL	2,681	413	0	5,000	5,000	5,000
Sunflower 35' chisel	3/04	1	23,850	23,850	16	3,500	SL	7,420	1,272	0	15,000	15,000	15,000
JD 9400 Hoe drill-40'	4/08	1	31,750	31,750	12	6,000	SL	3,756	2,146	18,891	28,000	28,000	9,109
NH 688 baler	1/04	1	29,650	29,650	12	5,000	SL	14,378	2,054	0	17,000	17,000	17,000
JD 4990 swather	3/05	1	62,500	62,500	15	7,000	SL	17,883	3,700	5,206	48,000	48,000	42,794
Subtotal - Mach. & Equip.							SL		24,773	75,535		329,500	253,965

¹ For straight line depreciation, annual depreciation = (Total cost - Salvage value)/(Years of life). When the asset is first purchased, the amount of depreciation taken the first year is the annual depreciation amount multiplied by the proportion of the year remaining. For example, if the accounting year begins January 1 and the asset is purchased March 1, 10/12 of the year remains so the annual depreciation amount is multiplied by 10/12 to arrive at the depreciation amount for that year.

² Depreciation schedules should be attached to your tax return and will list tax basis in depreciable assets.

³ May also record death losses here.