



2015 FIXED ASSETS CS, v.2015.1.2
User Bulletin FA-15.1.2: Software Update

December 23, 2015

This user bulletin describes changes made to this release of Fixed Assets CS.®

CHANGES

Protecting Americans from Tax Hikes Act of 2015

Fixed Assets CS has been updated for the Protecting Americans from Tax Hikes Act of 2015 as follows.

- **Bonus first-year Depreciation** — Qualified property placed in service between 1/01/15 and 12/31/19 is allowed first-year bonus depreciation. The bonus depreciation percentage is 50% for property placed in service between 2015 and 2017, 40% for property placed in service during 2018 and 30% for property placed in service during 2019. In addition, the first-year passenger automobile limits have increased by \$8,000 for 2014 through 2017, \$6,400 for 2018 and \$4,800 for 2019.
- **Section 179** — The maximum amount of section 179 allowed has increased from \$25,000 to \$500,000, for 2015 and later tax years. Of the \$500,000, up to \$250,000 for the 2015 tax year can be expensed for qualified real property. In addition, the \$200,000 investment limitation has been increased to \$2,000,000.

Qualified real property for section 179 — Qualified real property (qualified leasehold improvement property, qualified restaurant property, and qualified retail improvement property) placed in service in a 2015 tax year is eligible for section 179 expensing. The maximum amount of section 179 expense allowed for qualified real property is \$250,000. An asset can be designated as qualified real property by selecting the appropriate category in the Method / Life Wizard or by selecting the type of qualified section 179 real property from the *Qual sec 179 prop* dropdown in the asset's Other tab. For tax year 2016 and later the \$250,000 cap on qualified real property has been eliminated.

Note: You can use the Elect Section 179 dialog to enter section 179 expense for eligible assets. To access this dialog, choose Tasks / Elect Section 179 while in the Asset Listing window.

- **Leasehold Improvements, Retail Improvements and Restaurant Building Improvements** — The Method/Life Wizard has been updated for Leasehold Improvements, Retail Improvements and Restaurant Building Improvements to permanently use the 15-year recovery period.
- **Indian Reservation Property** — The Indian Reservation and Indian Reservation Farm Method/Life Wizard have been updated to allow the accelerated depreciation for business property through 2016.