

COUNTY OF SAN BENITO, CALIFORNIA COUNTY ADMINISTRATIVE MANUAL		
0300: FINANCE, ACCOUNTING AND PURCHASING Capital Assets Policy and Procedure	Policy Number:	Page 1
<p>PURPOSE: To define procedures for consistent control and accountability over the acquisition, identification, disposal and inventory of capital assets.</p> <p>AUTHORITY:</p> <ol style="list-style-type: none"> 1. Government Code Section 24051, 26202, 29008, 29089, and 29090. 2. Accounting Standards and Procedures for Counties, State of California Chapters 11 and 15. 3. County Purchasing and Contracting Policy Manual Section 4.4 <p>POLICY: San Benito's capital asset policy is to maintain adequate records and management controls with respect to capital assets to safeguard the investment, to fix responsibility for custody, to provide data for financial reporting in accordance with generally accepted accounting principles (GAAP) aka Governmental GAAP, and to provide information for insurance purposes for government and proprietary funds.</p> <p>DEFINITIONS:</p> <ol style="list-style-type: none"> 1. Capital Assets – Capital assets are tangible assets of significant value having a utility which extends beyond current year, and are broadly classified as land, structures and improvements, infrastructure, and equipment; and exceed the capitalization policy thresholds. 2. Land - The investment in real estate other than building and improvements. 3. Building and Improvements - Buildings and improvements are physical property of a permanent nature such as buildings, structural attachments, storage tanks, reservoirs, and parking areas. Sidewalks, trees, and drives in connection with other structures or parks should also be capitalized. Buildings and improvements with a minimum value of \$5,000 shall be capitalized. 4. Equipment - Property that does not lose its identity when removed from its location and is not changed materially or consumed immediately (e.g., within one year) by use. Equipment with a minimum value of \$5,000 shall be capitalized. 5. Infrastructure - Infrastructure assets are long-lived assets that normally are stationary in nature and can be preserved for a significantly greater number of years than other capital assets. <p>Public domain capital assets such as roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, lighting systems and similar assets that are</p>		

immovable and of value only to the government unit.

All infrastructures, as defined in this procedure, shall be capitalized without regard for significance of cost.

6. Repairs - Repairs constitute expenditures made to place and/or maintain a fixed asset in good economic condition. In general, repairs properly chargeable to expense will include:
 - Minor replacements or improvements to assets where no retirement is recorded.
 - Major repairs which are incurred infrequently but are made to sustain the assets in normal operating condition.
 - Minor recurring repairs which keep the asset in normal operating condition.
 - Preventative maintenance costs.

RESPONSIBILITIES

1. Auditor-Controller
 - a. Accounting for capital assets is one aspect of the Auditor's responsibilities as chief financial officer to maintain the financial records of the County.
 - b. Claims for capital assets will only be processed after the final budget is adopted, unless the Board of Supervisors has authorized an early purchase.
2. Department Head
 - a. Ensuring that all capital assets are purchased within the guidelines established by the Board of Supervisors and the final budget appropriations for each capital asset.
 - b. Apply Asset Identification Tags to appropriate assets.
 - c. Report transfers and disposals to the Auditor's Office.
 - d. Conduct an annual physical inventory.
 - e. Submit an annual inventory report, including a written certification that reflects any necessary additions and/or deletions, to the Auditor's Office.
 - f. Responsible for obtaining serial numbers and other documents necessary to maintain accountability and to provide the necessary information to the Auditor to reconcile the Asset Management System to the general ledger. If inadequate information is submitted to the Auditor's office, additional information will be requested.
 - g. Dispose of capital assets per direction of the Board of Supervisors (Government code section 25504).
 - h. Deposit disposal proceeds into the county treasury. Account for the value of

properties exchanged or traded in.

- i. Submit Property Transfer Request (PTR) form with backup to the Auditor's Office.

PROCEDURE:

1. Land

- a. The capitalized cost of land will include the purchase price, appraisal and negotiation fees, title search fees, surveying fees, cost of consents, relocation costs, condemnation costs, clearing land for use, demolishing or removing structures, and filing costs.

If acquired by donations, the fair market value at the date received is considered the cost of the land.

- b. Land, including that associated with infrastructure, should be reported as "land" at cost, estimated cost, or estimated fair value at date of acquisition.
- c. Land shall be posted to GL account 650.150
- d. Receipts from the sale of salvage should be credited against the land cost if the sale is directly connected with the acquisition of the land and the salvage is sold within a reasonable period of time after acquiring the land.
- e. The purchase of right-of-way (easements) where title is not acquired by the County should be recorded as "Rights-of-Way" in the general ledger, GL account 650.203
- f. When land and building is acquired as a single parcel the value of the land should be determined separately from the value of the building and the amounts should be recorded in their respective accounts.

2. Building and Improvements

- a. Buildings shall be charged to GL 650.206 and improvements shall be charged to GL 650.106.
- b. The cost of building and improvements includes all expenditures in connections with their acquisition, such as purchase price or construction cost, fixtures attached to the structure, appraisal fees, broker and architect fees, permits and licenses, condemnation costs, insurance during construction, major alterations or improvements of existing structures, non-removable leasehold improvements, accident or injury costs, net interest costs during construction, and payment of damages. Minor improvements will be expensed as a repair using GL 619.158 – Maintenance of Buildings and Grounds.
- c. Interest paid during the construction period is considered a part of the cost of

the asset in accordance with Statement of Financial Accounting Standards No. 34. The amount of the interest to be capitalized shall be determined in consultation with the Auditor's Office.

- d. Cost should be reduced for the sale of salvage from materials charged against constructions, discounts, allowances and rebates secured, and amounts recovered through surrender of liability and casualty insurance.
- e. If acquired by donation, the fair market value at the date received is considered the cost of the building or improvements.
- f. Items of equipment which are permanently installed or attached to a structure, and are not intended to be removed, and which function as part of the structure, are not considered fixed asset equipment. These items are added to the overall cost of the structure, and are posted to GL 650.106.

3. Equipment

- a. Equipment shall be budgeted in and charged to GL account by type:
 - Vehicles, Trucks, Vans, Autos – 650.301
 - Equipment (all other than vehicles or computers) – 650.302
 - Computers/IT – 650.303
 - Furniture/Fixtures (not considered part of buildings) – 650.304
- b. Equipment items must have a cost \$5,000 or more and a useful life of one year or longer.
- c. The cost of equipment includes the purchase price or construction costs (less discounts), trade-in allowance, freight, sales, use, transportation, or other taxes, and installation costs.
- d. Equipment replacement expenditures are charged to fixed assets when: (1) the replacement unit fits the "Equipment" definition number 4 listed above in this procedure; and (2) the replacement unit is an identifiable/functional unit by itself (a component rather than an integral part of a larger unit).
- e. Replacement units which become part of a larger asset which is not functional without the replacement should be expensed.
- f. If acquired by donation, the fair market value at the date received is considered the cost of the equipment.
- g. In the case of grant programs that purchase Fixed Assets, the capitalization rules in the grant document override this policy, unless this policy has a lower amount.
- h. In some instances the cost test is applied to aggregates of units of similar type or purpose, such as shelving and filing drawers that create filing

systems, rather than to the units themselves. Fixed asset account should be used for equipment components when: (1) the components are to be assembled, and; (2) the combined cost of the assembled components exceeds \$5,000, and ; (3) the assembled unit would be posted to fixed assets if purchased in an assembled state, or; (4) the components qualify as fixed assets in and of themselves.

4. Infrastructure

Infrastructure completed within one fiscal year over a period of multiple fiscal years is entered in the Asset Management Module at the time of completion.

5. Leases

Leases are generally classified as capital leases or operating leases. Leases deemed to represent substantially all of the benefits and risks incident to ownership of the property (capital lease) should be accounted for as the acquisition of an asset and the incurrence of an obligation by the county (lessee). Other leases should be accounted for as operating leases, i.e., the rental of property.

a. Capital Leases

If a particular lease meets any one of the following criteria, it should be accounted for by the lessee as a capital lease:

- The lease transfers ownership of the property to the lessee by the end of the lease term
- The lease contains an option to purchase the leased property at a bargain price
- The lease term is equal to or greater than 75 percent of the estimated economic life of the leased property
- The present value of rental and other minimum lease payment equals or exceeds 90 percent of the fair value of the leased property

The last two criteria are not applicable when the beginning of the lease term falls within the last 25 percent of the total estimated economic life of the leased property.

The amount to be recorded by the County as an asset and as a financing source under a capital lease is the lower of the present value of the rental and other minimum lease payments or the fair value of the leased property. Periodic lease expenditures are treated as payments of the lease obligation and as interest expense (principal and interest), so that a constant periodic rate of interest is recorded on the remaining balance of the obligation.

b. Operating Leases

If none of the criteria for capital leases is met, the lease is classified as an operating lease. Neither an asset nor an obligation is recorded for operating leases. Rental payments are recognized as expenditures on the books of the fund from which the payment is made.

c. Future Lease Treatment Guidance

Currently, lease treatment guidance is still in exposure draft by the Government Accounting Standards Board and the proposed date of implementation would be June 30, 2020. The current language would establish a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. A lessee would be required to recognize a lease liability and an intangible right-to-use lease asset. Leases would all be financing leases with exceptions to short-term leases (less than one year) and those that transfer ownership (and do not include termination option). This policy recognizes the GASB as the authority over lease treatment for financial reporting. As such, any GASB statement(s) issued concerning lease treatment will be complied with in form and substance at no later than the stated operative effective dates.

6. Work in Progress

The WIP account is a “holding” account for accrued construction project costs for buildings or equipment where the duration of the project will extend to more than one fiscal year and the completed project will meet the capitalization criteria for the asset class. Once such projects are completed the total cost will be transferred out of WIP and into the appropriate asset account(s).

7. Transfers

a. Transfer to Another Department

Transfers are to be recorded in the Asset Management Module of the County’s Enterprise Resource System (ERP) when the relocation of the item or the exchange of physical custody of the asset is considered permanent. A PTR must be completed.

b. Transfers-Surplus Property

A PTR must be prepared noting the transfer as “Surplus Property”. All non-vehicle surplus property will be stored at a designated location set by the Resource Management Agency (RMA). Surplus vehicles will be stored at a designated location set by the RMA until there is a determination of final disposition. The PTR must reflect “Surplus Property” as the receiving location and be signed by the RMA department head when the asset is received. The RMA is responsible for the custody of the asset after receiving surplus property.

c. Transfer Requirements

Transfers and/or dispositions of capital assets will be made by submitting a PTR form (see exhibit C) and must contain the following information:

- Asset Identification number
- Date of transfer or disposition
- Department name and account number of the department transferring or disposing of the asset and the receiving department name and account number
- Acquisition date

- Original cost
- Description (per the ERP Asset Management System), manufacturer, model, vehicle identification (if applicable), and serial number of the asset to be transferred or disposed
- Preparer's name
- Date prepared
- Authorized signature
- Nature of Change
- Signature of transferring Department head or designee
- Signature of receiving Department head or designee
- Applicable notes

d. Involuntary Transfers

When capital assets are discovered to be missing and are believed to have been stolen, loss by fire etc., the agency must contact the law enforcement agency having jurisdiction. Immediately after the Sheriff/police report is completed, the agency must investigate the loss and advise the Auditor, Risk Management, and Board of Supervisors in writing of the items stolen/loss and the related asset identification numbers, stating the probability of recovery of the capital assets, and requesting deletion of the items from the asset management system and relief of accountability for the items. The letter must also describe the circumstances of the loss and the specific steps which have been taken to modify procedures and increase controls to preclude similar incidents from occurring in the future. The letter must be signed by the Department Head with a copy of the police report attached. The Board of Supervisors must approve removal of the asset. A PTR must be completed.

e. Inventory

i. Year End Inventory

At the end of the fiscal year a physical inventory of assets shall be conducted by each department itemizing all assets in their possession. The Auditor-Controller shall supply each department having assets with a current list of assets that are recorded in the Asset Management System (see exhibit D – example).

- Assets at the location but not on the report should be noted with the asset identification tag number, description, and manufacturer, model, serial number, and original cost when applicable.
- For assets that are shown in the report but no longer exist; a PTR needs to be completed. If an asset is missing and the department requests removal from the Asset Management System, Board of Supervisors' approval is required and a PTR needs to be completed.

ii. Assets to be Tagged

Recommended practices to place asset identification tags are listed in

Exhibit E. All assets will be tagged. Due to their nature and/or their exposure to the weather some assets are not practical to tag. Assets that do not have identification tags are:

- Land
- Land Improvements
- Infrastructure
- Buildings and their service systems
- Fixed equipment
- Outdoor recreational equipment

iii. Replacement of Defaced Asset Identification Tag

If an asset is observed to have a tag defaced to the point where number recognition is impossible, the asset should have a replacement asset identification tag assigned and affixed to it.

iv. Procedures for Non-Tagged Assets

The assets which are not required to be tagged must be kept on file with the department's purchase records and recorded in the Asset Management Module of the County's ERP system.

8. Depreciation

Depreciation is defined as an allocation of the entire cost of tangible capital assets to the operating expenses of a series of accounting periods comprising the service life of the asset, thus achieving the basic principle of matching revenue and costs. Because of the nature of governmental financing and the absence of profit determination, capital outlays are recorded as current expenditures and depreciation is not recognized.

However, fixed assets utilized by Enterprise Funds, Internal Service Funds, and Nonexpendable Trust Funds are reported as fixed assets of each of these respective funds and are accounted for in the same manner as a commercial enterprise and should be depreciated. The depreciation would be recorded as a reduction to the capital asset balance sheet item.

Depreciation rates are based on the estimated useful life of the asset. The useful life is determined by the estimated number of years the asset will remain in operating condition. Unless otherwise specified by special instructions, all assets will be depreciated by the Straight Line method of depreciation. In the fiscal year that an asset is placed in service, depreciation for the full fiscal year will be taken.

DEPRECIATION OF ASSETS PURCHASED UNDER A CAPITAL LEASE:

For assets capitalized under a capital lease, depreciation will be recorded under the County's normal depreciation policy if the lease transfers ownership of the property to the lessee by the end of the lease term or the lease contains a bargain purchase option. However, if the capitalized lease does not meet either criterion, the County's normal depreciation policies should be followed, but the

amortization period should be the lease term and not the economic life of the leased property.

SUNSET DATE

Any changes in law or Governmental GAAP will effectively update this policy. This policy will be reviewed annually prior to adoption of the annual County budget by the County Auditor-Controller for any updated proposed changes of policy and consideration of adoption by the Board of Supervisors.

Version History:

Version Number	Change Request Number (if applicable)	Date	Author	Summary of Change	Effective Date
0		05/31/2016	Mina Canning	Original Publication	05/31/2016

Appendix A

Standard Useful Lives

Equipment Useful Lives

The following list of standard useful lives will be used for all equipment:

Weapons, Firearms, Signal Guns, and Accessories 5 Years

- Firearms and Accessories
- Chemical Weapons and Equipment
- Weapons, Miscellaneous (Signal Guns, Line-Throwing Equipment, Animal Control Devices, etc.)

Ammunition and Explosives Equipment 5 Years

- Ammunition Reloading and Gunsmithing Equipment
- Bomb Handling and Cryogenic Equipment
- Detonating Equipment

Motor Vehicles, Trailers, and Cycles (All, except otherwise indicated) 5 Years

Vehicles (Autos, Vans, and Light Trucks) up to 10,000 lbs. GVW life are a function of the type of vehicle and the nature of vehicle use 5 years.

Vehicles, Medium and Heavy Duty (Trucks, Buses, and Special Purpose Vehicles as defined in Subsection) 10,000 lbs. GVW and over life are a function of the type of vehicle and the nature of the vehicle use 10 years.

- Trailers, Cargo and Utility Including Semitrailers
- Trailers, Boat
- Trailers, Camp, Office, Mobile Home, etc.
- Motorcycles and Scooters
- Combat Vehicles, Tracked

Tractors: Crawler, Wheeled, and Track-Laying 10 Years

- Tractors, Crawler
- Tractors, Wheeled, Industrial
- Tractors, Wheeled, Farm-Type
- Tractors, Track-Laying (Snowcat, Snowmobile, Weasel, etc.)

Vehicular Equipment and Components 5 Years

- Cab, Body, and Frame Components
- Brake, Steering, Axle, and Wheel Assemblies

- Accessories (Canopies, Tool Boxes, Light Bars, etc.)
- Modifications (Cranes, Lifts, etc.)

Engines, Turbines, and Components 5 Years

- Engines, Gas, Automotive
- Engines, Gas, Marine
- Engines, Gas, Small Implement
- Engines, Aircraft
- Engines, Diesel, Automotive
- Engines, Diesel, Marine
- Engines, Diesel, Industrial
- Water Turbines/Water Wheels and Components
- Turbines, Jet Engines, Non-aircraft
- Turbines, Jet Engines, Aircraft
- Engines, Rotary, Gas and Components
- Engines, Miscellaneous and Components

Engine Components and Accessories 5 Years

- Fuel System Components, Gas
- Cleaners, Filters, and Strainers
- Engine Accessories, Diesel Heavy Equipment
- Engine Accessories, Non-aircraft Miscellaneous
- Engine Accessories, Aircraft Miscellaneous

Mechanically Powered Transmission Equipment 5 Years

- Torque Converters
- Gears, Pulleys, and Sprockets
- Power Transmission Equipment
- Hydraulic System Components

Woodworking Machinery and Equipment 5 Years

- Sawmill and Planning Mill Equipment
- Woodworking Machines
- Tools and Attachments for Woodworking Machinery

Metalworking Machinery and Welding Equipment 10 Years

- Saw and Filing Machines
- Machining Centers and Way-Type Machines
- Electrical and Ultrasonic Erosion Machines
- Boring and Broaching Machines
- Drilling and Tapping Machines
- Gear Cutting and Finishing Machines
- Grinding and Finishing Machines
- Lathes, Metalworking
- Milling Machines

- Planers and Shapers
- Miscellaneous Machine Tools and Accessories
- Rolling Mills and Drawing Machines
- Metal Heat Treating and Non-thermal Treating Equipment
- Metal Finishing Equipment
- Electric Welding Equipment and Accessories
- Welding Equipment, Engine Driven
- Gas Welding, Heat Cutting, and Metalizing Equipment
- Miscellaneous Welding Equipment and Accessories
- Miscellaneous Welding, Soldering, and Brazing Equipment
- Bending and Forming Machines
- Hydraulic, Pneumatic, and Mechanical Presses –Power and Manual
- Punching and Shearing Machines
- Forging Machinery and Hammers
- Wire and Metal Ribbon Forming Machines
- Riveting Machines, Power Operated
- Machine Tools, Portable, and Secondary
- Cutting Tools, for Machine Tools
- Machine Tool Accessories
- Production Jigs, Fixtures, and Templates
- Machine Shop Sets, Kits, and Outfits

Services and Trade Equipment – Laundry, Shoe, Sewing, and Packaging 5 Years

- Laundry and Dry Cleaning Equipment
- Shoe Repair Equipment
- Industrial Sewing Machine
- Wrapping and Packaging Machinery
- Vending Machines
- Parking Meters, Turnstiles, and Fare Recording Devices
- Beauty and Barber Shop Equipment
- Plastic Laminating Presses
- Specialized Plastic Working Machines

Special Industrial Machinery – Food, Printing, Logging, and Textile 5 Years

- Food Cannery Machinery and Equipment
- Printing Equipment
- Duplicating Equipment/Copy Equipment
- Binding Equipment
- Textile Industries Machinery
- Gas Generating Aero Dispensing Systems, Capital, or Mobile
- Foundry Machinery and Related Equipment
- Clean Work Station, Controlled Environment Equipment
- Specialized Logging Equipment

Agricultural Machinery and Equipment – Farm, Fishery, Pest Control, Garden, and

Irrigation 10 Years

- Soil Preparation Equipment
- Harvesting Equipment
- Dairy and Livestock Equipment
- Poultry Equipment
- Fish Hatchery Equipment
- Pest, Disease, and Frost Control Equipment
- Garden Implements (Mowers, Hedgers, etc.)
- Gardening Tools
- Irrigation Equipment – Sprinklers, Pipe, and Accessories
- Forestry Planting Tools
- Animal Furnishings and Equipment – Saddles, etc

Construction, Mining, and Highway Maintenance Equipment 10 Years

- Earth Moving and Excavating Equipment
- Cranes and Crane Shovels
- Crane and Crane Shovel Attachments
- Mining, Quarrying, and Rock Drilling Equipment
- Rock Crushing Equipment
- Road Clearing and Cleaning Equipment
- Traffic Safety Devices
- Pavement Marking Equipment and Accessories
- Weed Burners and Brush Control Equipment
- Construction and Maintenance Equipment Attachments
- Miscellaneous Construction Equipment

Materials Handling Equipment 5 Years

- Conveyors
- Materials Handling Equipment, Not self-propelled
- Materials Handling Equipment, Warehouse Type, Self-Propelled
- Blocks, Tackle, Rigging, and Slings
- Winches, Hoists, Cranes, and Derricks
- Elevators and Escalators
- Miscellaneous Materials Handling Equipment

Refrigeration and Air Conditioning Equipment, Components and Accessories 10 Years

- Refrigeration Units and Accessories, Commercial
- Refrigeration Units and Accessories, Scientific
- Refrigeration Units and Accessories, Household
- Air Conditioning, Heating, and Ventilation Systems, Commercial
- Air Conditioning Units and Accessories, Commercial and Industrial
- Air Conditioning Units and Accessories, Household
- Air Conditioning Units and Accessories, Marine
- Refrigeration and Air Conditioning Plants and Components

- Fans and Air Circulators, Nonindustrial
- Industrial Fan and Blower Equipment

Fire Fighting Tools and Equipment 5 Years

- Fire Fighting Tools and Equipment
- Fire Extinguishers and Accessories
- Marine Life Saving Equipment
- Marine Diving and Salvage Apparatus and Equipment
- Safety and Rescue Equipment (Excluding Eye and Face Protection and Clothing)
- Safety and Rescue Equipment – Breathing Apparatus
- Safety and Rescue Equipment, Eye and Face Protectors

Pumps and Compressors 5 Years

- Compressors, Mounted and Unmounted
- Power and Hand Pumps
- Centrifugals, Separators, and Pressure and Vacuum Filters (Non-laboratory)

Furnaces, Steam Plants, Driers, and Air Purification Equipment 10 Years

- Industrial Boilers
- Heat Exchangers and Steam Condensers
- Industrial Furnaces, Kilns, Lehrs, and Ovens
- Driers, Dehydrators, and Anhydrators
- Air Purification Equipment
- Industrial Controls

Plumbing, Heating, and Sanitation Equipment 5 Years

- Plumbing Fixtures and Accessories
- Dispensers, All Types
- Space Heaters, Non-portable
- Space Heaters, Portable
- Water Heaters
- Fuel Burning Units and Accessories
- Miscellaneous Plumbing, Heating, and Sanitation Equipment

Water Purification and Sewage Treatment Equipment 5 Years

- Water Purification Equipment
- Water Distillation Equipment
- Sewage Treatment Equipment

Specialized Maintenance and Repair Shop Equipment 5 Years

- Motor Vehicle Maintenance and Repair Shop Equipment
- Aircraft Maintenance and Repair Shop Equipment
- Marine Maintenance and Repair Shop Specialized Equip.
- Lubrication Equipment and Accessories

- Fuel Dispensing Equipment and Accessories
- Miscellaneous Maintenance and Repair Shop Equipment

Hand Tools, Powered, and Non-powered 5 Years

- Hand Tools, Edged, Non-powered
- Hand Tools, Non-edged, Non-powered
- Hand Tools, Power Driven, Attachments
- Taps, Dies, and Collets – Hand and Machine
- Tool and Hardware Boxes
- Sets, Kits, and Outfits of Hand Tools

Measuring Tools and Gauges 5 Years

- Measuring Tools, Craftsmen's
- Inspection Gauges and Precision Layout Tools

Hardware, Abrasives, Locks, and Packing 5 Years

- Screening
- Key-Duplicating Machines
- Prefabricated, Portable Structures, Buildings, and Scaffolding 50 Years
- Prefabricated, Portable Structures and Buildings
- Bridges, Capital and Floating
- Storage Tanks
- Scaffolding Equipment and Ladders
- Prefabricated Tower Structures
- Miscellaneous Prefabricated Structures

Communication, Recording, Reproducing, and Detection Equipment 5 Years

- Telephone and Telegraph Equipment, and Cell Phones
- Communications Security Equipment and Components
- Teletype and Facsimile Equipment
- Communications Equipment, Industrial, and Commercial
- Radio and Television Communications Equipment, Airborne
- Communications Equipment, Public Safety: Audio and Video
- Radio Navigation Equipment, Non-airborne
- Radio Navigation Equipment, Airborne
- Intercommunications and Public Address Systems, Non-airborne
- Intercommunications and Public Address Systems, Airborne
- Sound Recording and Reproduction Equipment, Industrial and Professional (includes BETA and VHS Recorders; Video Cameras)
- Radar Equipment
- Underwater Sound Equipment and Accessories
- Audio Tape, Industrial, and Professional
- Video Tape, Industrial, and Professional
- Night Vision Equipment
- Stimulated Coherent Radiation Devices (Laser and Taser)

- Headsets, Handsets, Microphones, Speakers, etc

Electrical and Electronic Components 5 Years

- Lugs, Terminals, and Terminal Strips, Electrical
- Boards, Terminal, Multi-application, Electronic

Fiber Optics Materials, Components, Assemblies, and Accessories 5 Years

- Fiber Optic Conductors
- Fiber Optic Devices
- Fiber Optic Accessories

Electric Wire, Power, and Distribution Equipment, Batteries, and Generators 5 Years

- Motors, Electrical
- Electrical Control Equipment Switchgear, Servomechanisms, etc.
- Generators and Generator Sets, Electrical
- Solar, Thermal, and Nuclear Power Equipment
- Transformers, Distribution and Power Station
- Converters, Electrical, Rotating
- Converters, Electrical, Non-rotating
- Batteries, Dry Cell
- Batteries, Wet Cell, Industrial and Electric Vehicles
- Miscellaneous Electric Power and Distribution Equipment

Lighting Fixtures and Lamps 5 Years

- Lighting Fixtures, Indoor
- Lighting Fixtures, Outdoor
- Portable Electric Lighting Equipment
- Flying Insect Control

Alarm and Signal Systems 10 Years

- Traffic and Transit Signal Systems
- Alarm and Signal Systems, Commercial

Medical, Dental, and Veterinary Equipment 10 Years

- Medical and Surgical Instruments and Equipment
- Orthopedic Equipment
- Ophthalmological, Refraction, and Audiometry Equipment
- Veterinary Equipment
- Dental Instruments and Equipment
- X-ray Equipment, Medical, Dental, and Veterinary
- Hospital Equipment
- Patient Mobilization Aids
- Stretchers and Litters
- Sterilizing Equipment and Accessories
- Opticians Instruments and Equipment

- Medical Sets, Kits, and Outfits

Instruments and Laboratory Equipment 5 Years

- Navigational Instruments
- Flight Instruments
- Automatic Pilot Mechanisms and Airborne Gyro Components
- Engine Instruments
- Electrical Measuring and Testing Instruments (Ammeters, Voltmeters, etc.)
- Electronic Measuring and Testing Instruments
- Equipment, Instruments, and Devices, Laboratory
- Physical Properties Testing Equipment
- Environmental Chambers and Related Equipment
- Laboratory Supplies
- Laboratory Furniture
- Agriculture Laboratory and Field Testing Equipment
- Time Measuring Instruments (Clocks, Watches, and Movements)
- Optical Instruments, Laboratory
- Optical Devices, Binoculars, Telescopes, Infrared Viewers, and Rangefinders
- Geophysical and Astronomical Instruments
- Meteorological Instruments and Apparatus
- Hazard Detecting Instruments and Apparatus
- Scales and Balances, Commercial and Household
- Scales, Postal
- Scales and Balances, Laboratory
- Drafting, Surveying, and Mapping Instruments
- Liquid and Gas Flow, Liquid Level, and Mechanical Motion Measuring Instruments
- Speedometers and Tachometers
- Regulators and Gauges, Medical
- Pressure, Temperature, and Humidity Measuring and Controlling Instruments
- Combination and Miscellaneous Instruments

Photographic, Projecting, and Microfilm Equipment 5 Years

- Cameras, Motion Picture
- Cameras, Still Picture
- Photographic Projection Equipment
- Photographic Developing and Finishing Equipment
- Photographic Supplies
- Photographic Equipment and Accessories
- Films Processed for Commercial and Industrial Use
- Film Processing
- Micrographic Equipment
- Micrographic Supplies
- Micrographic Unitizing Equipment and Accessories

Training Aids and Devices 5 Years

- Multimedia Systems
- Training Aids, Medical
- Audiotape, Training
- Slides, Training
- Flight Training Aids and Devices
- Overhead Transparencies, Training
- Videotapes, Training
- Targets
- Vehicle Training Aids and Devices
- Robots for Training
- Communications Training Devices, For the Handicapped
- Miscellaneous Training Aids and Devices

Information Technology (IT) Equipment 5 Years

- Main Frame Computer Systems
- Minicomputer Systems and Servers
- Non-portable Microcomputer Systems, including desktop personal computers (PC's)
- Portable Microcomputer Systems, Laptop, and Notebook Computers
- Front End Communications Processors
- Data Processing Terminals
- Data Communications Equipment (Multiplexors, Modems, Routers, Hubs, and Switches)
- Input/Output and Storage Devices - Tape
- Input/Output and Storage Devices - Disk (Laser and Magnetic)
- Input/Output and Storage Devices - Other
- Main Frame and Minicomputer
- Microcomputer
- Plotters
- Other IT Accessorial Equipment and Components (Scanners, Data Displays, etc.)
- Monitors
- Laser Printers
- Impact and Other Printers
- Punched Card Equipment
- Mini/Microcomputer Systems (Used primarily to control larger systems such as heating, A/C, etc.)
- Test and Monitor Equipment

Furniture, Fixtures, and Accessories 10 Years

- Household Furniture
- Office Furniture, Desk, Chairs, etc.
- Mail Room Furniture and Equipment
- School Furniture

- Hospital Furniture
- Furniture, Critical Environment (Prisons, etc.)
- Furniture Fabrication and Repair Supplies
- Cabinets, Lockers, Bins, and Shelving
- Auditorium and Theater Furniture
- Library Furniture
- Miscellaneous Furniture and Fixtures

Household and Commercial Furnishings and Appliances 5 Years

- Awnings
- Containers, Utility, Commercial
- Containers, Utility, Household
- Miscellaneous Household and Commercial Furnishings and Appliances (Fireplace Sets, Hair Dryers, Washers Dryers, Compactors, Sewing Machines, Irons, etc.)

Food Preparation and Serving Equipment 5 Years

- Food Cooking, Baking, and Warming Equipment, Commercial
- Food Cooking, Baking, and Warming Equipment, Household
- Kitchen Equipment and Appliances, Commercial
- Kitchen Equipment and Appliances, Household
- Kitchen Utensils
- Vacuum Containers and Chests

Office, Visible Record, and Word Processing Equipment 5 Years

- Accounting and Calculating Machines
- Typewriters and Office Type Composing Machines
- Word Processing Equipment and Accessories (Includes mini and microcomputers specifically designed for Word Processing purposes)
- Office Type Sound Recording and Reproducing Machines
- Visible Records Equipment
- Miscellaneous Office Machines (Coin Counters, Collators, Cash Registers, etc.)

Musical Instruments, Phonographs, Radios, Televisions, and Household Recordings 5 Years

- Musical Instruments
- Musical Instrument Parts and Accessories
- Record Players, Radios, Television Sets, Tape Recorders, VCRs, and Video Cameras, Home Type
- Recordings, Entertainment
- Video Tapes, Entertainment

Recreational and Athletic Equipment and Toys 5 Years

- Athletic and Sporting Equipment

- Games, Toys, and Wheeled Goods
- Gymnastic Equipment
- Playground Equipment
- Game Room Equipment, Pool and Billiard Tables, and
- Bowling Equipment

Cleaning Equipment 5 Years

- Floor Polishers, Scrubbers, and Accessories
- Vacuum Cleaners, Carpet Sweepers, and Accessories

Textile, Leather, Tents, and Flags 10 Years

- Tents, Tarpaulins, and Canvases

Signs, Arts and Crafts, and Church Equipment 5 Years

- Advertising Signs and Identification Plates
- Highway Signs
- Sign Making Machines and Accessories
- Arts and Crafts Supplies
- Collectors' Items
- Ecclesiastical Equipment
- Cemetery Equipment

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