

Fixed Asset Manager

Software Overview

Businesses are required to maintain an inventory of all assets and depreciate or amortize the cost of these assets over the applicable methods and useful lives. Difficulty managing the depreciation and amortization stems from the fact that the same asset may have different basis and depreciated differently depending on the jurisdiction or purpose. The Fixed Asset Manager (FAM) module eliminates this problem.

FAM streamlines asset management processes from acquisition to disposition for all jurisdictions and purposes with minimum data maintenance. Users can manage all global fixed assets centrally in this SaaS application to calculate depreciation and amortization expense, maintain the accumulated depreciation and amortization, manage the differences in depreciable basis, manage intercompany asset transfers, and calculate the gain or loss upon disposition for multiple depreciation purposes (for example, U.S. GAAP, U.S. federal Tax, and U.S. AMT) and jurisdictions (U.S. federal, U.S. states, and local countries).

FAM can also automate the U.S. tax returns by way of computing accurate book-tax differences in depreciation and amortization and gain or loss for taxable income and flow them to support federal tax forms, such as Forms 4562 and 4797.

Module Features and Benefits

Easy Implementation

- Establish fixed asset data in FAM using standard imports
- Roll forward prior year data to current period and record current year additions, disposals, splits, and transfers
- Create a unique definition for each asset or apply the definitions of one of the many pre-defined asset types in FAM, which are useful for reporting purposes
- Create custom asset types to define asset lives, methods, and conventions
- Receive expert guidance to easily transition from your current system to FAM

Note: For your assurance, we begin the implementation by replicating your historical fixed asset data in FAM and confirm that FAM calculations tie-out.

Depreciate an Asset for Multiple Jurisdictions and Purposes

- Perform depreciation calculations based on U.S. guidelines for state, local, and foreign jurisdictions
- Supports US GAAP, US Federal Tax, and US Federal AMT depreciation purposes, and create additional custom depreciation purposes as needed

Comprehensive Maintenance of Historical Record of Fixed Assets

- Maintain an inventory of assets and associated splits, transfers, and dispositions
- Record adjustments to cost basis for different jurisdictions and purposes
- Split one asset into two or more assets for partial disposition or partial transfer
- Transfer an asset from one entity to another with roll forward of basis to the new entity and allocation of the current year expense between the entities
- Support audit requests by maintaining an audit trail and historical record of each asset
- Maintain user-specific information using flex fields (columns)
- Insert specific notes, historical comments, or additional definitions for each asset
- Lock asset data once the FAM calculations are concluded for a period so that no edits can be made,-and as-filed data is securely retained

Easy Handling of Complex Depreciation Calculations

- Use a wide variety of pre-defined standard depreciation conventions and depreciation methods
- Define the life of an asset using IRS Asset Class designations with corresponding Class Life, GDS Recovery Period, and ADS Recovery Period definitions, or define a custom recovery period
- Calculate automated bonus depreciation
- Customize bonus depreciation percentages by purpose each year
- Create custom depreciation methods and depreciation tables
- Calculate selected assets, entities, or periods, thus giving users the option to calculate what they want
- Process multi-year depreciation and amortization calculations for the current year provision and tax return purposes and to calculate forecast and planning for future years

Flexible Reporting

- *Asset Information* report
 - Present historical record for all assets, including active assets as well as disposed, transferred, or split assets.
 - Display values for beginning accumulated balances and current year activity-to facilitate annual reporting processes and audit queries
 - Generate asset balances converted from functional currency to USD
- *Asset Integration* report
 - Organizes asset data required for tax form lines, such as U.S. federal Form 4562 for the current year depreciation and amortization reporting, and U.S. federal Form 4797 for the sale of business property reporting
- Save time browsing IRS sites-to review IRS guidelines using FAM's quick access to IRS tables such as MACRS asset classes, auto limits, and Section 179 limits quickly