

EXHIBIT 1
Switch from DDB to SL to Avoid Unrecorded Depreciation

When to Switch to Avoid "Leftover" Depreciation:
Example: \$10,000 Asset, \$0 Salvage Value, 10-year Useful Life

Year	Using DDB	Depreciable Base Remaining at End of Year	Potential SL amount for Remaining Depreciable Base	
1	\$2,000.00	\$8,000.00	\$10,000.00 / 10 =	\$1,000.00
2	\$1,600.00	\$6,400.00	\$ 8,000.00 / 9 =	\$ 888.89
3	\$1,280.00	\$5,120.00	\$ 6400.00 / 8 =	\$ 800.00
4	\$1,024.00	\$4,096.00	\$ 5120.00 / 7 =	\$ 731.43
5	\$ 819.20	\$3,276.80	\$ 4096.00 / 6 =	\$ 682.67
6	\$ 655.36	\$2,621.44	\$ 3276.80 / 5 =	\$ 655.36
7	\$ 524.29	\$2,097.15	\$ 2621.44 / 4 =	\$ 655.36
8	\$ 419.43	\$1,677.72		
9	\$ 335.54	\$1,342.18		
10	\$ 268.44	\$1,073.74		

Function (and inputs) for Year 1:
= DDB (cost, salvage, life, period, factor)
= DDB (10,000, 0, 10, 1)