What is the difference between a capitalized fixed asset and a non-capital asset?

Tell Me

Capitalized Fixed Asset

1. University property such as land, buildings, general infrastructure, and equipment/furniture with a total acquisition cost of $5,000 or greater ($100,000 or greater for software) and an estimated useful life of two or more years.
2. The acquisition cost of a capitalized fixed asset (except for land and art) is depreciated over the asset's useful life.

Non-capital Asset

1. University property, generally equipment/furniture, with a total acquisition cost under $5,000 and/or an estimated useful life of less than two years.
2. A non-capital asset is expensed in the year of purchase.

Note

Office supplies and other supplies have their own range of account codes, separate and distinct from non-capital equipment.

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