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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**Related FAQs**

- How do I know which Fixed Assets eForm to use?
- Which account code should I use to record the purchase of an asset when I create a new requisition?
- Where should I enter an account code in 49er Mart?
- How do I verify who the authorized fixed asset disposition approver is for my area?
- Who is responsible for safeguarding fixed assets?