

Double Declining Balance

Double Declining Balance determines accelerated depreciation values for an asset, given the initial cost, life expectancy, end value, and depreciation period.

EXAMPLE:

What is the depreciation value for a computer with a life expectancy of three years if it initially cost \$2,000.00 with no expected value at the end of the three years?

Initial Cost = 2000.00

Life Expectancy = 3 years

End Value = 0.0

Depreciation Period = 3 years

ANSWER: Approximately \$148.15

The answer is obtained using the dialogue box shown below:

Initial Cost = 2000.00
Life Expectancy = 3 years
End Value = 0.0
Depreciation Period = 3 years
ANSWER: Approximately \$148.15

Initial Cost: 2000.00
Life Expectancy: 3
End Value: 0.0
Depreciation Period: 3
Obtained Depreciation: 148.1481481

Calculate
Reset
Return

Figure 1 Double Declining Value Dialog