

DEPRECIATION

- ❑ **Straight Line Depreciation**

In straight line depreciation, the same amount is depreciated each year.

- ❑ **Accelerated Depreciation**

In accelerated depreciation, different amounts are depreciated each year, with higher amounts depreciated earlier.

For example, an asset may be depreciated \$400 the first year, \$300 the second year, and \$200 the next.

Another example, an asset is depreciated \$200 for the first 3 years, and then depreciates nothing for the remaining years.