

IRS MACRS RECOVERY TABLES SAMPLES OF ASSET CLASSIFICATION

Three-Year Recovery

- Most special or customized tools, jigs, molds, dies, pattern for manufacturing industries

Five-Year Recovery

- Computers and peripheral equipment, such as printers, card readers, tape drives, disc files, plotters and scanners. Does not include equipment that is an integral part of other capital equipment that is included in other classes of economic activity, i.e. computers used primarily for process or production control, switching, channeling and automating distributive trades and services such as point of sale (POS) computer systems. Also does not include equipment of a kind used primarily for amusement or entertainment of the user.
- Office machinery such as typewriters, calculators, adding and accounting machines, copiers and duplicating equipment.
- Assets used in construction by general building, special trade, heavy and marine construction contractors, operative and investment builders, real estate subdividers and developers, and other except railroads.
- Cable TV— includes assets such as cameras, video recorders, lighting and remote location equipment (excluding vehicles), meters, analyzers, testing equipment, towers, antennas, transmitting and receiving equipment, and broadband microwave equipment used in the provision of cable television services.
- Certain qualified high technological equipment, as defined in section 168(i)(2) of the IRS code.
- Assets used in the manufacturer of certain textile products, organic and inorganic chemicals, photographic materials, and certain electronic systems.
- Special tools used in the shipbuilding industry.

Seven-Year Recovery

- Office furniture and fixtures
- Agricultural machinery & equipment
- Assets used in most other types of manufacturing processes fall in this category.
- Assets not specifically classified otherwise are to be listed as seven-year recovery.

Ten-Year Recovery

- Vessels, barges, tugs and similar water transport equipment.
- Assets used in the production of grain products, sugar, syrups, oils from vegetables.

For more specific information regarding asset classification and a more detailed listing of manufacturing types, please refer to the IRS Publication 946.