



NOVEMBER 2010

Acquisition Deadline Approaches for Computers Eligible for Enhanced CCA Rate

IN THE 2009–2010 BUDGET, THE FEDERAL GOVERNMENT announced that the cost of new computers and computer software (including systems software) acquired between the budget date of January 27, 2009 and the end of January 2011 could be fully written-off in the year of acquisition. The write-off was structured as a new, temporary 100% capital cost allowance rate for such assets acquired during the eligibility period. As well, the rule limiting capital cost allowance claimable in the year of acquisition to one-half the usual amount does not apply.

The Minister of National Revenue has issued a reminder that the eligibility period for such acquisitions will be expiring in less than 90 days, on January 31, 2011. The Minister's announcement can be found on the CRA Web site at <http://www.cra-arc.gc.ca/nwsrm/r/1ss/2010/m10/nr101020-eng.html>, and details of the eligibility requirements for qualifying acquisitions is available at <http://www.cra-arc.gc.ca/tx/bsnss/tpcs/rntl/cca-dpa/clsss-eng.html#class52>.

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