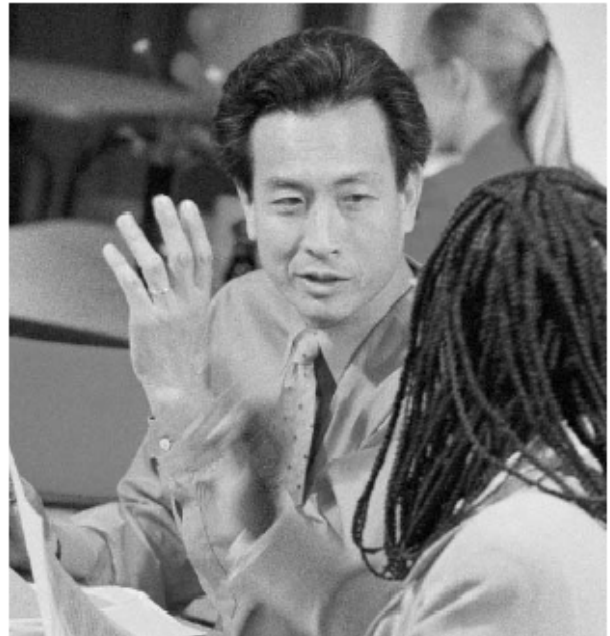


Sage FAS Fixed Assets
2009.1 & 2009.1.1 Updates

What's New



Your Guide to New Product Features



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Overview

The FAS 2009.1 Tax Update contains exciting new features and enhancements to your Sage FAS solution. The 2009.1 Tax Update incorporates the changes of two pieces of legislation passed in 2008:

- The Heartland, Habitat, Harvest, and Horticulture Act of 2008 – Title XV of the Food, Conservation, and Energy Act of 2008 (The 2008 Farm Act)
- The Emergency Economic Stabilization Act of 2008

The FAS 2009.1.1 Update incorporates the changes of the American Recovery and Reinvestment Act of 2009.

The following changes apply to **FAS Asset Accounting**:

1. **Tax Law Updates:** We have updated the Sage FAS program to comply with the latest tax law changes:
 - **Updated Tax Forms.** The 2009.1 tax update includes the updated IRS Form 4562 – Depreciation and Amortization for 2008.
 - **Updated Tax Limits.** The 2009.1 tax update complies with the scheduled updates to the Section 179 limits and luxury auto limits.
 - **Increased Sec 179 Limits for Two New Property Zones.** The 2009.1 tax update includes Section 179 dollar limits for two new property zones: the Qualified Disaster Zone and the Kansas Disaster Zone. The update also includes increased Section 179 limits for Gulf Opportunity Zone and Enterprise Zone property.
 - **Extensions for Section 179C, 179D, and 179E Property.** Immediate expensing of Section 179C and 179D property has been extended to 12/31/2013. Immediate expensing of Section 179E property has been extended to 12/31/2009.
 - **Updated ITC Credits.** The Emergency Economic Stabilization Act of 2008 and the American Recovery and Reinvestment Act of 2009 created new ITC credits and extended the dates or increased the percentage for existing credits.
 - **Extended 168 Allowance.** The additional 50% allowance deduction has been extended for qualifying property through December 31, 2009.
 - **Extended Indian Reservation Property Rules.** Indian Reservation property must be placed in service before January 1, 2010, an extension of two years.
 - **Extended Leasehold Improvement and Restaurant Property Rules.** The 15-year recovery period for leasehold improvements and restaurant property applies to property placed in service before January 1, 2010, an extension of two years.
 - **15-Year Recovery Period Available for Retail Improvement Property.**

2. **Updates from 2008.2:** Also included in the 2009.1 Tax Update are the changes provided in the 2008.2 Feature Update. If you did not install the 2008.2 Feature Update, you will notice the following changes to your Sage FAS solution:
 - **New Assets Snapshot.** Now get an easy, at-a-glance graphical summary of your important fixed asset information. This exciting new feature, available in FAS 100 Asset Accounting and FAS 500 Asset Accounting, gives you instant command over your fixed assets!
 - **Expanded FAS Report Writer Capabilities.** FAS Report Writer is now powered by Crystal Reports® XI! FAS Report Writer still offers the same ability to customize built-in Standard reports, but now you can use even more features when creating reports directly in Crystal Reports. Crystal Reports XI offers many new and updated features, such as run-time input parameters, a formula workshop, support for multiple data sources in a single report, charts and graphs, and much more!

Note that with the upgrade to Crystal Reports XI, FAS Report Writer is now delivered on two additional CDs, separate from the Sage FAS product installation CD.

Please note that a database conversion is required to upgrade from version 2008.1 to 2009.1. If you have already installed version 2008.2, then no database conversion is required.

The following changes apply to **all Sage FAS products** (including FAS Asset Accounting, FAS Asset Inventory, and FAS CIP Accounting):

1. **New Sage FAS Community.** This new online community enables you to find product-related information quickly and interact with other Sage FAS customers.
2. **Support Ending for Novell NetWare Platform.** The 2009.1 Tax Update is the last release supporting the Novell NetWare platform.
3. **Crystal XI Service Pack 4 Incompatible with 2009.1 Tax Update.** You must revert to Crystal XI Service Pack 3 for Sage FAS applications to work correctly.

The following change applies to **FAS Asset Inventory**:

1. **Support Ending for PPT 2700 and PPT 2800 Barcode Readers.** The 2009.1 Tax Update is the last release supporting these two barcode readers.

New Sage FAS Fixed Assets Features

Updated Tax Forms

The IRS Form 4562 – Depreciation and Amortization has been updated for the 2008 tax year.

To run the tax forms

1. Calculate depreciation through the end of the fiscal year.
2. Select Tax Forms and Worksheets from the Reports menu.
3. Select the desired report.
4. Complete the fields on the dialog box, and then click the Execute button.

Updated Tax Limits

Luxury Auto Limits

The depreciation limits in effect for automobiles placed in service in 2009 are as follows:

Year 1: \$10,960 *

Year 2: \$4,800

Year 3: \$2,850

Year 4: \$1,775

* If you elect out of the 168 Allowance for the automobile, the depreciation limitation is \$2,960 for the first year.

Light Trucks and Vans Limits

The depreciation limits for light trucks and vans placed in service in 2009 are as follows:

Year 1: \$11,060 *

Year 2: \$4,900

Year 3: \$2,950

Year 4: \$1,775

* If you elect out of the 168 Allowance for the truck or van, the depreciation limitation is \$3,060 for the first year.

Section 179 Limits

The maximum Section 179 limit is \$250,000 for assets placed in service in tax years beginning in 2009. In addition, the maximum cost of Sec 179 property that can be placed in service in the year before the phase-out begins is \$800,000 for tax years beginning in 2009.

Increased Sec 179 Limits for Two New Property Zone Types

A higher Section 179 dollar limit already existed for Gulf Opportunity Zone property and Enterprise Zone property. There is now a higher Section 179 dollar limit for two new property zones.

- **Qualified Disaster Zone Property:** The Emergency Economic Stabilization Act of 2008 provides for increased Section 179 limits for assets located in a Qualified Disaster Zone.
- **Kansas Disaster Zone Property:** The 2008 Farm Act provides for increased Section 179 limits for assets located in the Kansas Disaster Zone. Qualified property must be placed in service after May 4, 2007 and before January 1, 2009.

The table below shows the regular Section 179 dollar limit, as well as the increased limits for property located in property zones.

Year	Regular Sec 179	Enterprise Zone	Gulf Opportunity Zone and Kansas Disaster Zone	Qualified Disaster Zone
2008	\$250,000	+ \$35,000 = \$285,000	\$250,000 + cost of property, limited to \$100,000 = \$350,000	\$250,000 + cost of property, limited to \$100,000 = \$350,000
2009	\$250,000	+ \$35,000 = \$285,000	N/A (Gulf Opportunity Zone and Kansas Disaster Zone property must be placed in service before January 1, 2009.)	\$250,000 + cost of property, limited to \$100,000 = \$350,000

Follow the steps below to designate an asset as Enterprise Zone, Gulf Opportunity Zone, Qualified Disaster Zone, or Kansas Disaster Zone property.

To select a property zone:

1. Enter the appropriate Property Type, Placed-in-Service Date, Acquisition Value, Depreciation Method, and Estimated Life.

2. In the Sec. 179/Bonus field, click the down arrow. The Sec. 179/Bonus Details screen appears.

Enter the amount of §179 deductions you are claiming for this asset. Select a zone type only if the asset is located in a special zone that qualifies for increased expensing.

Regular §179

Qualified §179 Property [What is qualified §179 property?](#)

Zone Type:

\$179 Amount:

Pre-ACRS Bonus:

Other §179 Deductions

\$179/Other Code:

Codes:

- B - EPA Sulfur Control Requirements
- C - Qualified Refineries
- D - Energy Efficient Commercial Buildings
- E - Advanced Mine Safety Equipment
- O - Other Asset Basis Reduction
- N - Not Applicable

\$179/Other Amount:

Total §179/Bonus:

OK Cancel Help

3. Select the Qualified §179 Property check box if it is not already selected.
4. In the Zone Type field, select the appropriate zone. The application enters a default amount in the §179 Amount field.
5. Click OK.

Extension for Section 179C, 179D, and 179E Property

The immediate expensing of Section 179C property, qualified refineries, has been extended two years through 12/31/2013.

The immediate expensing of Section 179D property, energy efficient commercial buildings, has been extended for five years through 12/31/2013.

The immediate expensing of Section 179E property, advanced mine safety equipment, has been extended for one year through 12/31/09.

Updated ITC Credits Available

The Emergency Economic Stabilization Act of 2008 and the American Recovery and Reinvestment Act of 2009 created new ITC credits and extended the dates or increased the percentage for existing credits.

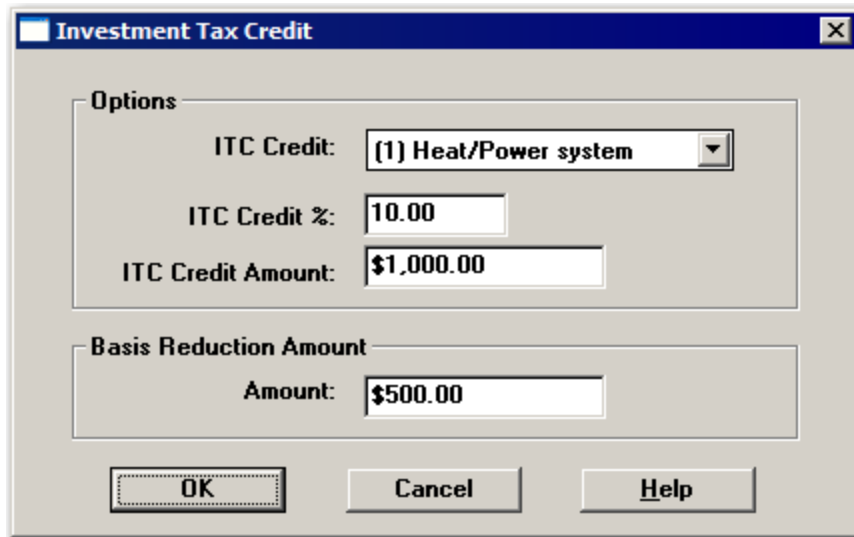
Four New Investment Tax Credits Available

New credits are available for combined heat and power system property (10%), qualified small wind energy property (30% or \$4,000), geothermal heat pump systems (10%), and advanced energy projects (30%).

Note: The \$4,000 annual limitation on the tax credit for qualified small wind energy is eliminated after 12/31/2008.

To enter the new ITC credits

1. Enter the appropriate Property Type, Placed-in-Service Date, Acquisition Value, Depreciation Method, and Estimated Life.
2. Click in the ITC Amount field, and then click the down arrow. The Investment Tax Credit screen appears.



The screenshot shows a dialog box titled "Investment Tax Credit". It is divided into two main sections. The first section, labeled "Options", contains three input fields: "ITC Credit:" with a dropdown menu set to "(1) Heat/Power system", "ITC Credit %:" with a text box containing "10.00", and "ITC Credit Amount:" with a text box containing "\$1,000.00". The second section, labeled "Basis Reduction Amount", contains one input field: "Amount:" with a text box containing "\$500.00". At the bottom of the dialog are three buttons: "OK", "Cancel", and "Help".

3. In the ITC Credit field, select the desired credit.
4. Change the amounts in the remaining fields, or else accept the default entries.
5. Click OK.

Grants in Lieu of Investment Tax Credits

Taxpayers can either claim a tax credit or apply for a grant when they place in service specified energy property.

Taxpayers can receive grants for property placed in service during 2009 or 2010. They can apply for grants after 2010 and before December 31, 2016 (the credit termination date) only if construction of the property began during 2009 or 2010. To be eligible for the grant, the property must be either an electricity production facility otherwise eligible for the renewable electricity production credit, or qualifying property otherwise eligible for the energy credit. The amount of the grant is 30% for Code Sec. 45 and Code Sec. 48 property, and 10% for qualified microturbine, combined heat and power system, and geothermal heat pump property.

Extended Rehabilitation Credits

Rehabilitation credits (ITC Codes G and H) have been extended until 12/31/2011 for property located in special zones. Expenditures in connection with certified historic structures are allowed a credit of 26%. Expenditures for qualified rehabilitated buildings are allowed a credit of 13%.

Increased Credit for Advanced Coal Projects

After 10/2/2008, an ITC Credit of 30% is allowed for expenditures for advanced coal projects (ITC Code W).

Extended Energy Credits

ITC Credits for expenditures for solar energy property (ITC Code S), fuel cell property (ITC Code U), and microturbine property (ITC Code V) have been extended through 12/31/2016.

Extended 168 Allowance

Under IRS Code Section 168, qualified property placed in service from January 1, 2009 through December 31, 2009 is allowed an additional 50% depreciation deduction in the year the property is placed in service. Qualified property includes property with a recovery period of 20 years or less, computer software, water utility property, and qualified leasehold improvement property. The 50% depreciation deduction is extended an additional year for certain aircraft and certain property with longer production periods; such property must be placed in service by December 31, 2010.

168 Allowance Available for Reuse and Recycling Property

You can claim a 168 Allowance of 50% on certain reuse and recycling property placed in service after 8/31/08.

Extended Indian Reservation Property Rules

In 1993, Congress created a system whereby qualifying Indian Reservation property must be depreciated over shorter recovery periods than otherwise allowed. This accelerates the allowable depreciation deductions. Qualifying Indian Reservation property must be placed in service before January 1, 2010, an extension of two years.

Extended Leasehold Improvement and Restaurant Property Rules

Leasehold improvements are permanent betterments made to leased property that is owned by someone else and which will usually revert to the owner at the end of the lease period. Prior to 2004, leasehold improvements were required to be depreciated using the same depreciation method, life, and averaging convention as the underlying property to which they were attached. In 2004, Congress required businesses to depreciate leasehold improvements using the straight-line depreciation method over a 15-year recovery period and applying either a half-year or midquarter averaging convention. Leasehold improvements must use a 15-year recovery period if placed in service before January 1, 2010, an extension of two years.

Qualified restaurant property placed in service from January 1, 2008 through December 31, 2009 also must use a 15-year recovery period and the straight-line depreciation method. Additionally, the definition of Qualified Restaurant property has been expanded to include Section 1250 buildings with placed-in-service dates from January 1, 2009 through December 31, 2009. The buildings are eligible for the reduced recovery period of 15 years (ADS 39 years).

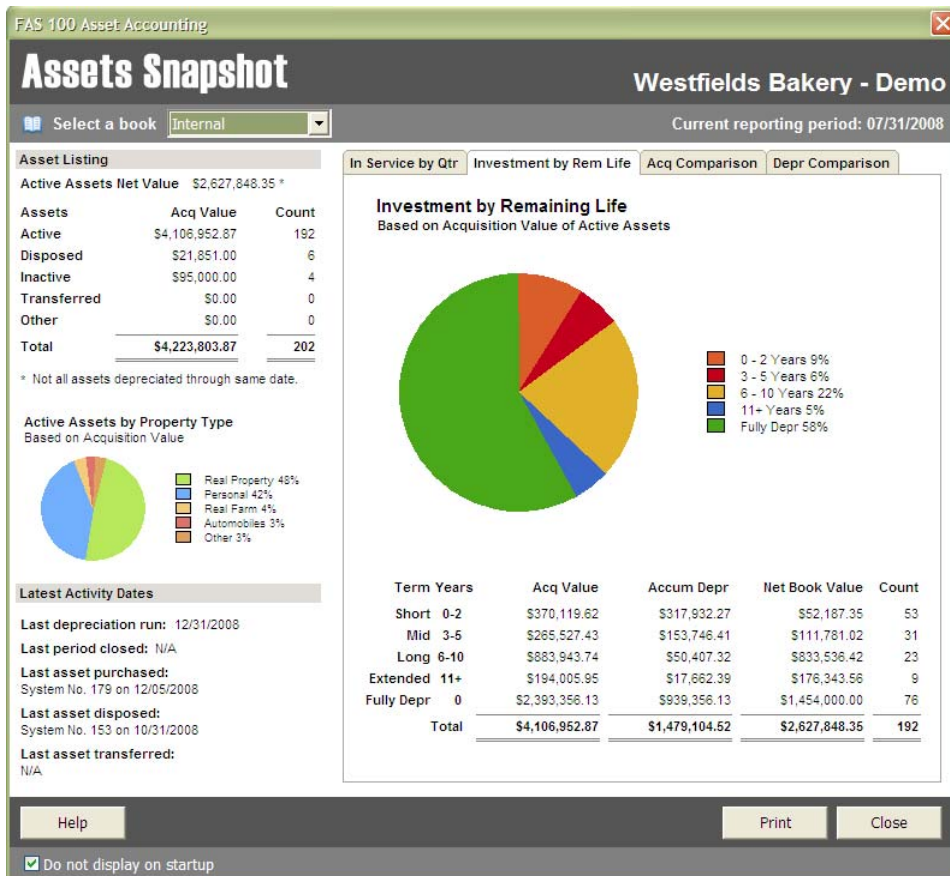
15-Year Recovery Period Available for Retail Improvement Property

Qualified Retail Improvement property placed in service from 1/1/09 – 12/31/09 is allowed a 15-year cost recovery period with a class life of 39 years and is required to use straight line depreciation. Qualified retail improvement property is **not** allowed the 50% 168 Allowance.

Assets Snapshot

The Assets Snapshot provides a colorful, easy-to-read summary of asset information in your Sage FAS Company or Organization. Graphical charts and statistics present information in a well organized, concise format. Assets Snapshot appears every time you open a company or organization, unless you choose not to display at start-up.

You can also view the Assets Snapshot at any time by selecting Assets Snapshot from the Reports menu.



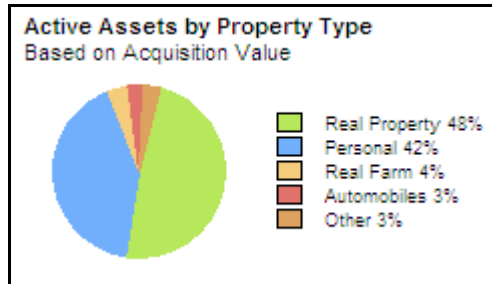
On the left side of the snapshot, you can see the following asset information:

- **Asset Listing:** A table that displays the net value of your active assets, as well as the number of your assets and their acquired values broken down by their current status (active, disposed, inactive, or transferred).

Asset Listing		
Active Assets Net Value \$2,627,848.35 *		
Assets	Acq Value	Count
Active	\$4,106,952.87	192
Disposed	\$21,851.00	6
Inactive	\$95,000.00	4
Transferred	\$0.00	0
Other	\$0.00	0
Total	\$4,223,803.87	202

* Not all assets depreciated through same date.

- **Active Assets by Property Type:** A pie chart that shows the total acquisition values for the top four property types, with all other property types grouped into a category called *Other*.

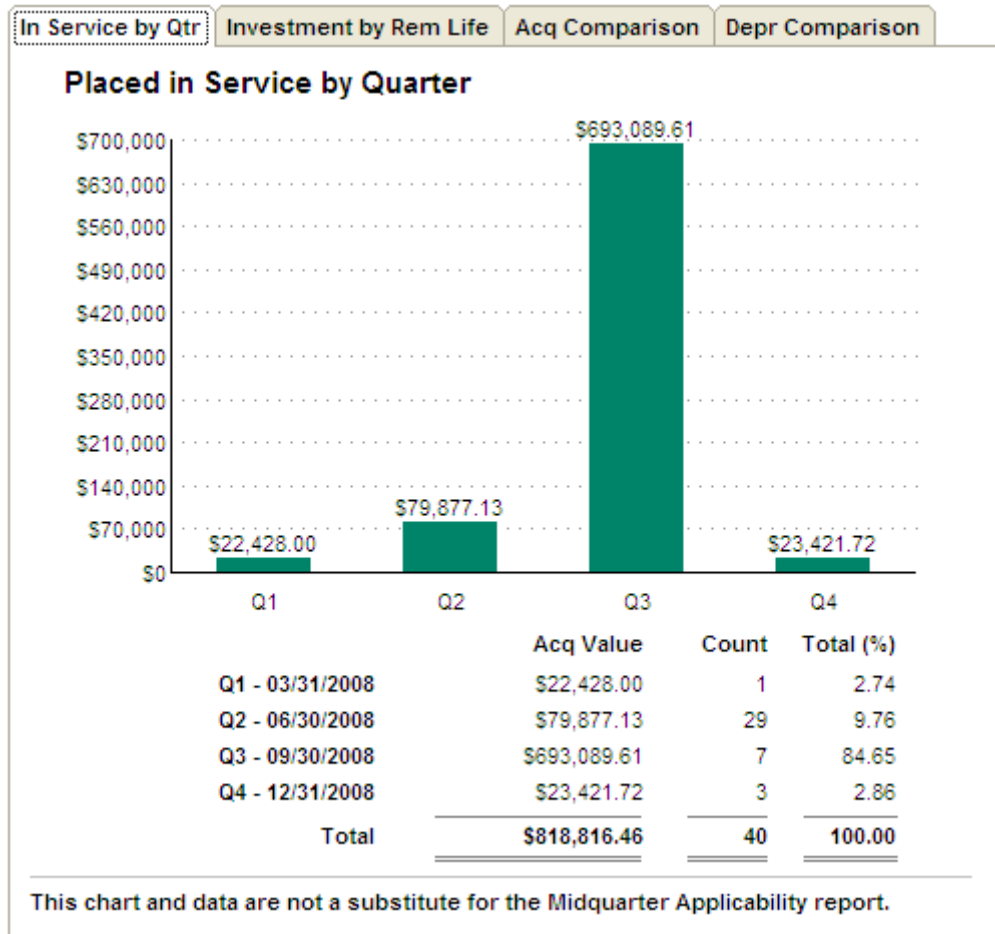


- Latest Activity Dates:** This section displays the latest date that various activities occurred, such as the last time depreciation was run, the last time you performed a Period Close, and the last time an asset was placed in service, disposed, and transferred.

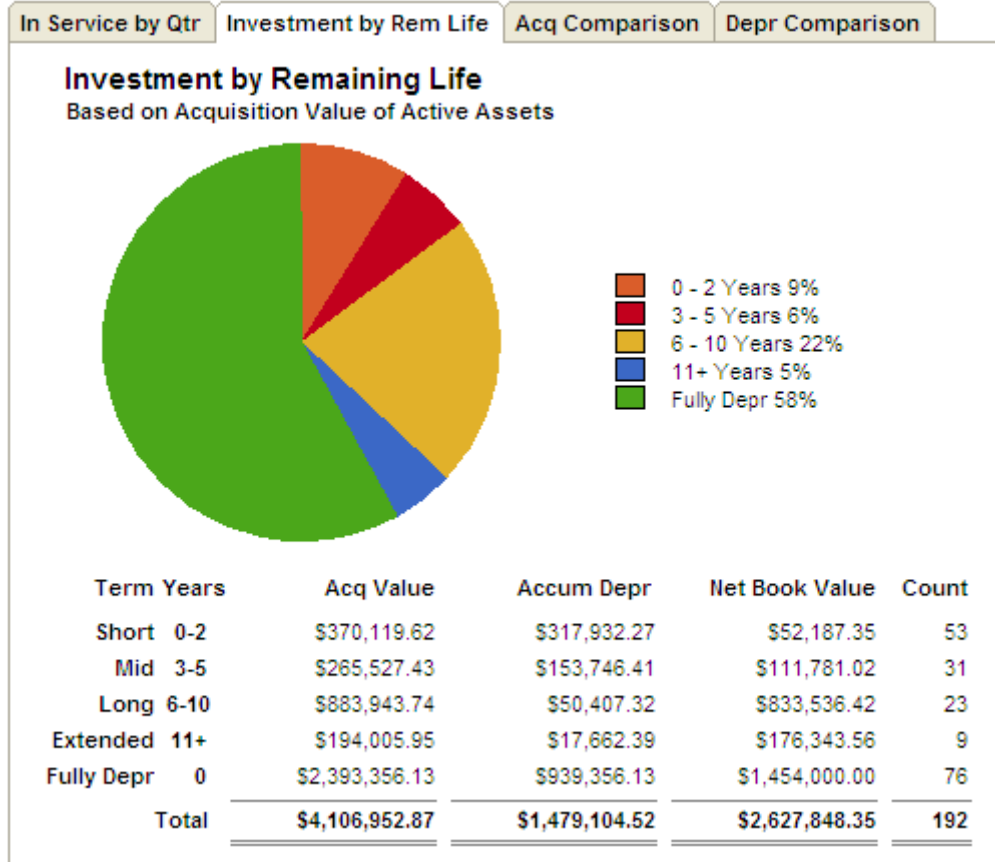
Latest Activity Dates	
Last depreciation run:	12/31/2008
Last period closed:	N/A
Last asset purchased:	System No. 179 on 12/05/2008
Last asset disposed:	System No. 153 on 10/31/2008
Last asset transferred:	N/A

On the right-hand side of the snapshot, you can view four different charts:

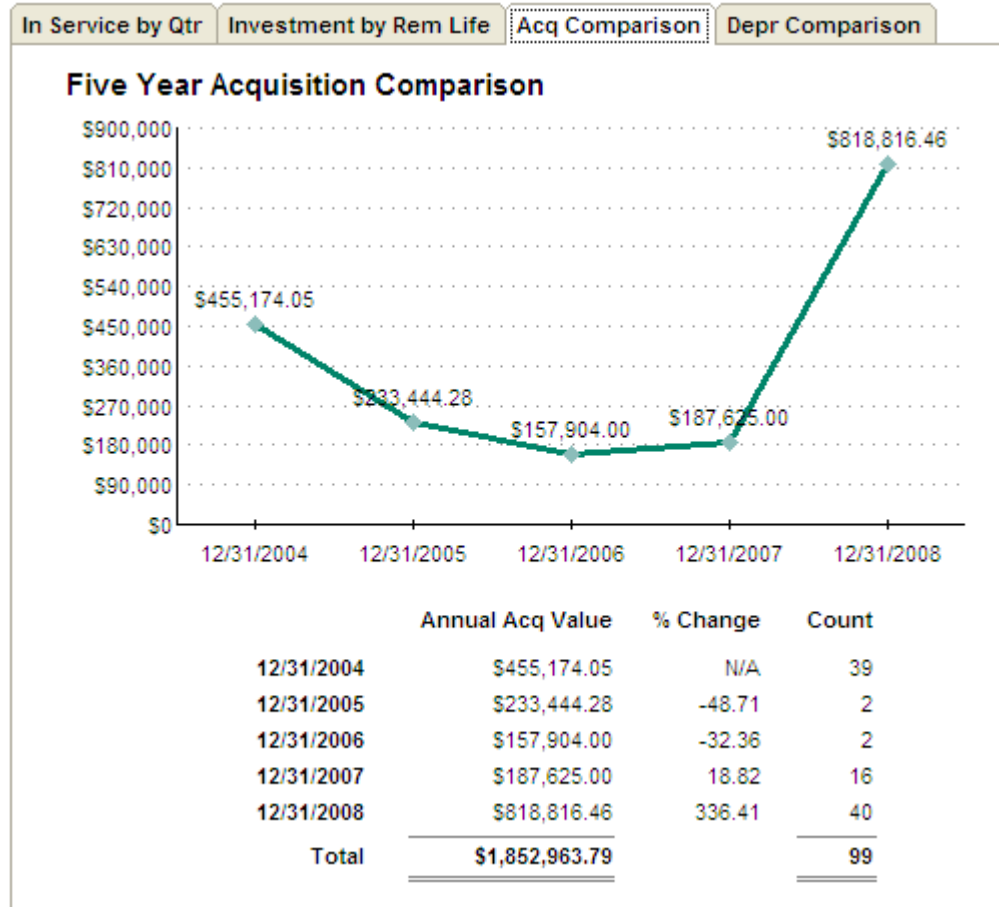
- Placed in Service by Quarter Chart:** Displays the total acquired value of the assets placed in service in each quarter of the current year.



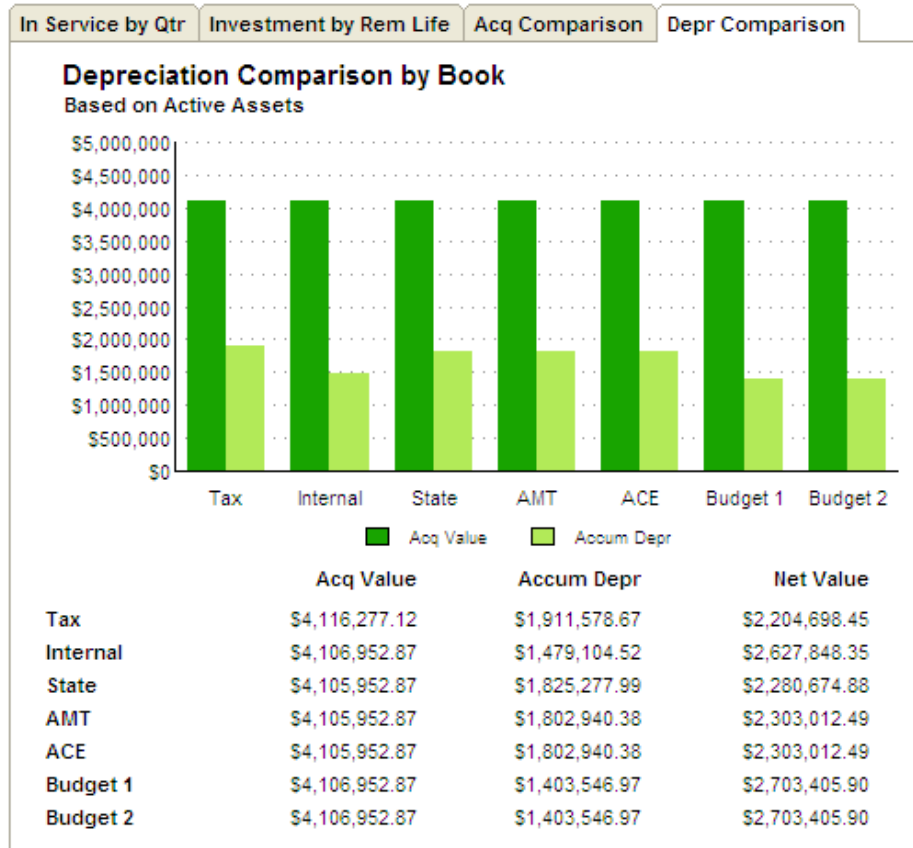
- Investment by Remaining Life Chart:** Groups active assets into four categories, according to how much time remains before the assets are completely depreciated, and compares the total acquired values of each group. A fifth category displays active assets that have been fully depreciated.



- **Five Year Acquisition Comparison Chart:** Shows the total acquired value of assets placed in service in each of the last five fiscal years.



- **Depreciation Comparison by Book Chart:** Compares the total acquired value and total accumulated depreciation for all active assets through the current reporting period for each open FAS book.



Updated Version of Crystal Reports

Standard reports in all versions of Sage FAS products (50, 100, and 500) are now powered by Crystal Reports XI.

In addition, FAS Report Writer now delivers the full power of Crystal Reports XI's sophisticated reporting features. FAS Report Writer users will notice that, while the simple procedure for customizing Standard reports inside the Sage FAS program is still the same, creating completely new reports using the Crystal Designer has become even easier! We have replaced the Report Helper wizard screens with a new report template. When you select Reports/FAS Report Writer/Create New Report from the menu bar, the template opens in Crystal Reports XI with all necessary connections to the Sage FAS database already made. The template makes it simple to start building your own reports by providing:

- Database connectivity. You are already connected to the Sage FAS database so you can immediately begin adding Sage FAS fields as columns on the report.

- Database views, with all links expertly established, providing you with a meaningful and user-friendly view of information in the database.
- A default name for the report
- The name of the Sage FAS company
- Columns for system number and extension
- Group selection criteria that filters out unwanted assets. (For example, the report includes only assets with asset extension numbers greater than zero so that asset templates are not included on the report.)

Using the field editor, you can immediately begin dragging and dropping Sage FAS data fields onto the report template! You also have access to a wide range of new and improved features of Crystal Reports XI, such as:

- **Multiple data sources in a single report:** Within a single report, you can combine FAS data with other financial or tax data from a different source, such as a spreadsheet, a relational database, and other supported sources.
- **Formula Workshop:** displays Sage FAS report formulas and provides a toolbar and list of available functions and operators to create new formulas or edit existing ones.
- **Dependency Checker:** allows you to check for errors in formulas and custom functions, validate hyperlinks, and verify database integrity.
- **Parameter Fields:** can be used to prompt a user for input values prior to running report. For example, a user might be prompted to input a Class or range of Acquisition Values to specify the desired assets for you report. Drop down lists of available input values (similar to SmartLists in FAS Asset Accounting) makes this process even simpler. While static prompts are stored as part of the report, in Crystal Reports XI you can use dynamic prompts that automatically retrieve a list of values from the data source to insure that all current values for the field are available in the prompt.
- **Chart Expert:** automatically selects the best chart type to display your data while still allowing complete chart formatting control. Additional Chart types are also available, including Gantt, Gauge, Funnel, and a dynamic drag and drop Cross-Tab report format.
- **Report Explorer:** enables you to display report elements in a tree. Report fields and objects are listed by report section. Selecting them in Report Explorer highlights their location in the report and can be modified by right-clicking within the tree view to display a menu with the available editing options specific to the selected field.
- **Workbench:** create project folders containing multiple reports, making it easy to organize, locate, and run related reports.
- **Custom report templates:** can be created from existing reports and applied to new reports to insure consistent formatting. Templates can include objects such as Fields, Groups, Charts, Summary Fields, Hyperlinks, Bitmaps, Lines, Boxes, and Borders.

- **Format Painter:** can copy absolute or conditional formatting properties from one report object to one or more target objects
- **New Export format options:** including editable RTF, Microsoft Word editable RTF, and Microsoft Excel Data Only
- **Start Page option:** provides intuitive access to actions such as opening existing reports, using a wizard to create new reports, viewing sample reports, searching online help and links to online resources and documentation for Crystal Reports.

New Sage FAS Community

The Sage FAS online community makes it fast and easy for our customers to find needed information or interact with others. The site includes four main content areas – Connect, Solve, Learn and Participate – to help visitors connect with peers, solve issues, learn more about depreciation, tax laws and product capabilities, and participate in the development of future Sage products.

- ***Connect*** – This discussion forum helps customers interact with peers to share information, ask questions, and get answers. You can see who is online and what topics are being discussed, create your own discussions, and easily connect to other Sage online communities.
- ***Solve*** – Containing content for those with immediate issues, the Solve section features the Sage FAS Knowledge Base plus answers to the “10 most common problems” when managing fixed assets. The Sage FAS Knowledge Base includes tips, tricks, and solutions to many common, and not-so-common, questions about fixed assets and Sage FAS products. The expert know-how of Sage support specialists and product designers continually updates the knowledge base with the latest expert information.
- ***Learn*** – The Learn section contains a wealth of Sage FAS product information plus valuable topical content. Included is the Sage FAS Library where you can download installation and user’s guides, the Sage FAS Depreciation Guide, a variety of informative whitepapers, and the latest tax information from both United States and Canadian tax authorities.
- ***Participate*** – This area enables our customers to impact the future of Sage FAS products. Here, community members can participate in product design by commenting on prototypes, participating in polls, answering usability questions, and providing general feedback and input. The section invites product enhancement requests, and it features “Poll of the Month” questions, which can range from business to more personal topics.

To access the Sage FAS Community, select Contact Us from the Help menu. On the Contact Us screen, click the Sage FAS User Community link.

Support Ending and Product Incompatibilities

Support Ending for Novell NetWare Network Edition

This tax update, Sage FAS Fixed Assets 2009.1, is the last release supporting the Novell NetWare platform. Product releases and updates beyond this version will not be available to customers running Sage FAS 100 Fixed Assets - Network Edition on a Novell NetWare platform.

We are currently offering you the option to trade-over to Sage FAS 100 Fixed Assets Network Edition for Windows at no cost. Sage FAS 100 Fixed Assets Network Edition for Windows supports either Windows 2003 Server SP2 or Windows Server 2008. If, however, you would like to upgrade to our FAS 500 product, we are offering a preferred customer discount.

After installing the software, a simple backup and recovery procedure will enable you to move your data from the NetWare platform to the Windows platform. To discuss this trade-over opportunity in more detail with a Sage FAS Support Representative, please call 877-798-0814.

Support for PPT 2700 and PPT 2800 Readers Ending

This tax update, Sage FAS Fixed Assets 2009.1, is the last release supporting the PPT-2700 and PPT-2800 barcode readers. You can find the list of readers supported by Sage FAS at www.sagefas.com/hardware.

Crystal XI Service Pack 4 Incompatible with 2009.1 Tax Update

If you are using Crystal XI and you have updated to Crystal XI Service Pack 4, you must revert to Service Pack 3 for the 2009.1 Sage FAS application to work correctly. For more information, see the System Requirements section in our Installation and Administration guide.