



REPUBLIC OF NAURU

MINISTRY OF FINANCE Nauru Revenue Office

Public Ruling No. 1/2017

Schedule of Depreciation Rates

This ruling has been issued to give guidance to a taxpayer in determining the appropriate depreciation rates to be used for depreciable assets for the purposes of section 19(1)(c) and 21 of the *Business Tax Act 2016*. This ruling does not apply to business intangibles.

The depreciation rates are as follows:

Asset Category 1.

Motor vehicles; buses and minibuses with a seating capacity of less than 30 passengers; goods vehicles with a load capacity of less than 7 tonnes; computers and data handling equipment; and construction equipment and earthmoving equipment

Diminishing value method 40%

Straight-line method 25%

Asset Category 2.

Buses with a seating capacity of 30 or more passengers; goods vehicles designed to carry or pull loads of more than 7 or more tonnes; specialised trucks; tractors; trailers and trailer mounted containers; and plant and machinery used in manufacturing, mining, or farming operations

Diminishing value method 30%

Straight-line method 20%

Asset Category 3.

Vessels, barges, tugs, and similar water transportation equipment; aircraft; specialised public utility plant, equipment, and machinery; office furniture, fixtures, and equipment; and any depreciable asset not included in another category

Diminishing value method 20%

Straight-line method 12.5%

Asset Category 4.

Buildings and Structural Improvements

Straight-line method 5%

Taxpayers who use these rates will not need to justify the rate used.

Taxpayer protection

Under Section 47 of the *Revenue Administration Act 2014*, the Secretary for Finance has made this ruling in accordance with Section 48 of that Act.

This ruling is binding on the Secretary for Finance until it is withdrawn. It is not binding on a taxpayer.

Date of Effect

1st July 2016



Martin Hunt
Secretary for Finance