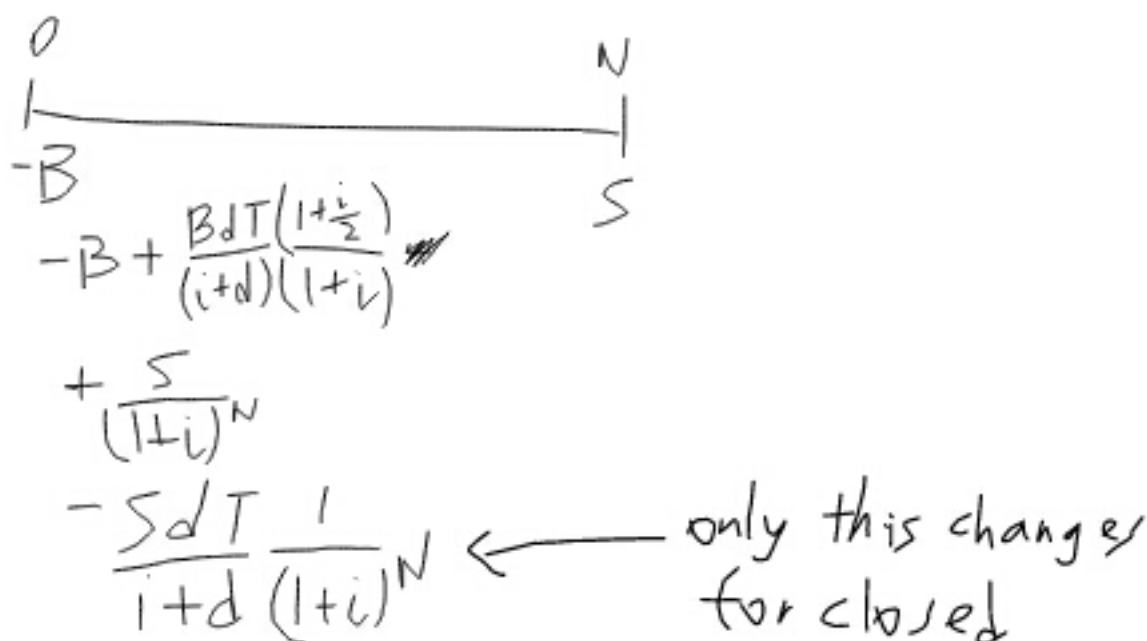


D. open/closed book CCA depreciation

Open:



Close (only asset in its class for its entire life)

$$-B + \frac{BdT(1+\frac{i}{2})}{(i+d)(1+i)} + \frac{S}{(1+i)^N} - \frac{UCC_n dT}{i+d} \frac{1}{(1+i)^N} + \frac{(UCC_n - S)T}{i+d}$$

← this is the correction between CCA and salvage, a positive number, if $UCC_n > \text{salvage}$

$$UCC_n = B(1 - \frac{d}{2})(1-d)^{n-1}$$

Capital gain (lost)



$$\frac{-L}{(1+i)^N} - \frac{1}{2} \frac{(2L-L)T}{(1+i)^N}$$