

How can I use the AMORLINC function in Excel?

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The AMORLINC function in Excel is a tool that allows users to calculate the depreciation of an asset based on a declining balance method. It takes into consideration the cost of the asset, the salvage value, the period of time, and the depreciation rate. This function can be utilized by entering the necessary parameters into the formula, and it will return the amount of depreciation for a specific period. It is particularly useful for businesses and individuals who need to accurately track the depreciation of their assets for financial reporting purposes. By using the AMORLINC function, users can easily calculate the depreciation of their assets without the need for manual calculations, saving time and ensuring accuracy.

This article describes the formula syntax and usage of the **AMORLINC** function in Microsoft Excel.

Description

Returns the depreciation for each accounting period. This function is provided for the French accounting system. If an asset is purchased in the middle of the accounting period, the prorated depreciation is taken into account.

Syntax

AMORLINC(cost, date_purchased, first_period, salvage, period, rate,)

Important: Dates should be entered by using the DATE function, or as results of other formulas or functions. For example, use DATE(2008,5,23) for the 23rd day of May, 2008. Problems can occur if dates are entered as text.

The AMORLINC function syntax has the following arguments:

Cost Required. The cost of the asset.

Date_purchased Required. The date of the purchase of the asset.

First_period Required. The date of the end of the first period.

Salvage Required. The salvage value at the end of the life of the asset.

Period Required. The period.

Rate Required. The rate of depreciation.

Basis Optional. The year basis to be used.

Basis	Date system
0 or omitted	360 days (NASD method)
1	Actual
3	365 days in a year
4	360 days in a year (European method)

Remarks

Microsoft Excel stores dates as sequential serial numbers so they can be used in calculations. By default, January 1, 1900 is serial number 1, and January 1, 2008 is serial number 39448 because it is 39,448 days after January 1, 1900.