How do I use the AMORDEGRC function in Excel?

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The AMORDEGRC function in Excel is a financial function that calculates the prorated, or partial, depreciation of an asset. This function is particularly useful for businesses and individuals who need to track and manage depreciation for accounting or tax purposes. In order to use the AMORDEGRC function, you will need to provide specific arguments, such as the cost of the asset, the salvage value, and the life of the asset. Additionally, you can customize the function to calculate depreciation for different periods, such as monthly or yearly. By using the AMORDEGRC function, you can accurately calculate and track the depreciation of your assets in Excel, saving time and effort in manual calculations.

Important: Because of changes to the depreciation methodology of the French accounting system, this function is deprecated and should no longer be used. It is included for compatibility of old workbooks only.

This article describes the formula syntax and usage of the **AMORDEGRC** 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. The function is similar to AMORLINC, except that a depreciation coefficient is applied in the calculation depending on the life of the assets.

Syntax

AMORDEGRC(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 AMORDEGRC 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.

This function will return the depreciation until the last period of the life of the assets or until the cumulated value of depreciation is greater than the cost of the assets minus the salvage value.

The depreciation coefficients are:

Life of assets (1/rate)	Depreciation coefficient
Between 3 and 4 years	1.5
Between 5 and 6 years	2
More than 6 years	2.5

The depreciation rate will grow to 50 percent for the period preceding the last period and will grow to 100 percent for the last period.

If the life of assets is between 0 (zero) and 1, 1 and 2, 2 and 3, or 4 and 5, the #NUM! error value is returned.