Fixed asset accounting technology

Tangible property accounting is where tax accounting meets big data. That’s because tangible property records can number in the hundreds of thousands, even millions, each requiring analysis, classification, reporting, and archiving. Moreover, ERP systems can leave much data unstructured, which makes it difficult for tax departments to find the information they need to adhere to the final tangible property regulations.

With the final tangible property regulations released by U.S. Department of the Treasury in September 2013, tax professionals are under pressure to implement the necessary tools and processes to meet compliance deadlines, starting with tax years beginning on or after January 1, 2014.

Technology to help manage fixed assets
KPMG LLP (KPMG) has the resources and technology to help you meet your tangible property accounting needs. Our tried and tested Asset Review Tool (ART) has been refined and upgraded over many years of use and has been customized to take into account the final tangible property regulations.

ART has been instrumental in helping our clients manage their impacted fixed asset records, costs, and related documents in real time.

In addition to ART, our KPMG fixed asset engagement team works with our advisory and forensic data analytics professionals to accumulate data and information across various online systems. All of this data is then housed within a secure KPMG database. This provides the engagement team with real-time access to key fixed asset information, which dramatically enhances project efficiency. Furthermore, through our Web-based technology, we can input, analyze, and retrieve data remotely while also allowing our Washington National Tax team to provide their analysis.

Outputs include KPMG’s classification of each fixed asset, as well as analysis and supporting details—such as interview notes, scanned invoices, and work orders—presented in report format or electronically searchable files.

KPMG’s ART and Tax professionals can help you:

- Conform data from multiple formats or legacy systems
- Facilitate complex analysis with custom tools
- Locate documents and records to support tax positions
- Develop document management strategies and methodologies
- Produce electronic deliverables
### Asset Review Tool

#### Projects

<table>
<thead>
<tr>
<th>Unique Identifier</th>
<th>Asset Description</th>
<th>Location</th>
<th>Ending Asset Balance</th>
<th>Review</th>
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<td>Structures</td>
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</table>

### Asset Review Tool

#### General Information

- **Asset**: 2006462
- **Asset Description**: HVAC UNIT FOR ROOFTOP OF BLDG 1-7 OFFICES
- **Asset Cost**: $12,982.00
- **Life**: 03/00
- **Capitalization Date**: 3/25/2005
- **City**: New York
- **State**: NY

#### Tax Treatment

**Tax Treatment Determination**:
- **Category**: Building
- **Sub-Category**: Repair
- **Amount**: $0.00

**If the Tax Treatment is Split, please fill in the relevant fields below**:

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<th>Option</th>
<th>Category</th>
<th>Sub Category</th>
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</table>

**Total**: $0.00

**Does the expenditure satisfy the following for the limit of Property?**

- **For a pre-existing condition?**: Yes
- **Results in an Addition or Expansion?**: Yes

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The following diagrams illustrate how KPMG’s fixed asset and data analytics software manages various inputs. The main page of the ART lists all of your assets and provides you the option of printing various summary reports in Excel® format.

**Asset Review Tool (ART)**

Critical to project success is our ability to help you align recommended repairs method changes to your existing business systems, process, and controls. To facilitate efficient and effective implementation, our approach includes the following system assessment steps:

- Conduct a review of tax depreciation processes and engines
- Conduct discussions around procedural implementation maintenance expectations (e.g., level of training—process and systems based, procedural change write-ups, and so forth)
- Perform an impact analysis on the existing fixed asset business processes arising from the recommended repairs and depreciation method changes
- Provide a preliminary assessment of mass asset changes and controls enhancements to embed new methods and help ensure sustained results
**Fixed asset professional team**

KPMG’s Fixed Asset Services practice comprises more than 40 professionals, located in every region of the country. In addition to our fixed asset services professionals, our team works very closely with KPMG’s Advisory and Forensic groups, whose data analytics professionals liaise between your IT group and KPMG’s Tax group to help ensure an efficient transfer and analysis of data.

KPMG’s Tax professionals bring fixed asset–related skills, as well as background experience in engineering, construction, tax accounting, real estate, and project management. They are supported by resources in KPMG’s Washington National Tax practice who are dedicated to matters related to fixed asset accounting.

Our teams address depreciation, capitalization, cost segregation, and repairs and maintenance issues simultaneously during engagements; however, as a client, you work with one KPMG project manager.

**ART benefits**

Organizations can receive the following benefits from KPMG’s fixed asset review services:

- Streamlined, effective, and efficient fixed asset review engagement
- Reduced volume of transactions to be analyzed due to compatibility with statistical techniques
- Experienced and dedicated team current with the latest regulations and industry-specific guidance employing a practical approach
- Reduced risk of audit
- Reduced compliance costs

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**Contact us**

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214-840-6756

*Some or all of the services described herein may not be permissible for KPMG’s audit clients and their affiliates*