## Capital Lease Versus Operating Lease Test

**Department name and appropriation-level dept ID:**
**Contact person name and telephone:**

<table>
<thead>
<tr>
<th>Lease / Property Schedule No.</th>
<th>Asset Module ID No.</th>
<th>Lease Term Commence Date</th>
<th>Description</th>
<th>Title Xfer at End of Lease? (Y/N)</th>
<th>Bargain Purchase Option? (Y/N)</th>
<th>Lease Term in Months</th>
<th>Est. Economic Useful Life in Months</th>
<th>Total Principal Pmts Over Lease Term</th>
<th>FMV of Leased Equip. at Lease Inception</th>
<th>Capital or Operating Lease? (Calculated Field)</th>
</tr>
</thead>
<tbody>
<tr>
<td>268</td>
<td>599</td>
<td>10/8/2004</td>
<td>Caterpillar #</td>
<td>N</td>
<td>N</td>
<td>36</td>
<td>60</td>
<td>$26,500</td>
<td>$30,000</td>
<td>Operating Lease</td>
</tr>
</tbody>
</table>

**Instructions:**
1. Overwrite the first record which is provided as a sample.
2. Enter values in the mandatory fields (green highlight) are entered and the optional fields (peach highlighted), if available.
3. The results of the test will display in the last column.
4. Highlight the basis of your answers to the above test criteria on the source documents.
5. For each capital lease, attach this schedule and the lease/property schedule agreements as support to Form AM-5.