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# Depreciation

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## Revenue Rulings and Procedures

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### Revenue Rulings

#### [Revenue Ruling 69-229, 1969-1 CB 86](#)

Principles are set forth that define capital expenditures deductible as depreciation versus maintenance expenses deductible as ordinary and necessary business expenses

#### [Revenue Ruling 87-56, I.R.B. 1987-42.4](#)

Principles are set forth that define the class life of property for depreciation purposes as well as applicable recovery periods and the applicable conventions that must be used in computing depreciation allowances under section 168.

#### [Revenue Ruling 94-38, 1994-1 CB 35](#)

Principles are set forth that define the capitalization of construction costs in connection with groundwater treatment facilities.

### General Counsel Memoranda

#### [GCM 39803](#)

This memorandum discusses the federal income tax accounting treatment of income and expenses attributable to certain services performed under a long-term contract