

WAC 388-835-0475 What requirements apply to capitalizing buildings, other real property items, components, improvements and leasehold improvements? Buildings and other real property items, components, improvements and leasehold improvements must be capitalized if they are:

- (1) Required or authorized by the lease agreement;
- (2) Cost more than five hundred dollars; and
- (3) Involve at least one of the following:
 - (a) Increase the interior floor space of the structure;
 - (b) Increase or renew paved areas outside the structure that are either adjacent to the structure or provide access to it;
 - (c) Modification to the exterior or interior walls of the structure;
 - (d) Installation of additional heating, cooling, electrical, water-related, or similar fixed equipment;
 - (e) Landscaping or redecorating; or
 - (f) Increasing the structure's useful life by at least two years.

[Statutory Authority: RCW 71A.20.140. WSR 01-10-013, § 388-835-0475, filed 4/20/01, effective 5/21/01.]