CapEx vs OpEx

Differences between Capital Expenditure and Operational Expenditure

|  | Capital Expenditure | Operational Expenditure |
| --- | --- | --- |
| Up front cost | Significant | None |
| Ongoing cost | Low | Based on usage |
| Tax Deduction | Over time | Same year |
| Early Termination | No | Anytime |
| Maintenance | Significant | Low |
| Value over time | Lowers | No change |

PRACTICE TEST LINK: https://marczak.io/az-900/episode-03/practice-test/