**Solution:**

(1)

The calculation is shown as follows:

|  |  |
| --- | --- |
| DEFERRED TAX ASSET/LIABILITIES  (Amounts are in $) | |
| Year | Deferred Tax Account |
| 2010 | $16,000.0  (asset) |
| 2011 | $25,600.0  (asset) |
| 2012 | $30,800.0  (asset) |
| 2013 | $31,184.0  (asset) |
| 2014 | $28,291.2  (asset) |
| 2015 | $22,776.8  (asset) |
| 2016 | $17,262.4  (assets) |
| 2017 | $11,748.0  (assets) |
| 2018 | $6,233.6  (assets) |
| 2019 | $719.2  (assets) |

(2)

It is an asset because the company needs to pay lower taxes than what is demanded by the authorities.

(3)

The deferred tax asset at the end of period is $719.2. This value is reached because the depreciation was not completely making the salvage value zero, so the value remains positive, otherwise it would have become zero.

(4)

Tax provisions = $16,000

Tax due to government = $6,400