

TANGIBLE PERSONAL PROPERTY TAX RETURN GENERAL INSTRUCTIONS

General Instructions

Complete this Personal Property Tax Return in accordance with the instructions provided herein as your declaration of personal property situated in this county. If any schedule has insufficient space, attach a separate sheet. Please print or type except for signature.

WHAT TO REPORT ON THIS RETURN:

1. Tangible Personal Property – include all goods, chattels, and other articles of value (but not certain vehicles) capable of manual possession and whose chief value is intrinsic to the article itself.
2. Items of inventory held for lease to customers in the ordinary course of business, rather than for sale, shall be deemed inventory only prior to the initial lease of such items and **MUST** be reported after their initial lease or rental as equipment and/or furniture or fixtures.
3. **ALL FULLY DEPRECIATED ITEMS MUST BE REPORTED AT ORIGINAL COST WHETHER WRITTEN OFF OR NOT.**
4. Property personally owned, but used in the business.
5. Property personally owned that is loaned, rented, or leased to others.

DO NOT INCLUDE:

1. Intangible Personal Property – that is, money, all evidence of debt owed to the taxpayer, all evidence of ownership in a corporation, etc.
2. Household Goods such as wearing apparel, appliances, furniture, and other items ordinarily found in the home and used for the comfort of the owner and his family, **and not used for commercial purposes.**
3. Automobiles, Trucks, and Other Licensed Vehicles – These are not taxable as personal property. (EXCEPTION: The equipment, on certain vehicles, is taxable as personal property and must be reported. Examples – power cranes, air compressors, and other equipment designed as a tool rather than primarily as a hauling vehicle.)
4. Inventory – Those chattels consisting of items commonly referred to as goods, wares, and merchandise that are held for sale or lease to customers in the ordinary course of business.

VALUATION OF PERSONAL PROPERTY:

All property located in this county as of January 1 must be reported at 100% of the original total cost. Include freight, handling, installation, sales tax and other start up costs if incurred. Report the total cost of all assets.

ADJUSTMENTS TO VALUES – TAXPAYER'S ESTIMATE OF FAIR MARKET VALUE:

Enter only **UNADJUSTED** figures in areas calling for Original Cost. An adjustment is a variation from purchase price paid. Adjusted figures **MUST** be explained on an attached supplemental schedule. Such schedules are considered part of the return. However, Florida law provides that the taxpayer shall also provide an estimate of the current fair market value of the property.

Important: Attach such evidence of estimate of value as will be used in an administrative or civil hearing.

LOCATION OF PERSONAL PROPERTY

With the exception noted in the following paragraph, a **SEPARATE** personal property return must be filed for each location in the county. Additional forms will be mailed on request; contact your county property appraiser's office.

Owners of vending machines, LP/Propane tanks and similar property at many locations may submit a single schedule in lieu of individual property statements, but may be required by the Property Appraiser to provide a list of site addresses. Owners that previously reported on a DR-405E or other owners of a similarly integrated property may submit a single schedule.

INSTRUCTIONS SPECIFIC TO INDIAN RIVER COUNTY

If you filed a personal property return last year, SCHEDULE #2 will display the "DESCRIPTION", "YEAR PURCHASED", and "ORIGINAL INSTALLED COST" of each item on that return. Please verify each asset in the following manner: If you still have the asset, place an "S" in the column marked "SAME (S)". Place a "C" in the column marked "CHANGED (C)" if the original installed cost of the asset or group of assets has changed. For example, if a group of assets were reported at one cost and a portion of the assets were in some way disposed of during the year, place a "C" in the appropriate column and record the adjusted original installed cost in the column marked "ADJUSTED ORIGINAL INSTALLED COST". Place an "R" in the column marked "REMOVED (R)" if the asset or group of assets were completely disposed of during the prior year. Please explain any "C" or "R" entry in the appropriate column. Attach additional explanation sheets as necessary.

Also in Schedule #2, list the Description, Year Purchased, and Original Installed Cost of assets purchased or transferred in last year in the appropriate columns. Use additional sheets as necessary. The figure you enter as "original cost" for transferred assets must include 100% of the total original installed cost as explained above.

Specific Instructions

The figure you enter as "original cost" must include the total original installed cost of your equipment, before any allowance for depreciation. Also include freight, handling, installation, sales tax, and other startup costs. If a trade-in was deducted from the invoice price, enter the total cost before trade in. Add back investment credits taken for federal income tax purposes that were deducted from the original cost. **INCLUDE ALL FULLY DEPRECIATED ITEMS AT ORIGINAL COST, WHETHER WRITTEN OFF OR NOT.**

List each item of tangible personal property separately in the appropriate schedule except for "classes" of personal property. A class is defined as items that are **SUBSTANTIALLY** similar in function, use and age. Do not use the terms "VARIOUS" or "SAME AS LAST YEAR". This is inadequate reporting and may subject you to penalties for FAILURE TO FILE. List all items of furniture and fixtures, all machinery and equipment, supplies, and certain types of equipment attached to mobile homes. All expensed items must be entered at original cost. For each item, report your estimate of the current fair market value (including physical depreciation, functional and economic obsolescence) of the property and your estimate of the condition of that item (Good, Average, Poor).

Farm, Grove, and Dairy Equipment:

List all types of agricultural equipment you owned as of January 1. Describe property by type, manufacturer, model number, and year acquired. The following is a partial list of the types of equipment which are to be reported: bulldozers, draglines, mowers, balers, tractors, all types of dairy equipment, pumps, irrigation pipe (vegetable crops only), hand and power sprayers, heaters, discs, fertilizer distributors, etc.

Hotel, Motel, Apartment & Rental Units (Household Goods):

List all furniture, appliances and equipment used in Hotels, Motels, and Apartment Buildings. Both residents and nonresidents must report if Rental Units such as houses, condos, apartments, etc. are rented at any time during the year. For Rental Units, please use the RENTAL FURNISHINGS FORM available at the Property Appraiser's office.

Leasehold Improvements – i.e., Physical Modifications to Leased Property:

If you have made any improvements (including modifications and additions) to property that you lease, list the original cost of the improvements. Leasehold Improvements include Paneling, Shelving, Cabinets, etc.

IMPORTANT: ATTACH ITEMIZED LIST OR DEPRECIATION SCHEDULE SHOWING INVENTORY OF INDIVIDUAL IMPROVEMENTS.

Supplies:

Supplies are stocks of goods intended to be consumed during the production process but are not part of the raw materials processed into the finished product. Enter the average monthly cost of supplies that are on hand, including expensed supplies, such as stationary and janitorial supplies, linens, silverware, etc. which may not have been recorded separately on your books. Include items that you carry in your inventory account but which **DO NOT** come within the definition of "inventory" subject to exemption.

Leased, Loaned, and Rented Equipment:

If you borrow, rent, or lease equipment from others complete Schedule #1 by entering the name and address of the owner or lessor and a description of the equipment, year you acquired it, year of manufacture (if known), the rent per month, and the amount it would have originally cost had you purchased the equipment new. Please attach a copy of any lease agreements.

INFORMATION REGARDING THE TAX LAWS OF FLORIDA

§192.011	All property to be assessed
§192.032	Situs of property for assessment purposes
§192.042	Date of assessment
§192.047	Date of filing
§193.052	Preparation and serving of returns
§193.062	Dates for filing returns
§193.063	Extension of date for filing returns
§193.072	Penalties for improper or late filing of returns
§193.073	Erroneous returns, estimate of assessment when no return filed
§193.074	Confidentiality of returns
§195.027(4)(a)	Rules and regulations prescribed by Dept. of Revenue
§196.183	Tangible Personal Property Exemption

If you have any questions, please contact our office.

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