

## **FREQUENTLY ASKED QUESTIONS ABOUT TAX LISTING**

In early January, business owners and individuals in Haywood County will receive forms in the mail for their 2014 personal property listings. Following is a list of common questions about tax listing.

### **Question: Who is required to list business personal property for tax purposes?**

**Answer:** Any individual or corporation who has personal property that is used to conduct a business, or personal property held in connection with a business that is in their possession as of January 1, should list business personal property by filling out a business personal property abstract. Personal property that is used for income producing purposes such as farm machinery and furnishings provided in rental units should also be listed on a business personal property abstract.

### **Question: Who is required to list other types of personal property, other than business personal property?**

**Answer:** Anyone who owns a manufactured home, boats or boat motors, motorcycles, unregistered motor vehicles, travel trailers, motor homes, and utility trailers should all be listed on a personal property abstract.

### **Question: By what authority does the tax assessor's office require the listing of personal property?**

**Answer:** North Carolina General Statute 105-296(A) gives the county Tax Assessor responsibility for the listing, appraisal and assessment of all property in the county in accordance with the provisions of the law.

### **Question: When do tax listing notices go out in the mail and how long do businesses and individuals have to list?**

**Answer:** The listing forms should be in the hands of personal property owners the first week in January 2014. The regular listing period is January 1<sup>st</sup> thru January 31<sup>st</sup>. Tax listings sent by mail must be postmarked no later than January 31<sup>st</sup> in order to avoid a late list penalty.



**Question: What options are available if a business personal property owner cannot list by that date?**

**Answer:** An extension of time to list may be obtained by sending a written request, showing good cause as to why the taxpayer is unable to list within the regular listing period. This request must be received by the Assessor's office no later than January 31<sup>st</sup>. An extension can be granted thru April 15<sup>th</sup> and no later than that date.

**Question: What happens after the listing period is over?**

**Answer:** When the listing period is over, the Tax Assessor's office will begin to review and enter all information obtained from the listing forms. If a discrepancy is found, the business owner will be contacted for further information. If a business fails to list they will be notified by letter and will be given 30 days to list the business or receive an estimated value along with penalties.

**Question: When will businesses and individuals actually get their tax bill and how long do they have to pay it?**

**Answer:** The tax bills are generally sent out in August to mid September and due upon receipt, but can be paid without penalty until January 5<sup>th</sup>.

**Question: What are some of the most common misunderstandings about tax listing?**

**Answer:** It is very important that business owners read the instruction page of the listing form before filling out the form. The instructions go over each section of the form. If a business owner does not understand how to file his or her listing, they should contact the business personal property division of the Tax Assessor's office at 828-452-6639 or 828-452-6664.

One common problem is people who do not completely fill out the listing forms or write "same as last year" on the listing form. Such listing forms will be rejected, which could result in the taxpayer having to pay penalties.

Businesses must list all equipment that is connected with the business, including personal property purchased by the owner personally.



**Question: How are the values of property determined and how much of a factor is the age/use of the property?**

**Answer:** The numbers listed by the business owner should be the original purchase price of the equipment. The Tax Assessor's Office takes those figures and depreciates them from the year in which it was purchased from the trending schedule provided by the North Carolina Department of Revenue.

North Carolina General Statute 105-317(A) states that appraisals of business personal property must take into consideration the following for each item listed:

- ❖ The replacement cost of the property;
- ❖ The sale price of similar property;
- ❖ The age of the property;
- ❖ The physical condition of the property;
- ❖ The productivity of the property;
- ❖ The remaining life of the property;
- ❖ The effect of obsolescence on the property;
- ❖ The economic utility of the property. In other words, its usability and adaptability for industrial, commercial, or other purposes.
- ❖ Any other factor that might affect the value of the property.

**Question: If a business taxpayer disputes the amount of a tax bill, or the amount of value placed on the personal property, what recourse do they have?**

**Answer:** The taxpayer has a right to appeal the value of business personal property to the Tax Assessor within 30 days from the first notice of value, which comes in the form of a letter or as the tax bill itself.

For more information on **business personal property listings** contact Judy Hickman, Tiffany Messer, Waynetta Arrington or Sandra Fortune at 828-452-6664. For information on **personal property listings** please contact Jennifer Chandler at 828-452-6640.

