

PERSONAL PROPERTY LISTING INSTRUCTIONS

WHAT IS PERSONAL PROPERTY & WHY MUST IT BE LISTED?

In Washington State, both real and personal property are assessed for tax purposes. State law requires every business (Sole Proprietor, Corporation, Limited Liability, Association, Partnership, Trust or Estate) to report their personal property each year to the County Assessor for assessment purposes. (RCW 84.40.185)

Personal property includes, but is not limited to, **all** machinery, equipment, furniture, supplies and building improvements owned, leased, rented out or used by the business, as of January 1st of the assessment year.

Regardless of how the assets are acquired (whether purchased new, purchased used, purchased before beginning the business, leased, gifted or free), or tracked (whether considered an asset or an expense for the business), they must be listed with the County Assessor. Once the assets are listed, they cannot be removed from the listing unless replaced, sold, thrown away, destroyed or moved out of Franklin County. Even fully depreciated equipment still in use must be listed.

The Assessor will use the information provided to determine fair market value of all personal property. Personal property tax is levied at the same rate as real property tax. The applicable tax rate is determined by the physical location of the property and the levies placed in that jurisdiction. (RCW 84.40.030)

WHAT EXEMPTIONS ARE AVAILABLE FOR PERSONAL PROPERTY?

Washington State provides the following exemptions from personal property tax (RCW 84.36):

- \$15,000 of assessed value for persons who qualify as Head of Family (only one exemption allowed per year statewide). The Assessor determines who qualifies for this exemption.
- Vehicles licensed for regular public road use.
- Intangible property (goodwill, trademarks, patents, copyrights, etc)
- Some qualifying farm machinery & equipment. (See the back of the listing form).
- Custom software (designed exclusively for the taxpayer) is exempt. Modifications to canned software are exempt, but the underlying canned software is subject to tax. (RCW 84.36.600)

WHAT IS THE TIMELINE FOR ASSESSMENT & TAXATION?

January 1: All taxable personal property is assessed every year with reference to its value and ownership on this date. (RCW 84.40.020)

April 30: Deadline for returning the annual personal property listing to the Assessor (it must be postmarked or received by this date). (RCW 84.40.040)

April 30: First half personal property taxes are due to the Treasurer (for the previous year's January 1 assessment date).

October 31: Second half personal property taxes are due to the Treasurer (for the previous year's January 1 assessment date).

Each year the Assessor will mail a personal property listing to each existing business. Once returned and processed, a Personal Property Assessment Notice will be mailed to the business stating the determined value of all personal property for that business. This value will be used to calculate the following year's taxes.

It is the responsibility of every business to submit a proper listing, even if the Assessor has not mailed one out or the one that was mailed was not received. A blank listing may be obtained from our website. **Extensions of the filing due date are not granted.** A tax penalty of 5 percent of the tax due per month, up to a maximum of 25 percent, will be applied to listings postmarked or received **after** April 30th. (RCW 84.40.130)

WHAT IF MY BUSINESS MOVES, CEASES TO EXIST, IS SOLD OR CHANGES NAMES?

All personal property taxes follow the equipment; therefore, taxes for current assessments are due at time of sale, transfer, closure, foreclosure, or removal from county (RCW 84.56.090). Our office must be notified in advance of such either by phone, mail, fax, or email (please see our website for an Advance Tax Request form).

WHO CAN I CONTACT?

- For personal property questions, call our office at 509-545-3506. Our fax is 509-546-5840.
- You may email us at assessor@co.franklin.wa.us
- For questions regarding taxes owing, please call the Treasurer at 509-545-3518.

FOR ADDITIONAL RESOURCES

Visit www.co.franklin.wa.us/Assessor to obtain forms, publications, or research property information.

COMPLETING FRONT PAGE OF LISTING

- **Supplies:** Supplies are those items consumed by the business during the year that are not held for sale. Enter the amount of supplies on hand as of January 1, or average amount of supplies on hand at any given time during the year. Average amount may be determined by dividing the yearly cost of supplies by 12.
- **Expensed Assets:** List any and all expensed assets in the same manner as listing all other assets, including type of assets, costs, year purchased, etc. Do not include expensed equipment in with supplies.
- **Head of Family Exemption:** Answer each question only if a Sole Proprietor or sole beneficiary of a Trust.
- Enter **Year Business Started** in Franklin County, **Business Type** and **UBI number** (if not pre-printed).

		1	2	3	4		
S A M P L E O N L Y	LINE NO.	ITEM DESCRIPTION ENTER ADDITIONAL ASSETS BELOW	YEAR ACQUIRED	ORIGINAL COST	REVISED COST	ASSET NO.	
	Assets will be removed ONLY when disposition is marked on the corresponding line item. Cross out original cost and enter revised cost to the right. New assets may be summarized by type on an attachment, if needed.						
	IMPORTANT: It is NOT sufficient to write: "See Attached Schedule" for dispositions.						
		1	Security System	2007	\$5000		
		2	Office Furniture and Fixtures	2007	\$2150		
		3	Computer Replaced	2000	\$1856	\$0	
		4	Forklift	1999	\$12000		
		5	Artwork Junked	1994	\$2300	\$0	
		6	Phone Equipment	1990	\$3250		
			computer	2009	\$1300		
		New office desk	2009	\$500			

1 **Item Description Column:** If deleting or changing existing listed items, show disposition of item(s), as shown in above sample.

2 **Year Acquired column:** Please list the year in which the equipment was purchased.

3 **Original Cost column:** List the purchase price, plus shipping & installation costs, less sales tax. If the equipment was used when it was acquired, please indicate "used when acquired" next to the item's description.

4 **Revised Cost column:** Only use to adjust cost for equipment that is "replaced," "junked," "sold" or "transferred out of county." **DO NOT USE** this column to state the depreciated value. The Assessor will determine fair market value. (RCW 84.40.030)

- **Contact information:** Enter both the owner's and the agent's names (when applicable), phone number, and sign the listing. Please enter an email address we can use if we have questions.