

## PERSONAL PROPERTY DIVISION

### WHAT IS PERSONAL PROPERTY?

Personal property is everything other than real estate that is used in a business or to produce income. It includes such items as furniture, fixtures, office equipment, appliances, tools, machinery, signs, supplies, leasehold improvements and equipment leased by the business.

Personal property is usually considered not permanently affixed to or a part of the real property. Real property generally consists of land and buildings. The International Association of Assessing Officers (IAAO) uses two common tests, i.e..., the intention of the person who put the item in place, and whether the item can be removed from the real estate without damage to the item or the real estate itself. A third “rule of thumb” test is whether the item is serving the building or whether the item is serving the process of production, manufacturing, etc.

The Personal Property Section of the Duchesne County Assessor office also is responsible to assess the value of “manufactured housing” more commonly known as mobile homes.

### ASSESSING PERSONAL PROPERTY IN DUCHESNE COUNTY:

The State of Utah requires each business to file a Signed Statement listing all equipment and fixtures used in the business operation as of January 1<sup>st</sup> of each year (see U.C.A. 59-2-306).

At the beginning of each year a Signed Statement of Personal Property is mailed to each property owner who was previously listed on the county records. Failure to receive a Signed Statement does not excuse a person from filing or from the penalties on late returns. Utah law requires the Assessor to place an estimate of value and a penalty of \$100 or 10% whichever is greater on the accounts of those businesses which have not returned the Signed Statement (U.C.A. 59-2-307).

The Signed Statement is “self-assessing” which means that the owner lists the equipment used in the business, the year of purchase and the purchase price. The price is multiplied by a depreciation percentage to arrive at a taxable value. These depreciation percentages are supplied by the Utah State Tax Commission and are used statewide. The taxable values are then added and the total value is multiplied by the Tax Rate for the tax district where the business is located.

Signed Statements for subsequent years will be printed with the equipment previously reported and the updated depreciation already applied. The business owner has only to make adjustments to the market value by adding or deleting the equipment acquired or disposed of during the previous year.

Signed Statements are subject to auditing by the Utah State Tax Commission on behalf of the County.

Any equipment or fixtures that have escaped taxation may be assessed at any time as far back as five years prior to the time of discovery (U.C.A. 59-2-309).

If a property owner is dissatisfied with the taxable value of the personal property he or she may appeal by filing an application no later than 30 days after the mailing of the tax notice–Signed Statement (U.C.A. 59-2-1005.2).

Deputy Assessors will be happy to help anyone with questions about how to fill out the Signed Statements.