

# BUSINESS PERSONAL PROPERTY INSTRUCTIONS

## WHO MUST FILE A LISTING, AND WHAT TO LIST -

Any individual(s) or business(es) owning or possessing personal property used or connected with a business or other income producing purpose on January 1. Temporary absence of personal property from the place at which it is normally taxable shall not affect this rule. For example, a lawn tractor used for personal use to mow the lawn at your home is not listed. However, a lawn tractor used as part of a landscaping business in this County must be listed if the lawn tractor is normally in this County, even if it happens to be in another state or county on January 1.

NCGS 105-308 reads that . . . "any person whose duty it is to list any property who willfully fails or refuses to list the same within the time prescribed by law shall be guilty of a Class 2 misdemeanor. The failure to list shall be prima facie evidence that the failure was willful." A class 2 misdemeanor is punishable by imprisonment for up to 60 (sixty) days.

## WHEN, WHERE, AND HOW TO LIST -

Listings must be filed during the month of January with the

**Pitt County Tax Administration**  
**P.O. Box 43, Greenville, NC 27835-0043**  
**Phone: (252) 902-3412 Fax: (252) 830-0753**

As required by state law, late listings will receive a penalty. An extension of time to list may be obtained by sending a written request showing "good cause" to the County Assessor by January 31.

Read these INSTRUCTIONS for each schedule or group. If a Schedule or Group does not apply to you, indicate so on the listing form, DO NOT LEAVE A SECTION BLANK, DO NOT WRITE "SAME AS LAST YEAR". A listing form may be rejected for these reasons and could result in late listing penalties.

## INFORMATION SECTION

Complete all sections at the top of the form, whether or not they are addressed in these INSTRUCTIONS. Attach additional sheets if necessary.

- Physical Address: Note here the location of the property. The actual physical location may be different from the mailing address.

- Real Estate: If any improvements were made to the real estate during the prior year, please attach a sheet with description and construction cost.

- Social Security Number: This number is requested pursuant to G.S. 132-1.10, G.S. 143-64.60 and 42 U.S.C. Section 405 (c)(2)(C)(i), a provision of federal law that permits state and local governments to require an individual to provide their social security number as part of the administration of a state or local tax. The social security number will be used to facilitate collection of property taxes if you do not timely and voluntarily pay the taxes. Using the social security number will allow the tax collector to claim payment of an unpaid property tax bill from any state income tax refund that might be otherwise owed to you. Your social security number may be shared with the state for this purpose. In addition, your social security number may be used to attach wages or garnish bank accounts for failure to timely pay taxes.

- Principal Business Activity: What does the listed business do? For example: Tobacco Farmer, Manufacture Electrical Appliances, Laundromat, Restaurant.

- If Out of Business: If the business we have sent this form to has closed, complete this section and attach any additional information regarding the sale of the property.

## SCHEDULE A: DEPRECIABLE PERSONAL PROPERTY

### Reported Cost

• The costs of assets acquired should be entered under "Additions" in the row corresponding to the year it was acquired.

• The deletion of an asset should be at 100% original cost and recorded under "Deletions" in the same year the asset was acquired.

Note that the cost information you provide must include all costs associated with the acquisition as well as the costs associated with bringing that property into operation. These costs may include, but are not limited to, invoice cost, trade-in allowances, freight, installation costs, sales tax, and construction period interest. For example, a manufacturer of textiles purchased a knitting machine last year for

\$10,000. The sales tax was \$200, shipping charges were \$200, and installation costs were \$200. If there were no other costs incurred, the total cost that the manufacturer should report is \$10,600. The \$10,600 should be added in group (1) under "Additions" and the "Yearly Totals" column.

The cost figures reported should be historical cost, which is the original cost of an item when first purchased, even if it was first purchased by someone other than the current owner. For example, you, the current owner, may have purchased equipment last year for \$100, but the individual you purchased the equipment from acquired the equipment in 2001 for \$1000. You, the current owner, should report the property as acquired in 2001 for \$1000.

Property should be reported at its market cost at the retail level of trade. For example, a manufacturer of computers can make a certain model for \$1000 total cost. It is typically available to any retail customer for \$2000. If the manufacturer uses the model for business purposes, he should report the computer at its market cost at the retail level of trade, which is \$2000, not the \$1000 it actually cost the manufacturer.

Schedule A is divided into six (6) groups. Each is addressed below. Some listing forms may have pre-printed figures in the "Cost" column. These figures are the costs that were reported on last year's listing. Use the "Additions" and "Deletions" column to denote changes from "Cost" column to "Yearly Totals". The "Cost" plus "Additions" minus "Deletions" should equal "Yearly Totals". The "Cost" should be the 100% costs of all depreciable personal property (*including those fully depreciated*) in your possession on January 1. Round amounts to the nearest dollar.

### Group (1) Machinery & Equipment

This is the group used for reporting the cost of all machinery and equipment. This includes all warehouse and packaging equipment, as well as manufacturing equipment, production lines, hi-tech or low-tech. List the total cost by year of acquisition, including fully depreciated assets that are still connected with the business.

### Group (2) Construction in Progress (CIP)

CIP is business personal property which is under construction on January 1. The accountant will typically not capitalize the assets under construction until all of the costs associated with the asset are known. In the interim period, the accountant will typically maintain the costs of the asset in a CIP account. The total of this account represents investment in personal property, and is to be listed with the other capital assets of the business during the listing period. List in detail. If you have no CIP, write "none".

### Group (3) Furniture & Fixtures

This group is for reporting the costs of all furniture & fixtures and small office machines used in the business operation. This includes, but is not limited to, file cabinets, desks, chairs, adding machines, curtains, blinds, ceiling fans, window air conditioners, telephones, intercom systems, and burglar alarm systems.

### Group (4) Computer Equipment

This group is for reporting the costs of non-production computers and peripherals. This includes, but is not limited to, personal computers, midrange, or mainframes, as well as the monitors, printers, scanners, magnetic storage devices, cables, and other peripherals associated with those computers. This category also includes software that is capitalized and purchased from an unrelated business entity.

**Note: The development cost of software or any modification cost to software, whether done internally by the taxpayer or externally by a third party to meet the customer's specified needs is excluded and should not be reported. This does not include high tech equipment such as proprietary computerized point of sale equipment or high tech medical equipment, or computer controlled equipment, or the high-tech computer components that control the equipment. This type of equipment would be included in Group (1) or "other".**

**Group (5) Improvements to Leased Property**

This group includes improvements made by or for the business to real property leased or used by the business. The improvements may or may not be intended to remain in place at the end of the lease, but they must still be listed by the business unless it has been determined that the improvements will be appraised as real property by the County for this tax year. Contact the appropriate County to determine if you question whether these improvements will be appraised as real property for this tax year. If you have made no improvements to leased property write "none". Do not include in this group any Store Equipment-Group (1) or Office Furniture and Fixtures-Group (3).

**Group (8) Farm Equipment/ Other**

Farm Equipment: This group is for reporting farm equipment such as cultivators, plows, planters, hog and poultry equipment, etc.  
Other: This group is also for equipment other than those listed above.

**SCHEDULE B: VEHICULAR EQUIPMENT - Attach Additional Sheets  
If Necessary.**

This schedule is for reporting Mobile Homes, Farm Tractors, Combines, Harvesters, Boats, Boat Motors, Aircraft, Unregistered Motor Vehicles, Multi-Year and Permanently Tagged Trailers, and IRP (International Registration Plan) Plated Vehicles. DO NOT list short-term rental vehicles or motor vehicles with a current North Carolina Registration. If the vehicle is located in North Carolina, but has another state's tag, list them here.

**SCHEDULE C: SUPPLIES**

Almost all businesses have supplies. These include, but are not limited to those items described on the listing form.

The temporary absence of property on January 1 does not mean it should not be listed if that property is normally present. Supplies that are immediately consumed in the manufacturing process or that become a part of the property being sold, such as packaging materials or raw materials for a manufacturer, do not have to be listed.

Even though inventory is exempt, supplies are not. Even if a business carries supplies in an inventory account, they remain taxable.

**SCHEDULE D: PROPERTY IN YOUR POSSESSION ON JANUARY 1,  
BUT OWNED BY OTHERS**

If on January 1, you have in your possession any business machines, machinery, furniture, vending equipment, game machines, postage meters, or any other equipment which is loaned, leased, or otherwise held and not owned by you, a complete description and ownership of the property should be reported in this section.

This information is for office use only. Assessments will be made to the owner/ lessor.

If you have none, write "none" in this section. If property is held by a lessee under a "capital lease" where there is a conditional sales contract, or if title to the property will transfer at the end of the lease due to a nominal "purchase upon termination" fee, then the lessee is responsible for listing under the appropriate group.

**BUSINESS INFORMATION**

Location of Accounting Records/ Contact Person for Audit: In case the Tax Office needs additional information, or to verify the information listed, list the person to be contacted here.

Other N.C. Counties Where Personal Property is Located: If your business has property normally located in other counties, list those counties here.

**AFFIRMATION**

If the signature line on the form is left blank or if the form is not signed by an authorized person, it will be rejected and could be subject to penalties. Read the information on this section of the form regarding who may sign the listing form.

Listings submitted by mail shall be deemed to be filed as of the date shown on the postmark affixed by the U.S. Postal Service. Any other indication of the date mailed (such as your own postage meter) is not considered and the listing shall be deemed to be filed when received in the Office of the Tax Assessor.

Any person who willfully attempts, or who willfully aids or abets any person to attempt, in any manner to evade or defeat the taxes imposed under this Subchapter (of the Revenue Laws), whether by removal or concealment of property or otherwise, shall be guilty of a Class 2 misdemeanor (punishable by imprisonment up to 60 days).

**PITT COUNTY TAX ADMINISTRATION**

**Business Personal Property**

**110 S. Evans St.**

**P.O. Box 43**

**Greenville, NC 27835-0043**

**Phone: (252) 902-3412**

**Fax: (252) 830-0753**

**Email: [PittTaxAssessor@pittcountync.gov](mailto:PittTaxAssessor@pittcountync.gov)**

