

SIGNIFICANT DATES TO REMEMBER

NOVEMBER 1ST

**Personal Property Declaration
Filing Deadline**

FEBRUARY 1ST

Final Assessment Notice

JULY 1ST

Due Date for Taxes

HELPFUL HINTS AND SUGGESTIONS

- ◇ File the original declaration with this office prior to November 1. Be sure to sign and date your return.
- ◇ Work with your accountant to identify any equipment that may have been removed. List those items in the appropriate space on the declaration.
- ◇ If you have an asset listing or depreciation schedule that identifies each piece of equipment, attach it to our completed declaration.
- ◇ YOU MAY NOT use terms such as “same as last year” or “various”. Your declaration will not be accepted.
- ◇ Please indicate the original cost of each item plus transportation cost and installation, if applicable, on your application. These things are important considerations in determining and accurate assessment.
- ◇ If you sell your business, go out of business, or move the assets elsewhere, please inform this office in writing.

This pamphlet answers common questions taxpayers have concerning personal property and will help you file an accurate declaration. If you have any questions or need help filing your declaration, please call (203) 938-2626 for assistance.

Personal Property Frequently Asked Questions



**Assessor's Office
100 Hill Road
Redding, CT 06896
203-938-2626**

PERSONAL PROPERTY

FAQ

- ◇ **Question:** What is personal property?
- ◇ **Answer:** Personal property is everything other than real estate that has value by itself. It includes things such as furniture, fixtures, computer equipment, tools, machinery, non-registered motor vehicles, mobile storage buildings, signs, leasehold improvements, video tapes, vending machines, leased equipment, and any other equipment used in a business or to earn income. Personal property such as computer software, inventory for sale, residential furnishings, clothing, and jewelry is not taxable.
- ◇ **Question:** Who must file?
- ◇ **Answer:** Anyone in possession of assets on October 1 or having had assets in Redding for 3 months prior to October 1 who has either a proprietorship, partnership, corporation or is a self-employed agent or contractor, must file each year. Property owners who lease, loan, or rent property must also file.
- ◇ **Question:** Why must I file a personal property declaration?
- ◇ **Answer:** CGS 12-71 requires that all personal property be reported each year to the Assessor's Office. If you receive a declaration, it is because our office has determined that you may have property to report. If you feel that the form is not applicable, return it with an explanation. Either way, the declaration **MUST** be returned. Failure to receive a declaration does not relieve you of your obligation to file.

- ◇ **Question:** How can I obtain this form?
- ◇ **Answer:** In September of each year, a personal property declaration is mailed to each business owner. If you do not receive this form, contact the Assessor's Office at (203) 938-2626.
- ◇ **Question:** What if I receive more than one personal property declaration?
- ◇ **Answer:** All declarations must be returned to the Assessor. If you have more than one location, the assets of each should be listed separately on each return.
- ◇ **Question:** What if I have old equipment that has been fully depreciated and written off the books?
- ◇ **Answer:** Whether fully depreciated in your accounting records or not, all property still in use or in your possession must be reported. When an item is more than 11 years old with an original cost of \$250 or less, it must be listed in the asset disposal section of the declaration and removed from the taxation reporting section.
- ◇ **Question:** Do I have to report assets that I lease, loan, rent, or borrow?
- ◇ **Answer:** Yes. There is a form entitled "Lessee's Listing Report" that is part of your personal property declaration specifically for those assets. Even though the assets are assessed to the owner, they must be listed on this form for informational purposes. Be sure to include the name and address of the lessor.
- ◇ **Question:** Is there a filing deadline?
- ◇ **Answer:** Yes. The deadline for filing a timely declaration is November 1st. There is a 25% assessment penalty for failure to file a personal property declaration by that date.

- ◇ **Question:** What if I buy or sell an existing business during the year—who is responsible for the taxes?
- ◇ **Answer:** Personal property is assessed to the owner of record of October 1st of each year. In other words, if you sell your business on January 15th, you would be responsible for the tax bill that is due July of that year. It is our suggestion that this be resolved between buyer and seller prior to purchase or sale of a business. We also suggest you check with the Tax Collector if you plan to purchase an existing business to make sure the taxes are current. Proration of personal property is limited to fire events only.
- ◇ **Question:** What if I don't file my declaration?
- ◇ **Answer:** When a declaration is not filed by November 1st, this office is required to place an assessment on the property. This assessment represents an estimate based on the value of businesses with similar equipment and assets. Being assessed does not alleviate your responsibility to file an accurate declaration. You will also be penalized 25% for failure to file.
- ◇ **Question:** If I am no longer in business, should I still file a declaration?
- ◇ **Answer:** If you receive a personal property declaration and were not in business on the assessment date of October 1st or three months prior, follow this procedure:
 - On your return, indicate the date you went out of business and the manner in which assets were disposed. If you still have the assets, you must declare them.
 - **Sign and date** the form. **Mail** the declaration back to the Assessor's Office.