

## INSTRUCTIONS 2009

**IMPORTANT: FILE ON OR BEFORE JANUARY 31ST\*\***  
**\*\*\*\*SCHEDULE G AND H MUST BE FILED BY JANUARY 15TH\*\*\*\***  
**\*\*\*\*NO EXTENSIONS WILL BE GRANTED PAST MARCH 15TH\*\*\*\***

### COMMONLY ASKED QUESTIONS

**Who must file a listing, and what do I 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 of up to sixty days.

**When and where to list:** Listings are due on or before January 31 and must be filed with the Buncombe County Tax Department at the following address: **Buncombe County Tax Department, County Courthouse, 60 Court Plaza Room 315, Asheville, NC 28801-3570.** Office hours are Monday thru Friday 8:00am to 5:00pm. If you have questions, please call (828)250-4930 or visit our website at [www.buncombecounty.org](http://www.buncombecounty.org).

### EXTENSION TO FILE

An extension of time to list may be obtained by sending a written request showing "good cause" to the County Tax Department by January 31. **If you wish a reply to this request, it should be sent in duplicate, along with a self-addressed stamped envelope. Approved extensions will be granted until March 15th. No extensions will be granted that exceeds this date. (Faxed requests will not be accepted).** As required by state law, late listings will receive a penalty.

**How do I list?--** Three important rules:

- (1) Read these INSTRUCTIONS for each schedule.
- (2) If a schedule 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.
- (3) Listings must be filed based on the tax district where the property is physically located. If you have received multiple listing forms, each form must be completed separately.

### INFORMATION SECTION

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

- (1) **Business Location:** Please note here the location of the property. The actual physical location may be different from the mailing address. **Post office boxes are not acceptable.**
- (2) **Principal Business in this County:** What type of business? For example: Manufacture (of what?), Laundromat, Restaurant, Retail sales, Rental, etc.
- (3) **Contact person for audit:** In case the county tax department needs additional information, or to verify the information listed, list the person to be contacted here.
- (4) **Other NC Counties where personal property is located:** If your business has property normally located in other counties, list those counties here.
- (5) **Complete other requested business information.** Make any address changes.

### APPLICATION FOR BUSINESS PROPERTY TAX EXEMPTION

UNDER THE PROVISIONS OF NCGS 105-282.1, every owner of property claiming exemption or exclusion from property taxes thereon must demonstrate that it meets the statutory requirements for exemption of classification. Application must be made with the Tax Department of the County in which the property is located during the statutory listing period.

1. Property used for pollution abatement
2. Property used for recycling or resource recovery

Once requirements have been met for these two types of property the taxpayer need only file a new application as changes occur. A list of other exemption types may be obtained from the Tax Department. Form AV-12 may be obtained by contacting the Tax Department. A business listing form must be completed each year for exempt property.

### SCHEDULE A - PERSONAL PROPERTY

The Year acquired column: The rows which begin "2008" are the rows in which you report property acquired during the calendar year 2008. Other years follow the same format.

Schedule A is divided into eight (8) categories. Each is addressed below. The cost column will contain information from prior year's listing. List under "Cost" the 100% cost of all depreciable personal property in your possession on January 1. Include all fully depreciated assets as well. Round amounts to the nearest dollar. Use the "Additions" and "Deletions" column to explain the changes made in the total column. The "Cost" plus "Additions" minus "Deletions" should equal "Total Cost". If there are any additions and/or deletions, please note those under Schedule D, Acquisitions and Disposals Detail. If the deletion is a transferred or paid out lease, please complete Schedule E. Note to whom the property was transferred to or from.

**COST** - 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.

**The cost figures reported should be historical cost that 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 in 2008 for \$100, but the individual you purchased the equipment from acquired the equipment in 2003 for \$1000. You, the current owner, should report the property as acquired in 2003 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.

### MACHINERY & EQUIPMENT

Report 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.

For example, a manufacturer of textiles purchased a knitting machine in October 2008 for \$10,000. The sales tax was \$200, shipping charges were \$200, and installation costs were \$200. The total cost that the manufacturer should report is \$10,600, if there were no other costs incurred. The \$10,600 should be listed under the Cost column for 2008.

### FURNITURE & FIXTURES

Report 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.

## COMPUTER EQUIPMENT

Report the costs of non-production computers & 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. (NCGS 105-275) (40) This does not include high tech equipment or computer controlled equipment, or the high-tech computer components that control the equipment or point of sale (POS) equipment. This type of equipment would be included in "Machinery and Equipment" or "Other".

## LEASEHOLD IMPROVEMENTS

Report any interior improvements made to a building or structure, owned or leased, installed and paid for by the tenant. These improvements may remain with the real estate, thereby becoming an integral part of the leased fee real estate upon expiration or termination of the current lease, but which are the property of the current tenant who installed it. Any modifications made to premises for the purpose of improving the tenant's comfort, enhancing the tenant's image or promoting the tenant's business viability are considered leasehold improvements. (Examples are construction allowances paid to the tenants, lavatories installed by lessee in a barber shop, special lighting, or dropped ceiling, and process related assets that support the operation of machinery & equipment). If you have no leasehold improvements, write "none".

## OTHER

Report special items not included in another category. "TAXPAYER MUST GIVE COMPLETE DESCRIPTION OF PROPERTY IN THIS SECTION".

## 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 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 tangible 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".

## SUPPLIES

Almost all businesses have supplies. These include normal business operating supplies. This category is for, but not limited to, the following "types" of supplies: **Office supplies, Law library, Maintenance & Janitorial supplies, Medical, Dental, or other professional supplies, Beauty & Barber Shop supplies, Restaurant supplies, Fuels of all kinds, Tools, Equipment spare parts, Hotel & Motel supplies.** List the type and cost on hand as of January 1. Remember, 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 B - VEHICULAR EQUIPMENT ATTACH ADDITIONAL SHEETS IF NECESSARY

List in this section, all unregistered, unlicensed (un-tagged) vehicles, or trailers with a multi-year tag. Do not include forklifts, commercial/industrial tractors, or farm tractors. These should be included under machinery & equipment on page 1 Schedule A.

## SCHEDULE C - AIRCRAFT, BOATS, & MOBILE HOMES

**Aircraft** owned by you on January 1, must be reported, showing the year, make/model, serial # (not FAA number), original cost, date acquired, registration # and hanger or tie down location. Additional equipment and avionics not included in original cost should be listed separately.

**Boats** owned as of January 1, must be listed showing year, make, size, marina or other location, date acquired and cost, including any trade-in or equipment added.

**Mobile Homes/Mobile Office** should be reported showing year of manufacture, manufacturer's name, the size, location and original cost.

## SCHEDULE D - ADDITIONS AND/OR DELETIONS

If there are additions and/or deletions, please complete schedule D or attach a separate sheet with description, cost and date acquired of each of these additions and/or deletions. If sold, list name and address of new owner.

## SCHEDULE E - TRANSFERS OR PAID-OUT LEASES

If the addition and/or deletion is a transfer or paid-out lease, please note this and to whom the property was transferred. Make necessary changes in Schedule (A). Please note, a paid-out lease should be reported at the historical cost and year acquired.

## SCHEDULE F - REAL ESTATE IMPROVEMENTS

During the last calendar year did your business make improvements and/or additions to real property owned by your business? If yes, attach an itemized schedule with information on such improvements. If any of these assets are considered Business Personal Property, they will be reported under the category Leasehold Improvements on Schedule A. Examples are, but not limited to, all interior or exterior improvements made to a building or structure, process related assets that support the operation of machinery and equipment, also any modifications made to the premises to enhance the business viability.

## OUT OF BUSINESS

Please complete if the Business we have sent this form to has closed or sold. If closed, please complete this section and schedule (D) concerning the disposal of the assets. If you have sold the business, please complete this section making sure to furnish the name, address and telephone number of the new owner.

## AFFIRMATION

NCGS 105-311 (a) Signature of principal officer, or full-time employee of taxpayer, who has been officially empowered by a principal officer, is required. Returns that are unsigned or not signed by proper authority will be rejected. A letter of authorization must be on file with the county tax department.

## THE LISTING WILL BE REJECTED IF NOT SIGNED CORRECTLY. THE LISTING MAY NOT BE SIGNED BY A TAX REPRESENTATIVE ONLY.

Listings submitted by mail shall be deemed to be filed as of the date shown on the postmark affixed by the US 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 by the Buncombe County Tax Department.

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)

## REPORT

## SCHEDULE G AND H PROPERTY IN YOUR POSSESSION, BUT OWNED BY OTHERS

If on January 1, you have in your possession business machines, machinery, furniture, vending equipment, postage meters, motor vehicles 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 already filed the January 15th reports required by NCGS 105-315, so indicate. 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 category, making sure to list at historical cost and year acquired. (NOTE: Please refer to your lease agreement to see who is responsible for listing equipment for tax purposes, to avoid double taxation).

**The County of Buncombe does not discriminate on the basis of race, color, religion, sex, age, national origin, handicap, or disability in admission or access to, or treatment, or employment, in its services, programs, and activities, in compliance with the applicable federal and state laws. Hearing and speech impaired TDD Phone number is (828) 250-4001.**