

\$25,000 Tangible Personal Property Exemption General Information

- A return must be timely filed to receive the \$25,000 exemption. Filing a return after the April 1st deadline will result in penalties.
- Failure to file return constitutes a failure to apply for exemption
- No separate application is required. The DR 405 tax return is the application for the exemption.
- A return must be filed for each location in the county where the owner transacts business.
- A "site where the owner of tangible personal property transacts business" includes facilities where the business ships or receives goods, employees of the business are located, goods or equipment of the business are stored, or goods or services of the business are produced, manufactured, or developed, or similar facilities located in offices, stores, warehouses, plants, or other locations of the business. Sites where only the freestanding property of the owner is located shall not be considered sites where the owner of tangible personal property transacts business.
- Freestanding property placed at multiple sites, other than where the owner transacts business, file a single return and receive one \$25,000 exemption (examples: vending and amusement machines, LP/propane tanks, utility and cable company property, billboards, and leased equipment.)
- Exemption applies to mobile home attachments. Exemption does not apply to mobile homes assessed as tangible personal property.
- If in subsequent years, the taxpayer has taxable value that exceeds the exemption, they are required to file a return.

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Q: **What is tangible personal property?**

A: This is an assessment imposed for the equipment, fixtures and furniture used by all business, rental properties and mobile home attachments.

Q: How do I apply for this exemption?

A: The Tangible Personal Property Return shall be considered an application for the exemption and will be applied to the first \$25,000 of assessed value for the tangible personal property account.

Q: What millage rate is used for this exemption?

A: This exemption is applied to all millage rates - including the school board millage.

Q: When does this exemption become effective?

A: This exemption became effective for the 2008 tax year.

Q: When must I file my Tangible Personal Property Return?

A: Deadline to file a Tangible Personal Property Return without a penalty is April 1st.

Q: Who can I contact with additional questions?

A: Call our Tangible Personal Property Division at (407) 836-5049.