

# TANGIBLE PERSONAL PROPERTY TAX RETURN GENERAL INSTRUCTIONS

To receive the \$25,000 exemption you must file a Tangible Personal Property Tax Return (DR-405) each year. Failure to timely file a Tangible Personal Property Tax Return will EXCLUDE you from receiving the exemption for that year.

## WHAT TO REPORT ON THIS RETURN:

- 1). Tangible Personal Property - Include all goods, chattels, and other articles of value (but not certain vehicles) capable of manual possession and whose chief value is intrinsic to the article itself. More specifically, all furniture, fixtures, equipment, machinery and supplies used in your business or rental property.
- 2). Items of inventory held for lease to customers in the ordinary course of business, rather than for sale, shall be deemed inventory only prior to the initial lease of such items and MUST be reported after their initial lease or rental as equipment and/or furniture or fixtures.
- 3). **ALL FULLY DEPRECIATED ITEMS MUST BE REPORTED AT TOTAL ORIGINAL COST WHETHER WRITTEN OFF OR NOT.**
- 4). If a corporation or a business owns your dwelling, *you must file* a Tangible Personal Property Tax Return *even if they do not rent the dwelling to others*, since the dwelling is an asset of a commercial entity it is considered a business asset and must file.

## DO NOT INCLUDE:

- 1). Intangible Personal Property - that is, money, all evidence of debt owed to the taxpayer, all evidence of ownership in a corporation, etc...
- 2). Household Goods such as wearing apparel, small appliances, furniture, and other items ordinarily found in the home and used for the comfort of the owner and his family, **and not used for commercial purposes**. (EXCEPTION: Hotel, Motel, Apartments & Rental Units)
- 3). Automobiles, Trucks, and Other Licensed Vehicles - These are not taxable as personal property. (EXCEPTION: The equipment, on certain vehicles, is taxable as personal property and must be reported. Examples include power cranes, air compressors, and other equipment designed as a tool rather than primarily as a hauling vehicle.)
- 4). Inventory - Those chattels consisting of items commonly referred to as goods, wares, and merchandise which are held for sale or lease to customers in the ordinary course of business.

## IF BUSINESS HAS SOLD OR CLOSED:

Complete the front portion (question #9) of the Tangible Personal Property Tax Return. **Indicate if closed**; date closed and where the assets are located. **If sold**; date sold, name, address, phone number of new owner. **Make sure to sign and date the return and mail to our office before April 1<sup>st</sup>.**

## VALUATION OF PERSONAL PROPERTY:

All property located in this county as of January 1 must be reported at 100% of the total original cost. Include transportation, handling, sales tax and installation charges if incurred. Report the total cost of all assets.

## ADJUSTMENTS TO VALUES - TAXPAYER'S ESTIMATE OF FAIR MARKET VALUE:

Enter only UNADJUSTED figures in areas calling for Original Cost. An adjustment is a variation from purchase price paid. Adjusted figures MUST be explained on the asset schedule. Such schedules are considered part of the return. However, Florida law provides that the taxpayer may also provide an estimate of the current fair market value of the property.

## LOCATION OF PERSONAL PROPERTY:

A SEPARATE personal property return must be filed for each location in the county. Additional forms will be mailed on request; contact the county property appraiser's office.

Owners of vending machines, LP/Propane tanks and similar property at many locations may submit a single schedule in lieu of individual property statements, but may be required by the Property Appraiser to provide a list of site addresses.

## SPECIFIC INSTRUCTIONS

In the appropriate schedule list the **Original Installed Cost** for ALL assets in your business. Assets in each schedule must be grouped by year of acquisition.

The figure you enter as "original cost" must include the total original installed cost of your equipment, **before** any allowance for depreciation. Include freight-in, handling, sales tax and installation costs. If a trade-in was deducted from the invoice price, enter the total cost before trade in.

Add back investment credits taken for federal income tax purposes if those were deducted from the original cost. **INCLUDE ALL FULLY DEPRECIATED OR EXPENSED ASSETS AT ORIGINAL COST, WHETHER WRITTEN OFF OR NOT.**

If you own equipment that is out on a loan, rental, or lease basis to others, report it on schedule #2.

List each item of tangible personal property separately in the appropriate schedule except for "classes" of personal property. A class is defined as items which are SUBSTANTIALLY similar in function, use and age. Do not use the terms "VARIOUS" or "SAME AS LAST YEAR." This is inadequate reporting and may subject you to penalties for **FAILURE TO FILE**.

List all items of furniture and fixtures, all machinery and equipment, supplies, and certain types of equipment attached to mobile homes. All expensed items must be entered at original cost.

For each item, the taxpayer may report their estimate of the current fair market value of the property and their estimate of the condition of that item (Good, Average, Poor).

## Farm, Grove, and Dairy Equipment:

List all types of agricultural equipment you owned as of January 1. Describe property by type, manufacturer, model number, and year acquired. The following is a partial list of the types of equipment which are to be reported: bulldozers, draglines, mowers, balers, tractors, all types of dairy equipment, pumps, irrigation pipe (show feet of main line and sprinklers), hand and power sprayers, heaters, discs, fertilizer distributors, etc...

## Hotel, Motel, Apartment & Rental Units (Household Goods):

List all furniture and equipment used in Hotels, Motels, and Apartment Buildings. Both residents and nonresidents must report if Rental Units such as houses, condos, apartments, etc. are rented at any time during the year.

## Leasehold Improvements - i.e. Physical Modifications to Leased Property:

If you have made any improvements (including modifications and additions) to property that you lease, list the original cost and year of acquisition of the improvements. Leasehold improvements include Carpeting, Paneling, Shelving, Cabinets, Removable walls, etc... **IMPORTANT: ATTACH ITEMIZED LIST OR DEPRECIATION SCHEDULE SHOWING INVENTORY OF INDIVIDUAL IMPROVEMENTS.**

## Supplies:

Enter the average cost of supplies that are on hand, including expensed supplies, such as stationery and janitorial supplies, linens, silverware, etc. which may not have been recorded separately on your books. Include items that you carry in your inventory account but which do not fall within the definition of "Inventory" subject to exemption.

## Leased, Loaned, and Rented Equipment:

If you borrow, rent or lease equipment from others complete schedule #1 by entering the name and address of the owner or lessor and a description of the equipment, year you acquired it, year of manufacture (if known), the rent per month, and the amount it would have originally cost had you purchased the equipment new.

## If you have any questions, please contact our office.

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## Information regarding the Tax Laws of Florida

- § 192.042, Florida Statutes - Assessment date Jan 1
- § 193.052, Florida Statutes - Filing requirement
- § 193.062, Florida Statutes - Filing date: April 1
- § 193.063, Florida Statutes - Extensions for filing
- § 193.072, Florida Statutes - Penalties
- § 193.074, Florida Statutes - Confidentiality
- § 195.027 (4), Florida Statutes - Return Requirements
- § 196.183, Florida Statutes - \$25,000 Exemption
- § 837.06, Florida Statutes - False Official Statements

# SAMPLE OF OUR COMPLETED TAX RETURN

**GENERAL SECTION, QUESTIONS 1-9** - Please complete in full.

**SCHEDULE #1** - List any leased, loaned or rented equipment in your possession on January 1st. Please provide complete name and address of owner or lessor. Attach additional sheets if necessary.

**SCHEDULE #2** - List any equipment you may own but was out on loan, rent or lease to others on January 1st. Attach additional sheets if necessary.

**SIGNATURE BLOCK** - Be sure to date & sign your return. The return is considered incomplete without the taxpayer's signature. **NOTE TO PREPARERS- YOU MUST ATTACH AUTHORIZATION FROM TAXPAYER IN THE EVENT YOU ARE SIGNING ON HIS OR HER BEHALF.**

|   |  |                         |             |  |                           |             |  |   |                           |
|---|--|-------------------------|-------------|--|---------------------------|-------------|--|---|---------------------------|
| <p>1. Please Give Name and Telephone Number of Owner or Person in Charge.<br/>                 Name: <u>John Q. Public</u><br/>                 Tel. #: <u>(239) 555-6666</u> Fax #: _____<br/>                 Corp Name/DBA: <u>John Q. Public, Inc.</u></p> <p>2. Actual Physical Location of This Property (Street Address - NOT PO BOX) as of January 1st:<br/> <u>2000 Cortez Rd. W.</u></p> <p>3. Did You File a Tangible Personal Property Return in This County Last Year?<br/>                 Yes <input checked="" type="checkbox"/> No _____ If Yes, Under what Name and Address? <u>Same</u></p> <p>4. Do You File a Tangible Personal Property Tax Return Under Any Other Name?<br/>                 Yes _____ No _____ If Yes, Please Show Name Exactly as it Appeared on your Most Recent Personal Property Tax Bill or Current Return _____</p> | <p>5. Date You Began Business In This County: <u>02/01/93</u><br/>                 Fiscal Year: From <u>09/01</u> to <u>08/31</u></p> <p>6. Describe Type or Nature of Your Business <u>Accountant</u></p> <p>7. Trade Level: (Circle as many as apply) Retail Wholesale Manufacturing<br/>                 Professional <u>Service</u> Agriculture Leasing/Rental Other</p> <p>8. Is Your Business or Farm Located Within the Incorporated Limits of a City?<br/>                 Yes _____ No <input checked="" type="checkbox"/> If Yes, what City? _____</p> <p>9. If Business Closed, Sold, or Moved (Circle one) Date: _____<br/>                 If sold; Name, Address and Phone of New Owner _____<br/>                 If moved; Moved from _____ To _____</p> |                         |             |  |                           |             |  |   |                           |
| <b>SCHEDULE #1</b>  |  |                         |             |  |                           |             |  |   |                           |
| <b>LEASED, LOANED, AND RENTED EQUIPMENT</b> (PLEASE COMPLETE IF YOU HOLD EQUIPMENT BELONGING TO OTHERS.)  |  |                         |             |  |                           |             |  |   |                           |
| NAME AND ADDRESS OF OWNER OR LESSOR   | DESCRIPTION  | YEAR ACQUIRED           | YEAR OF MFG | RENT PER MONTH   | RETAIL INSTALLED COST NEW |             |  |   |                           |
| <u>ABC Leasing Company</u><br><u>100 Main Street</u><br><u>Anywhere, USA 55555</u>  | <u>1 Computer &amp; Printer</u>  | <u>98</u>               | <u>98</u>   | <u>\$125</u>   | <u>\$3675</u>             |             |  |   |                           |
| <b>SCHEDULE #2</b>  |  |                         |             |  |                           |             |  |   |                           |
| <b>EQUIPMENT OWNED BY YOU BUT RENTED, LEASED, OR HELD BY OTHERS</b>   |  |                         |             |  |                           |             |  |   |                           |
| LEASE NO.   | NAME/ADDRESS OF LESSEE ACTUAL PHYSICAL LOCATION  | DESCRIPTION             | AGE         | YEAR PURCHASED   | RENT PER MONTH            | TERM        | TAXPAYER'S ESTIMATE OF FAIR MARKET VALUE | TAXPAYER'S ESTIMATE OF CONDITION (GOOD) (AVG.) (POOR) | RETAIL INSTALLED COST NEW |
| <u>123</u>  | <u>John Doe</u><br><u>2001 Cortez Rd. W.</u><br><u>Naples, FL</u>  | <u>Desk &amp; Chair</u> | <u>15yr</u> | <u>1996</u>  | <u>\$50</u>               | <u>18mo</u> | <u>\$900</u>                             | <u>Avg.</u>   | <u>\$1400</u>             |
| Under penalties of perjury, I declare that I have read the foregoing tax return and that the facts stated in it are true. If prepared by someone other than the taxpayer, the preparer signing this return certifies that his/her declaration is based on all information of which he/she has any knowledge.  |  |                         |             |  |                           |             |  |   |                           |
| DATE: <u>3/1/2012</u> TITLE: <u>owner</u>   |  |                         |             | <input type="checkbox"/> WIDOWED <input type="checkbox"/> BLIND <input type="checkbox"/> \$25,000<br><input type="checkbox"/> TOTAL DISABILITY <input type="checkbox"/> OTHER, SPECIFY _____ |                           |             |  |   |                           |
| SIGNED: <u>John Q. Public</u><br>(TAXPAYER ONLY SIGNATURE REQUIRED)   |  |                         |             | <b>TAXABLE VALUE</b>   |                           |             |  |   |                           |
| SIGNED: _____<br>(PREPARER)   |  |                         |             | <b>DEPUTY PENALTY</b>  |                           |             |  |   |                           |
| ADDRESS: _____  |  |                         |             | <b>TAXPAYER SIGN AND DATE YOUR RETURN. SEND THIS ORIGINAL TO THE COUNTY APPRAISER'S OFFICE BY APRIL 1<sup>ST</sup>. UNSIGNED RETURNS CANNOT BE ACCEPTED BY THE APPRAISER'S OFFICE.</b>       |                           |             |  |   |                           |
| PHONE NO: _____ PREPARER'S ID: _____  |  |                         |             | NOTICE: IF YOU ARE ENTITLED TO A WIDOW'S, WIDOWER'S, OR DISABILITY EXEMPTION ON PERSONAL PROPERTY (NOT ALREADY CLAIMED ON REAL ESTATE), PLEASE CONSULT APPRAISER.                            |                           |             |  |   |                           |

**TURN FORM OVER** - ALL INFORMATION ON BOTH SIDES MUST BE COMPLETED IN FULL TO BE A VALID RETURN!

| TANGIBLE PERSONAL PROPERTY ASSET SCHEDULE #3 |           |                   |                |           |   |                         |  |          |             |             |  |
|--|-----------|-------------------|----------------|-----------|---|-------------------------|--|----------|-------------|-------------|--|
| FOLIO # <u>85000000-0</u>                    |           | DESCRIPTION       | YEAR PURCHASED | AGE       | TAXPAYER'S ESTIMATE OF CONDITION (GOOD) (AVG.) (POOR) | ORIGINAL INSTALLED COST | TAXPAYER'S ESTIMATE OF FAIR MARKET VALUE | SAME (S) | CHANGED (C) | REMOVED (R) | EXPLANATION OF ADJUSTED ORIGINAL INSTALLED COST OR REMOVAL |
| LINE #                                       | DEPT CODE |                   |                |           |   |                         |  |          |             |             |  |
| 10   | 6750      | Telephone         | 98             | 14        |   | 50                      |  | S        |             |             |  |
| 20   | 4500      | Desk              | 98             | 14        |   | 125                     |  | S        |             |             |  |
| 30   | 3100      | Fax Machine       | 99             | 13        |   | 249                     |  | S        |             |             |  |
| 40   | 4500      | <u>1 2 Chairs</u> | 99             | 13        |   | <u>50 25</u>            |  |          | C           | <u>25</u>   | <u>Disposed of chair</u>                                   |
| 50   | 4500      | <u>1 2 Stools</u> | 99             | 13        |   | <u>75 50</u>            |  |          | C           | <u>50</u>   | <u>Sold stool</u>  |
| 60   | 1950      | Computer          | 99             | 13        |   | 849                     |  | S        |             |             |  |
| 70   | 2000      | Printer           | 99             | 13        |   | 189                     |  |          |             | R           | <u>Now leasing-sold</u>                                    |
| 80   | 2000      | Modem             | 99             | 13        |   | 80                      |  | S        |             |             |  |
| 90   | 4500      | Printer Table     | 99             | 13        |   | 120                     |  | S        |             |             |  |
| 100  | 6700      | Supplies          |                |           |   | <u>800 500</u>          |  |          | C           | <u>500</u>  | <u>Supply correction</u>                                   |
|  |           | <u>Desk</u>       | <u>05</u>      | <u>7</u>  | <u>G</u>  | <u>400</u>              | <u>400</u>                               |          |             |             | <u>New</u>   |
|  |           | <u>Chair</u>      | <u>05</u>      | <u>7</u>  | <u>G</u>  | <u>110</u>              | <u>110</u>                               |          |             |             | <u>New</u>   |
|  |           | <u>Bookcase</u>   | <u>99</u>      | <u>13</u> | <u>A</u>  | <u>212</u>              | <u>100</u>                               |          |             |             | <u>Not reflected on schedule</u>                           |
|  |           | <u>Lamps (2)</u>  | <u>00</u>      | <u>12</u> | <u>P</u>  | <u>75</u>               | <u>25</u>                                |          |             |             | <u>" "</u>   |
| TOTAL ORIGINAL INSTALLED COST                |           |                   |                |           |   | <u>2587 3034</u>        | CONTINUE ON SEPARATE SHEET IF NECESSARY  |          |             |             |  |

**SCHEDULE #3** - IF YOU FILED A PERSONAL PROPERTY TAX RETURN LAST YEAR, SCHEDULE #3 WILL DISPLAY THE "DESCRIPTION," "YEAR PURCHASED," AND "ORIGINAL INSTALLED COST" OF EACH ITEM ON OUR RECORDS. PLEASE VERIFY EACH ASSET IN THE FOLLOWING MANNER:

- ◆ If you still have the asset listed, place an "S" in the column marked "Same (S)."
- ◆ Place a "C" in the column marked "Changed (C)" if the original installed cost of the asset or group of assets has changed. For example, if a group of assets were reported at one cost and a portion of the assets were sold or disposed of during the year, place a "C" in the appropriate column and record the adjusted original installed cost in the column marked "Adjusted Original Installed Cost."
- ◆ Place an "R" in the column marked "Removed (R)" if the asset or group of assets were completely disposed of prior to January 1st.
- ◆ Please explain any "C" or "R" entry in the last column. Attach additional sheets if necessary.
- ◆ List description, year purchased and original cost on any assets not reflected on the asset schedule.
- ◆ List description, year purchased and original cost on any assets purchased or acquired since your last return was filed. (Property Appraiser will enter line number and department code.)

**FINAL INSTRUCTIONS**

- ◆ Attach any additional schedules or supplemental information to return.
- ◆ Return to Property Appraiser's Office in the enclosed envelope.
- ◆ Be sure to sign the front of return.
- ◆ All returns must be postmarked by April 1st to avoid penalties.