

Instructions for Completing 2016 Return of Business Tangible Property or Machinery & Tools

FILING DATE: January 31, 2016

In accordance with Virginia State Code §58.1-3518, it is the responsibility of every taxpayer who owns, leases, rents or borrows tangible personal property which is used or is available for use in business and which is located in Charlottesville as of January 1 to report such property on this return.

1. For all equipment owned and in place on January 1, 2016, provide total cost by year of acquisition. Total cost includes all costs associated with acquiring and placing asset in service at business location (including freight, installation, and sales tax).
2. If you have no business assets or you had no assets in place on January 1, 2016, please provide an explanation in the space provided below. If your business closed prior to January 1, 2016, please indicate the date the business ceased operations and the date when your equipment moved from the City.
3. If you have not disposed of any equipment reported in previous years, balances in Column A can be moved to Column D, under "Total."
4. Total costs of all equipment acquired in 2015 must be entered on top line in the appropriate Columns B or C.
5. Total all entries on each line and enter in Column D.
6. Mail completed return on or before January 31, 2016.

The information provided in this return will be used to determine the assessed value of all equipment used in business located in the City on January 1, 2016. Assessed value is computed as a percentage of original cost, or cost to acquire, with the first year starting at 25% of original cost. The assessed value of equipment purchased before 1/1/2015 drops by 2.5% each year based on year of acquisition, until reaching the minimum assessed value of 10% of original cost or until disposition of property. In other words, business property acquired 7 years ago or earlier will have an assessed value of 10% of its original cost until disposition. Tax due amount is computed at the rate of \$4.20 per \$100 of the calculated assessed value.

EXAMPLE: For an item acquired 7 years ago... $10\% \text{ of original cost times rate of } \$4.20/\$100 = \text{tax due}$

The rate is subject to change and is set by City Council each year.

Failure to file your 2016 Return of Business Tangible Personal Property or Machinery & Tools will result in a statutory assessment and billing based on the estimated cost of property according to the best available information to this office.

Contact (434) 970-3170 if you have any questions.

If no assets are reported, explain: _____

If business ceased to operate prior to January 1, 2016...

Date business ceased to operated: _____

Date equipment moved from City: _____

Incomplete forms will not be accepted and will be returned to you. A form is considered incomplete for any of the following reasons:

- A detailed itemized listing or any other supporting documentation is not attached.
- All sections are not completed. If no assets are reported, an explanation must be attached. Stating "same as last year" or "see attached" is not acceptable.

Legal Name: _____

Trade Name: _____

Business License #: _____