

Personal Property Tax

Personal Property

What is it? Items used commercially such as furniture, shelving, machinery, tools, equipment, unregistered vehicles, and computers.

Exempt:

- vehicles registered in Idaho
- inventory
- property owned by a nonprofit organization (including the federal government)
- facilities for water or air pollution control

Taxing Personal Property

The county assessor normally mails a form with notice requiring businesses to make a correct list of taxable personal property. If the assessor fails to contact any business, the failure shall not impair or invalidate any assessment or relieve the owner of the responsibility to obtain and file a declaration.

The business reports all of its taxable personal property to the county assessor using a Personal Property Declaration from available from the assessor (usually due March 15th)

Any property reported to a county that is stated on the declaration to have situs in another county will be reported by the assessor to that other county.

Personal property is assessed by the county assessor of the county where it is located. The assessor uses the information provided on the declaration to determine the retail market value. Depreciation tables, cost guides and other sources are used to arrive at this value.

If the business disagrees with the assessed value, it should first try to resolve the disagreement with the assessor or appeal to the county board of equalization.

Undeclared property is assessed by the county based on the best information available. County officials must double the assessed value of any personal property they discover was willfully concealed, removed, transferred, misrepresented or not listed or declared by the owner to avoid paying tax.

Overdue taxes accrue interest and penalty. Property taxes are an automatic lien against the property. The county sheriff can seize and sell property for unpaid property taxes.

Transient personal property:

- Defined as personal property from another state or county that spends 30 days or more in another county during the same year.
- Reported in the home county where the usual place of business is maintained. Assessor of the home county notifies all the counties identified on the report. Each county assesses the property for the length of time the property was located in their county.
- The business must file a declaration before the first Monday of November each year with the assessor of its home county.

New Developments:

Last year the state passed a \$100,000 exemption beginning Jan 1, 2009 if tax receipts for the State of Idaho in the previous increased by 5% from the year before. For 2008, a 5% increase was not certified; therefore, the exemption will not take place for 2009. This exemption may be available in future years.