

## Business Personal Property

# Frequently Asked Questions...

### Who has to file a Personal Property Return?

According to Oregon Statute ORS 308.290, every person, managing agent or officer of any business, firm, corporation or association owning, or having in possession or under control taxable personal property shall make a return of the property for ad valorem tax purposes to the assessor of the county in which the property is located for taxation.

### So what exactly is Business Personal Property?

Most people know that property tax applies to real property, such as land and buildings. However, some may not know that property tax also applies to assets owned or leased by a business. The characteristic that distinguishes Business Personal Property from Real Property is mobility. Business Personal Property is property that is not affixed to, or part of real estate.

For assessment and taxation purposes, when we speak of Personal Property we are effectively referring to Business Personal Property under current Oregon law. Taxable Business Personal Property includes machinery, equipment, furniture, etc. used by a business, including any property not currently being used, placed in storage, or held for sale. However, Business Personal Property taxes are not applicable to business inventories or intangible property such as copyrights and trademarks.

Business Personal Property is subject to the same levy rate as real property. By state law, the county assessor is responsible for the assessment of all taxable Business Personal Property. The Department of Revenue is also involved in the administration of property taxes and advises assessors on how to assess property to ensure uniformity of assessment and taxation throughout the state.

### When will Personal Property Returns be mailed?

Personal Property Returns are mailed on or before December 31<sup>st</sup> each year. If you have not received your return by the end of the second week in January, contact us at 503-623-8391 and verify your mailing address.

### Important things to know if you are buying a business.

Delinquent taxes become a lien on the Business Personal Property of a business. If you are buying a business, it is important that you contact the Polk County Assessor's office to confirm there are no outstanding taxes due on the equipment you are buying. Anyone buying or starting a business should notify the County Assessor. This will allow an account to be established and a Business Personal Property return can be sent out the following year. If the taxpayer does not receive a return, they should contact the Assessor's office to request one.

### What if I have previously filed a Confidential Personal Property Return in Polk County, or have purchased an existing business and I need a Confidential Personal Property Return?

Please contact our office at 503-623-8391 and we will send you a return, or download one online from the Polk County Assessor's website (<https://www.co.polk.or.us/assessor/business-personal-property>).

## What reporting date should I use for the information requested on the Return?

Your Personal Property Return must show all taxable personal property which you own, possess, or control as of 1:00 a.m., January 1st (ORS 308.250).

## What is the deadline to file a Return?

You need to file your Personal Property Return on or before March 15th. Postmarked March 15th is accepted.

## Can I find the Return online?

Yes, you can find a digital copy of the Business Personal Property Return on the Department of Revenue's website. You can also find additional information on their website about Business Personal Property Tax. The link to the Personal Property Form is: <https://www.oregon.gov/dor/forms/Pages/default.aspx>.

## What if I file late?

Returns filed after March 15th will have a late penalty applied. If the return is filed after March 15th but on or before June 1st, the penalty is 5 % of the tax owed. Returns filed after June 1st but on or before August 1st, the penalty is 25 % of the tax owed. After August 1st, the penalty applied is 50 % of the tax owed (ORS.308.296).

## Can I amend my Return after I file?

You may amend your Personal Property Return at any time before the values are certified to the tax roll on September 1st. After the values have been certified, you may amend your return but you may be required to pay a correction fee to change the certified value on the tax rolls.

## How do I appeal my value?

If you believe your value may be incorrect or you were charged a late filing penalty in error, contact our office at 503-623-8391. The Assessor's office can correct errors up to December 31. Between October 25th and December 31st you may also contact the County Clerk's office to file an appeal with the Board of Property Tax Appeals.

## What if I bought, sold or closed my business after January 1 of the year?

When you file your Business Personal Property Return, you are acknowledging that you own, possess, or have control of the reported assets in the county as of January 1 and you are responsible for the taxes. If the business sold after January 1, the seller is still responsible for the Business Personal Property taxes that year, unless an arrangement was made with the buyer and the buyer has filed a Business Personal Property Return for that year. If the business closed after January 1, taxes will still be assessed for that final year.

**Please notify the Assessor's office of any business sale, purchase, or closure.**

If you have more questions about Business Personal Property, please contact the Polk County Assessor's office by phone at 503-623-8391 or email at [personalproperty@co.polk.or.us](mailto:personalproperty@co.polk.or.us).