

Filing Your Personal Property Declaration

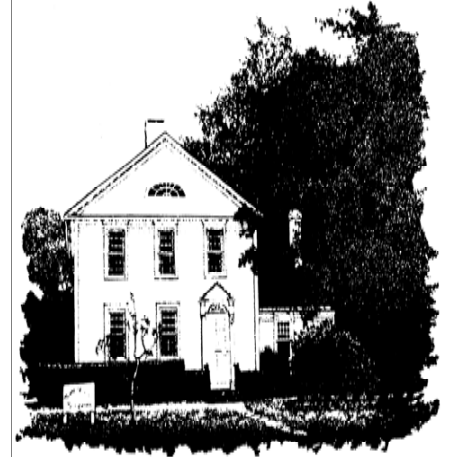
Helpful Hints and Suggestions

- If you are a first-time filer, the declaration may seem complicated or confusing. It's made to accommodate many different types of property—read the instructions carefully.
- File the original declaration with the Assessor's office as soon as possible before November 1. Be sure to sign and date your return.
- Keep a list of your assets including costs and dates of purchase. Update it periodically with new acquisitions and disposals. If you have your accountant prepare your declaration, send them a copy of your updated asset list. If you have an asset listing or depreciation schedule that identifies each piece of equipment, attach it to your completed declaration.
- Do not use vague terms like "various" and "same as last year".
- Please indicate the ORIGINAL COST of each item plus transportation cost and installation, if applicable on your declaration. They are important considerations in determining an accurate assessment.
- Keep a copy for your records and refer to it when filing subsequent declarations.
- Call or visit the Assessor's Office. We are here to help!

This pamphlet answers some common questions taxpayers have concerning personal property and provides information that will help you file an accurate personal property declaration. If you should have any questions regarding personal property or need help filing your declaration, please feel free to call our office at 860-663-1765 extension 506.

Frequently Asked Questions About

Taxable Personal Property



Town of Killingworth
Assessor's Office
323 Route 81
Killingworth, CT 06419

Phone: (860) 663-1765 ext 506

Frequently Asked Questions About Taxable Personal Property

What is “Taxable Personal Property?”

Taxable personal property is tangible property other than real estate, as described in Sections 12-41 & 12-71 of the Connecticut General Statutes. Examples include, but are not limited to: non-residential furniture, fixtures, equipment, computer equipment, tools, machinery, horses, mobile office and storage buildings, signs, computer software that is not a bundled package with a new computer, disks (CD's, DVD's), leasehold improvements, leased equipment, non-registered motor vehicles and any other equipment used in a business or to earn income. Personal property such as residential furnishings, clothing and jewelry is NOT taxable.

I already paid sales taxes on my property. Is this a new requirement?

The sales tax is a state tax and the personal property tax is a local tax. Connecticut law has required owners of taxable personal property to annually report property owned by them on October 1st to the municipal Assessor since 1949.

Who must file a personal property declaration?

Anyone in possession of assets on October 1st or having had assets in Killingworth for 3 months prior to October 1 who has either a proprietorship, partnership, corporation or LLC, or is a self-employed agent or contractor, must file each year. Leased, loaned or rented property must also be declared, but is taxed to the owner.

Why must I file a personal property declaration?

Connecticut Statute 12-71 required that all personal property be reported each year to the Assessor's Office. If you receive a declaration, it is because our office has determined that you may have property to report. **If you feel the form is not applicable, return it with an explanation.** Either way, the declaration **MUST** be returned.

I didn't get a declaration in the mail. Am I still required to report my property?

Yes. It is the responsibility of the property owner (or lessee) to file a declaration. The Assessor's Office mails declarations in September to all known owners of taxable personal property. If you do not receive a declaration form in the mail, one can be obtained at the Assessor's Office. Failure to receive a personal property declaration does not relieve you of your obligation to file.

When are personal property declarations due to be filed?

The declaration must be postmarked or filed in the Assessor's Office on or before 4:00 pm November 1st each year (unless a Saturday or Sunday, it can be filed or postmarked on the next business day following). There is a 25% assessment penalty for late filings. **Faxes are not acceptable.** Declarations postmarked (as described in Section 1-2a of the Connecticut General Statutes) on or before November 1st but received after November 1 will not be considered late.

What if I receive more than one personal property declaration?

All declarations must be returned to the Assessor.

What if I don't file a declaration?

The Assessor's office will prepare an estimated declaration and add the 25% non-compliance penalty to that assessment.

How does the Assessor know if my declaration is accurate?

Connecticut law authorizes the Assessor, or the Assessor's designee, to perform an audit for up to three years, requiring the property owner to appear with accounting books, documents federal tax returns, etc for examination under oath in reference to their personal property. Any property discovered during an audit and not previously reported will be added along with the 25% non-compliance penalty.

What if I buy or set up a business after October 1st? Must I declare my personal property?

If you buy or set up a new business and have no personal property on October 1st, you need not file a declaration until the next year.

I'm no longer in business but I received a declaration. Do I still need to file?

Yes. Complete the section on page 1 (front page of the

declaration) “Affidavit of Business Closing or Sale of Business” and tell us what happened to the property. Do not ignore this declaration! If you do not return the declaration with this information, the Assessor will assume that you are still in business but have failed to file. You will be assessed, penalized and taxed unless you return the form. Forms are also available in the Assessor's office to complete if you no longer board a horse in town or if a previously unregistered motor vehicle is now registered or sold.

If my business was sold after October 1st, can I get an adjustment to my assessment?

Personal Property is not pro-ratable and therefore no adjustment can be made to the assessment for the Grand List year in question, whether it be for a business, horse or unregistered motor vehicle.

Are there any tax breaks available to owners of personal property?

Yes. Certain full and partial exemptions may be available for manufacturing equipment, mechanics' tools, horses, farming equipment and pollution control equipment. Incremental exemptions may be applied to newly acquired machinery and equipment used in manufacturing and fabricating. Contact the Assessor's Office for further details regarding exemption and filing deadlines.

Do I have to report assets that I lease, loan, rent or borrow or are provided in the rent?

Yes. There is a form entitled “Lessee's Report of Personal Property” (M-61) that is included in your personal property declaration specifically for those assets. Even though assets are assessed to the owner, they must be listed on this form for informational purposes. Be sure to include the full name and address of the lessor.

What if I think I'm over-assessed?

You can appeal your assessment to the Board of Assessment Appeals. Applications must be made between February 1st - 20th. If you filed your declaration late or failed to file at all, you may still appeal your assessment, but a 25% penalty must still be applied.