

**The Florida Tangible Personal
Property Appraisal Guidelines**
Adopted in 1997

**Florida
Department of Revenue**

NOTE: THESE GUIDELINES ARE CURRENTLY UNDER REVIEW. The 1997 Florida Tangible Personal Property Appraisal Guidelines are one of a three guidelines series which are part of the manual of instructions and establish standard measures of value in accordance with section 195.032, Florida Statutes. Except for Attachment B: Equipment Index Factors Table (updated 2/24), Attachment C: Untrended Depreciation Schedule, Attachment D: Life Expectancy Guidelines, Attachment F: Tangible Personal Property Tax Return (Form DR-405, updated 1/18), and Attachment H: Return of Pollution Control Devices for Ad Valorem Tax Purposes (Form DR-492, updated 11/12), these guidelines were last adopted in 1997 and are the most recent version currently available. The Department has initiated the process to update these guidelines to address various changes in law since they were last adopted. This will be done using an open and public process with opportunities for public review and comment. **Pursuant to section 195.062, Florida Statutes, these guidelines do NOT have the force and effect of rules and shall be used only to assist tax officers in the assessment of property as provided by section 195.002, Florida Statutes.**

**STANDARD MEASURES OF VALUE:
TANGIBLE PERSONAL PROPERTY
APPRAISAL GUIDELINES**

**FLORIDA
DEPARTMENT OF REVENUE**

STATE OF FLORIDA
DEPARTMENT OF REVENUE
PROPERTY TAX OVERSIGHT PROGRAM

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**STANDARD MEASURES OF VALUE:
TANGIBLE PERSONAL PROPERTY APPRAISAL GUIDELINES**

Introduction

These guidelines have been prepared by the Florida Department of Revenue's Property Tax Administration Program to help achieve equity in the mass appraisal of tangible personal property through uniform application of valuation guidelines. The Florida Constitution mandates that general law regulations be prescribed to secure a just valuation of all property for ad valorem taxation. This will ensure equity within and between all classes of property among the taxing jurisdictions in Florida.

The content of these guidelines is intended to assist property owners and appraisal officials in their legal obligation to respectively report and assess tangible personal property. Appraisal officials must use sound judgment when applying the recommended guidelines, procedures, and schedules to determine the validity of property values reported by owners. Some of the suggested methodologies are intended only to provide an approximation of value for the personality of a business typical for that class. Other job aids, such as the depreciation schedules, are recommended to determine just value based on adjustments to information obtained from property owners. Although the standard measures of value provided in these guidelines are considered valid tools, the property appraiser's statutory presumption of correctness is not refuted merely because the guidelines may not establish just value. [Sections 195.032 and 195.062, Florida Statutes]

The practitioner is discouraged from relying on these guidelines without a thorough knowledge of generally accepted appraisal procedures. Instead, one should review all statements set forth within the context of this entire document and consult with jurisdictional authorities. The appraisal official is required to consider the cost, market and income approaches, and use one of these approaches or a combination of these approaches in arriving at just value. The eight factors in Section 193.011, F.S., must be considered in deriving just value.

These guidelines are not intended to limit or restrict the property appraisers or the Department in the use of generally accepted valuation techniques.

The Property Tax Administration Program strives to provide taxpayers and taxing authorities with current information regarding changes in the tax laws of the State of Florida and its political subdivisions. Please direct any questions regarding this edition or suggestions for future updates and publications of these guidelines to the Florida Department of Revenue.

[Sections 195.032 and 195.062, F.S.]

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**FLORIDA DEPARTMENT OF REVENUE
PROPERTY TAX ADMINISTRATION PROGRAM
TANGIBLE PERSONAL PROPERTY APPRAISAL GUIDELINES**

I. PURPOSE

These guidelines are published for the purpose of implementing the procedures, requirements, programs and policies of the Department of Revenue relative to its general supervision of the assessment and valuation of tangible personal property tax rolls in the State of Florida. [Sections 193.011, 195.0012, and 195.002, F.S.]

II. AUTHORITY

Sections 195.032 and 195.062(1), F.S., authorize the Department of Revenue to prepare and maintain guidelines to assist the property appraisers. They are intended to assist in the assessment of property and are not construed to be the final authority or all inclusive in nature.

III. DEFINITIONS AND OCCURRENCES OF USE IN TEXT

1. **ACTUAL AGE**, pages 10, 13, and 35
2. **ASSEMBLAGE**, page 10
3. **COMPUTER AND RELATED EQUIPMENT**, pages 10, 11, 45, and 52
4. **CONSTRUCTION WORK IN PROGRESS**, pages 11, 25, and 26
5. **DEPRECIATION**, pages 3, 11, 12, 13, 15, 18, 35, 37, 38, 40, 41, 43, 48, and 49
6. **ECONOMIC LIFE**, pages 12, 13, 19, 20, 35, 36, 42, 43, 44, 45, 46, and 47
7. **ECONOMIC OBSOLESCENCE**, pages 13 and 41
8. **EFFECTIVE AGE**, pages 13, 35, 38, 43, and 46
9. **FLOATING STRUCTURE**, pages 13 and 14
10. **FUNCTIONAL OBSOLESCENCE**, pages 12, 14, 36, 40, and 41
11. **HISTORICAL COST**, pages 14, 15, 36, 37, 38, and 43
12. **HOUSEHOLD GOODS**, pages 15, 26, and 29
13. **INTANGIBLE PERSONAL PROPERTY**, pages 15 and 44
14. **INVENTORY**, pages 16, 25, 26, 29, 30, and 45

15. **JUST VALUE**, pages 3, 16, 17, 34, 35, 43, 44, and 47
16. **LEASEHOLD**, pages 17 and 33
17. **LEASEHOLD IMPROVEMENTS**, pages 17 and 33
18. **MARKET VALUE**, pages 12, 17, 37, 38, 40, 41, 42, 43, 45, and 48
19. **ORIGINAL COST**, pages 12, 15, 18, 33, 36, 38, and 40
20. **PERCENT GOOD**, pages 18, 41, and 43
21. **POOLING OF INTERESTS METHOD OF ACCOUNTING**, pages 18, 36 and 37
22. **PURCHASE METHOD OF ACCOUNTING**, pages 19 and 36
23. **REMAINING ECONOMIC LIFE**, pages 19, 20, and 43
24. **REPLACEMENT COST**, pages 12, 18, 20, 21, 40, 41, 42, and 43
25. **REPLACEMENT COST NEW**, pages 18, 21, 40, 41, 42, and 43
26. **REPRODUCTION COST**, pages 12, 21, and 22
27. **REPRODUCTION COST NEW**, page 22
28. **SALVAGE VALUE**, pages 22 and 43
29. **SITUS**, pages 22, 24, and 32
30. **SUPPLIES**, pages 16, 25, and 55
31. **TANGIBLE PERSONAL PROPERTY**, pages 3, 7, 10, 11, 14, 15, 22, 23, 25, 29, 30, 31, 32, 33, 34, 35, 36, 38, 43, 44, 45, 47, and 49
32. **TRADE FIXTURES**, pages 26 and 55
33. **UNIT METHOD OF VALUATION**, pages 27 and 44
34. **VALUE**, pages 3, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 22, 25, 26, 27, 28, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 47, and 48
35. **VALUE IN EXCHANGE**, pages 27 and 28

PUBLICATIONS USED WITH PERMISSION AS REFERENCES FOR DEFINITIONS

Appraising Machinery and Equipment, American Society of Appraisers (ASA), McGraw Hill, 1989.

Assessment of Personal Property, Course 5, International Association of Assessing Officers, 130 E. Randolph Street, Suite 850, Chicago, Il 60601, 1996.

Black's Law Dictionary, 6th Ed., West Publishing Co., 50 W. Kellogg Blvd., P.O. Box 64526, St. Paul, Mn 55164-0526, 1990.

Florida Administrative Code.

Florida Statutes.

IBM Dictionary of Computing, McGraw-Hill, Inc., 1994.

Introduction to Machinery & Technical Specialties Valuation, Principles of Valuation, MTS201, American Society of Appraisers (ASA), 1991.

Opinions of the Accounting Principles Board, Opinion No. 16 on Business Combinations issued by the Accounting Principles Board (APB16) of the American Institute of Certified Public Accountants, 1970.

Property Appraisal and Assessment Administration, The International Association of Assessing Officers (IAAO), 130 E. Randolph Street, Suite 850, Chicago, Il 60601, 1990.

Standard on Valuation of Personal Property, International Association of Assessing Officers (IAAO), 130 E. Randolph Street, Suite 850, Chicago, Il 60601, 1996.

The Appraisal of Real Estate, 10th Edition, Appraisal Institute, 1992.

The Dictionary of Real Estate Appraisal, Third Edition, Appraisal Institute, 1993.

Uniform Standards of Professional Appraisal Practice (USPAP), The Appraisal Foundation, 1029 Vermont Avenue, NW, Suite 900. Washington, DC 20005-3517, 1996.

NOTE: More current editions of these publications or new case law may require revision or will supersede the current definitions.

NOTE: Many of the following definitions apply to real estate but are, in fact, also applicable to tangible personal property. In some cases, more than one definition is given for a term; these guidelines do not establish preference of one definition to another. Where more than one definition is given, the intent is to broaden the reader's knowledge.

1. ACTUAL AGE

REFERENCE	DESCRIPTION
THE DICTIONARY OF REAL ESTATE APPRAISAL, Third Edition, Appraisal Institute, 1993, p. 5.	ACTUAL AGE. The number of years that have elapsed since the construction of an improvement was completed; also called historical or chronological age.

2. ASSEMBLAGE

REFERENCE	DESCRIPTION
USPAP, 1996 Edition, The Appraisal Foundation, p. 136.	ASSEMBLAGE. In appraising personal property: the combining of properties (e.g.: items, components, or the like) into units, sets, or groups.

3. COMPUTER AND RELATED EQUIPMENT

REFERENCE	DESCRIPTION
IBM DICTIONARY OF COMPUTING, McGraw Hill, Inc., 1994, pp. 129, 432.	<p>COMPUTER. A functional unit that can perform substantial computations, including numerous arithmetic operations and logic operations without human intervention during a run. In information processing, the term computer usually describes a digital computer. A computer may consist of a stand-alone unit or may consist of several interconnected units.</p> <p>In terms of size and processing power, the hierarchy of computers consists of supercomputers, mainframes, (usually called processing units or processors), superminis, minicomputers, and microcomputers. As the computing power and storage capability of microcomputers grows and size of minicomputers decreases to table-top dimensions, the distinctions</p>

between micros and minis will become less distinct and may eventually disappear.

Note: **Computer related equipment** includes monitors, printers, scanners, disk drives, cables, and other electronic peripherals commonly used as part of a non-production computer system.

For purposes of these guidelines, the term "computer equipment" specifically excludes production computers which are embedded in machinery; nor does it include equipment or computers specifically designed for use in any application directly related to manufacturing. For example, equipment used for the manufacture of computers, semiconductors, or other components are production components.

4. CONSTRUCTION WORK IN PROGRESS

REFERENCE	DESCRIPTION
SECTION 192.001 (11)(d), FLORIDA STATUTES	CONSTRUCTION WORK IN PROGRESS. Consists of those items of tangible personal property commonly known as fixtures, machinery, and equipment when in the process of being installed in new or expanded improvements to real property and whose value is materially enhanced upon connection or use with a preexisting, taxable, operational system or facility. Construction work in progress shall be deemed substantially completed when connected with the preexisting, taxable, operational system or facility.

5. DEPRECIATION

REFERENCE	DESCRIPTION
ASSESSMENT OF PERSONAL PROPERTY, International Association of Assessing Officers, 130 E. Randolph St., Suite 850, Chicago, Il 60601, 1996, p. A-2.	DEPRECIATION IN ACCOUNTING. A method providing for systematic allocation of recovery of cost over an asset life.

ASSESSMENT OF
PERSONAL PROPERTY,
International
Association of
Assessing Officers,
130 E. Randolph St.,
Suite 850, Chicago,
Il 60601, 1996, p. A-2.

DEPRECIATION IN APPRAISAL. A loss of
market value of an asset relative to its
cost. It may stem from any cause that
results in actual loss.

PROPERTY APPRAISAL
AND ASSESSMENT
ADMINISTRATION,
International
Association of
Assessing Officers,
130 E. Randolph St.,
Suite 850, Chicago,
Il 60601, 1990, p. 641.

DEPRECIATION. Loss in value of an object,
relative to its replacement cost,
reproduction cost, or original cost,
whatever the cause of the loss in value.
Depreciation is sometimes subdivided into
three types: physical deterioration (wear
and tear), functional obsolescence
(suboptimal design in light of current
technologies or taste), and economic
obsolescence (poor location or radically
diminished demand for the product).

THE DICTIONARY OF
REAL ESTATE
APPRAISAL, Third
Edition, Appraisal
Institute, 1993, p. 96.

DEPRECIATION. (1.) In appraising, a loss in
property value from any cause; the
difference between the reproduction or
replacement cost of an improvement on the
effective date of the appraisal and the
market value on the same date. (2.) In
regard to improvement, depreciation
encompasses both deterioration and
obsolescence. (3.) In accounting, an
allowance made against the loss in value of
an asset for a defined purpose and computed
using a specified method.

NOTE: Two definitions for the application of depreciation are
recognized: one as applied in appraising and one as applied in
accounting. The reader should be aware of the differences.

6. ECONOMIC LIFE

REFERENCE

DESCRIPTION

ASSESSMENT OF
PERSONAL PROPERTY,
International
Association of
Assessing Officers,
130 E. Randolph St.,
Suite 850, Chicago,
Il 60601, 1996, p. A-2.

ECONOMIC LIFE. The period of time
over which an asset's operation is
economically feasible. The economic life
may or may not be equivalent to physical
life of the asset.

BLACK'S LAW
DICTIONARY,
6th Edition, West
Publishing Co., 1990,
p. 513.

ECONOMIC LIFE. Useful or profitable
life of property, which may be shorter
than the physical life. See
also Economic Obsolescence.

7. ECONOMIC OBSOLESCENCE

REFERENCE

DESCRIPTION

ASSESSMENT OF
PERSONAL PROPERTY,
International
Association of
Assessing Officers,
130 E. Randolph St.,
Suite 850, Chicago,
Il 60601, 1006, p. A-2.

**ECONOMIC OBSOLESCENCE [EXTERNAL
OBSOLESCENCE].** The loss in value
(relative to the cost of replacing it with
a property of equal utility) resulting from
causes outside the property suffering the
loss. Usually locational in nature in
depreciation of real estate; it is more
commonly market wide in personal property
and is generally considered to be
economically unfeasible to cure.

8. EFFECTIVE AGE

REFERENCE

DESCRIPTION

ASSESSMENT OF
PERSONAL PROPERTY,
International
Association of
Assessing Officers,
130 E. Randolph St.,
Suite 850, Chicago,
Il 60601, 1996, p. A-2.

EFFECTIVE AGE. An age assigned to an asset
based on a combination of its actual age
and condition.

9. FLOATING STRUCTURE

REFERENCE

DESCRIPTION

SECTION 192.001(17),
barge
FLORIDA STATUTES

FLOATING STRUCTURE. Means a floating
-like entity, with or without
accommodations built thereon, which is not
primarily used as a means of transportation
on water but which serves purposes or
provides services typically associated with
a structure or other improvement to real
property. The term "floating structure"
includes, but is not limited to, each
entity used as a residence, place of
business, office, hotel or motel,
restaurant or lounge, clubhouse, meeting

facility, storage or parking facility, mining platform, dredge, dragline, or similar facility or entity represented as such. Floating structures are expressly excluded from the definition of the term "vessel" provided in s. 327.02, F.S. Incidental movement upon water shall not, in and of itself, preclude an entity from classification as a floating structure. A floating structure is expressly included as a type of tangible personal property.

10. FUNCTIONAL OBSOLESCENCE

REFERENCE	DESCRIPTION
ASSESSMENT OF PERSONAL PROPERTY, International Association of Assessing Officers, 130 E. Randolph St., Suite 850, Chicago, IL 60601, 1996, p. A-3.	FUNCTIONAL OBSOLESCENCE. A loss in value of an asset stemming from some cause within the asset yet not attributable to physical deterioration. In personal property, the primary cause of functional obsolescence is technological innovation. Other causes are changes in tastes, preferences, or market standards.
INTRODUCTION TO MACHINERY & TECHNICAL SPECIALTIES VALUATION, Principles of Valuation, MTS201, American Society of Appraisers, 1991, p. A-4.	FUNCTIONAL OBSOLESCENCE. Loss in value due to factors inherent in the property itself and changes in design, materials, or process resulting in inadequacy, over capacity, excess construction, lack of functional utility, use of materials, or excess operating costs.

11. HISTORICAL COST

REFERENCE	DESCRIPTION
INTRODUCTION TO MACHINERY & TECHNICAL SPECIALTIES VALUATION, Principles of Valuation, MTS201, American Society of Appraisers, 1991, p. A-5.	HISTORICAL COST. The initial capitalized cost of an asset at the time it was first put into service.

BLACK'S LAW
DICTIONARY,
6th Edition,
West Publishing
Co., 1990, p. 730.

HISTORICAL COST. In accounting,
acquisition or original cost; e.g. original
construction cost of building.

THE DICTIONARY OF
REAL ESTATE
APPRAISAL,
Third Edition,
Appraisal Institute,
1993, p. 172.

HISTORICAL COST. The cost of a
property when it was originally
constructed.

ASSESSMENT OF
PERSONAL PROPERTY,
International
Association of
Assessing Officers,
130 E. Randolph St.,
Suite 850, Chicago,
IL 60601, 1996, p. A-3.

HISTORIC COST. The cost of an asset not
adjusted for inflation since the date of
purchase. Usually the basis for
depreciation in accounting which has a
requirement that all information on
financial statements be presented in terms
of the item's original cost to the entity.

12. HOUSEHOLD GOODS

REFERENCE

DESCRIPTION

SECTION 192.001
(11)(a), FLORIDA
STATUTES

HOUSEHOLD GOODS. Means wearing apparel,
furniture, appliances, and other items
ordinarily found in the home and used for
the comfort of the owner and his or her
family. Household goods are not held for
commercial purposes or resale.

13. INTANGIBLE PERSONAL PROPERTY

REFERENCE

DESCRIPTION

SECTION 192.001
(11)(b), FLORIDA
STATUTES

INTANGIBLE PERSONAL PROPERTY. Means money,
all evidences of debt owed to the taxpayer,
all evidences of ownership in a corporation
or other business organization having
multiple owners, and all other forms of
property where value is based upon that
which the property represents rather than
its own intrinsic value.

14. INVENTORY

REFERENCE

SECTION 192.001
(11)(c), FLORIDA
STATUTES

DESCRIPTION

INVENTORY. Means only those chattels consisting of items commonly referred to as goods, wares, and merchandise (as well as inventory) which are held for sale or lease to customers in the ordinary course of business. Supplies and raw materials shall be considered to be inventory only to the extent that they are acquired for sale or lease to customers in the ordinary course of business or will physically become a part of merchandise intended for sale or lease to customers in the ordinary course of business. Partially finished products which when completed will be held for sale or lease to customers in the ordinary course of business shall be deemed items of inventory. All livestock shall be considered inventory. 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. For the purposes of this section, fuels used in the production of electricity shall be considered inventory.

15. JUST VALUE

REFERENCE

FLORIDA ADMINISTRATIVE
CODE (12D-1.002(2),
F.A.C.)

DESCRIPTION

JUST VALUE - JUST VALUATION, Actual Value and Value. The price at which a property, if offered for sale in the open market, with a reasonable time for the seller to find a purchaser, would transfer for cash or its equivalent, under prevailing market conditions between parties who have knowledge of the uses to which the property may be put, both seeking to maximize their gains and neither being in a position to take advantage of the exigencies of the other.

SUPREME COURT OF
FLORIDA, *WALTER v.*
SCHULER, 176 So.2d 81,
85-6 (Fla. 1965)

"that 'fair market value' and '**just valuation**' should be declared 'legally synonymous'...in turn, may be established by the classic formula that this is the amount a 'purchaser willing but not obliged to buy, would pay to one willing but not obliged to sell.'"

16. LEASEHOLD

REFERENCE

DESCRIPTION

PROPERTY APPRAISAL
AND ASSESSMENT
ADMINISTRATION,
International
Association of
Assessing Officers,
130 E. Randolph St.,
Suite 850, Chicago,
Il 60601, 1990, p. 649.

LEASEHOLD. The interests in a property that are associated with the lessee (the tenant) as opposed to the lessor (the property owner).

17. LEASEHOLD IMPROVEMENTS

REFERENCE

DESCRIPTION

ASSESSMENT OF
PERSONAL PROPERTY,
International
Association of
Assessing Officers,
130 E. Randolph St.,
Suite 850, Chicago,
Il 60601, 1996, p. A-4.

LEASEHOLD IMPROVEMENTS. Items of personal property such as furniture and fixtures associated with a lessee (the tenant) that have been affixed to the real property owned by the lessor.

BLACK'S LAW
DICTIONARY,
6th Edition,
West Publishing
Co., 1990, p. 890.

LEASEHOLD IMPROVEMENTS. Improvements made by lessee to leased property such as a parking lot or driveway. The term is used in condemnation proceedings to determine the portion of the award to which the lessee is entitled.

18. MARKET VALUE

See **JUST VALUE**, page 16.

19. ORIGINAL COST

REFERENCE

INTRODUCTION TO
MACHINERY & TECHNICAL
SPECIALTIES VALUATION,
Principles of
Valuation, MTS201,
American Society
of Appraisers, 1991,
p. A-5.

DESCRIPTION

ORIGINAL COST. The initial capitalized cost of the asset in the hands of its present owner.

20. PERCENT GOOD

REFERENCE

ASSESSMENT OF
PERSONAL PROPERTY,
International
Association of
Assessing Officers,
130 E. Randolph St.,
Suite 850, Chicago,
Il 60601, 1996, p. A-4.

DESCRIPTION

PERCENT GOOD. The percentage of replacement cost new that results in market value, percent good represents the value remaining after allowing for depreciation.

PROPERTY APPRAISAL
AND ASSESSMENT
ADMINISTRATION,
International
Association of
Assessing Officers,
130 E. Randolph St.,
Suite 850, Chicago,
Il 60601, 1990, p. 656.

PERCENT GOOD. An estimate of the value of a property, expressed as a percentage of its replacement cost, after depreciation of all kinds has been deducted.

21. POOLING OF INTERESTS METHOD OF ACCOUNTING

REFERENCE

OPINION NO. 16 ON
BUSINESS COMBINATIONS,
ACCOUNTING PRINCIPLES
BOARD, AMERICAN INSTI-
TUTE OF CERTIFIED
PUBLIC ACCOUNTANTS,
1970.

DESCRIPTION

POOLING OF INTERESTS METHOD OF ACCOUNTING. This method accounts for a business combination as the uniting of the ownership interests of two or more companies by exchange of equity securities. No acquisition is recognized because the combination is accomplished without disbursing resources of the constituents. Ownership interests continue and the former bases of accounting are retained. The recorded assets and liabilities of the

constituents are carried forward to the combined corporation at their recorded amounts. Income of the combined corporation includes income of the constituents for the entire fiscal period in which the combination occurs. The reported income of the constituents for prior periods is combined and restated as income of the combined corporation. This method of accounting is applied only to business combinations effected by an exchange of stock and not those involving primarily cash, other assets, or liabilities.

22. PURCHASE METHOD OF ACCOUNTING

REFERENCE	DESCRIPTION
OPINION NO.16 ON BUSINESS COMBINATIONS, ACCOUNTING PRINCIPLES BOARD, AMERICAN INSTI- TUTE OF CERTIFIED PUBLIC ACCOUNTANTS, 1970.	PURCHASE METHOD OF ACCOUNTING. This method accounts for a business combination as the acquisition of one company by another. The acquiring corporation records as their cost the acquired assets less liabilities assumed. The difference between the cost of an acquired company and the sum of the fair values of tangible and identifiable intangible assets less liabilities is recorded as goodwill. The reported income of an acquiring corporation includes the operations of the acquired company after acquisition, based on the cost to the acquiring corporation.

23. REMAINING ECONOMIC LIFE

REFERENCE	DESCRIPTION
ASSESSMENT OF PERSONAL PROPERTY, International Association of Assessing Officers, 130 E. Randolph St., Suite 850, Chicago, Il 60601, 1996, p. A-5.	REMAINING ECONOMIC LIFE (REL). The number of years in the future over which the operation of an asset is anticipated to be economically feasible, often expressed as a percentage of the total economic life (REL%).

PROPERTY APPRAISAL
AND ASSESSMENT
ADMINISTRATION,
International
Association of
Assessing Officers,
130 E. Randolph St.,
Suite 850, Chicago,
Il 60601, 1990, p. 660.

REMAINING ECONOMIC LIFE. The number of years remaining in the economic life of a building or other improvement as of the date of the appraisal. This period is influenced by the attitudes of market participants and by market reactions to competitive properties on the market.

THE DICTIONARY OF
OF REAL ESTATE
APPRAISAL, Third
Edition, Appraisal
Institute, 1993,
p. 301.

REMAINING ECONOMIC LIFE. The estimated period during which improvements will continue to contribute to property value; an estimate of the number of years remaining in the economic life of the structure or structural components as of the date of the appraisal.

24. REPLACEMENT COST

REFERENCE

DESCRIPTION

ASSESSMENT OF
PERSONAL PROPERTY,
International
Association of
Assessing Officers,
130 E. Randolph St.,
Suite 850, Chicago,
Il 60601, 1996, p. A-5.

REPLACEMENT COST. The amount necessary in current dollars to replace an asset with one of equal utility.

PROPERTY APPRAISAL
AND ASSESSMENT
ADMINISTRATION,
International
Association of
Assessing Officers,
130 E. Randolph St.,
Suite 850, Chicago,
Il 60601, 1990, p. 660.

REPLACEMENT COST. The cost, including material, labor, and overhead, that would be incurred in constructing an improvement having the same utility to its owner as the improvement in question, without necessarily reproducing exactly any particular characteristic of the property.

BLACK'S LAW
DICTIONARY,
6th Edition,
West Publishing
Co., 1990, p. 1299.

REPLACEMENT COST. The present cost of replacing the improvement with one having the same utility. State Highway Commission v. Demarest, 263 Or. 590, 503 P. 2d 682, 690. Cost of replacing lost, stolen or destroyed property to its former use and value.

THE DICTIONARY
OF REAL ESTATE
APPRAISAL, Third
Edition, Appraisal
Institute, 1993,
p. 303.

REPLACEMENT COST. The estimated cost to construct, at current prices as of the effective appraisal date, a building with utility equivalent to the building being appraised, using modern materials and current standards, design, and layout.

25. REPLACEMENT COST NEW

REFERENCE

DESCRIPTION

INTRODUCTION TO
MACHINERY & TECHNICAL
SPECIALTIES VALUATION,
Principles of
Valuation, MTS201,
American Society
of Appraisers, 1991,
p. A-1.

REPLACEMENT COST NEW (RCN). The current cost of a similar new property having the nearest equivalent utility as the property being appraised.

26. REPRODUCTION COST

REFERENCE

DESCRIPTION

ASSESSMENT OF
PERSONAL PROPERTY,
International
Association of
Assessing Officers,
130 E. Randolph St.,
Suite 850, Chicago,
Il, 60601, 1996, p. A-5.

REPRODUCTION COST. The amount necessary in current dollars to replace an asset with exactly the same characteristics.

PROPERTY APPRAISAL
AND ASSESSMENT
ADMINISTRATION,
International
Association of
Assessing Officers,
130 E. Randolph St.,
Suite 850, Chicago,
Il 60601, 1990, p. 661.

REPRODUCTION COST. The cost, including material, labor, and overhead, that would be incurred in constructing an improvement having exactly the same characteristics as the improvement in question.

27. REPRODUCTION COST NEW

REFERENCE	DESCRIPTION
INTRODUCTION TO MACHINERY & TECHNICAL SPECIALTIES VALUATION, Principles of Valuation, MTS201, American Society of Appraisers, 1991, p. A-1.	REPRODUCTION COST NEW. The cost of reproducing a new replica of a property on the basis of current prices with the same or closely similar materials.

28. SALVAGE VALUE

REFERENCE	DESCRIPTION
INTRODUCTION TO MACHINERY & TECHNICAL SPECIALTIES VALUATION, Principles of Valuation, MTS201, American Society of Appraisers, 1991, p. A-3.	SALVAGE VALUE. The amount expressed in terms of money that may be expected for the whole property or a component of the whole property that is retired from service for use elsewhere. Salvage value can be distinguished from scrap value which is the amount expressed in terms of money that could be realized for the property if it were sold for its material content, not for a productive use.

29. SITUS

REFERENCE	DESCRIPTION
SECTION 192.032 (2), (3), AND (4), FLORIDA STATUTES	SITUS. (2) All tangible personal property which is not immune under the state or federal constitutions from ad valorem taxation, in that county and taxing jurisdiction in which it is physically present on January 1 of each year unless such property has been physically present in another county of this state at any time during the preceding 12-month period, in which case the provisions of subsection (3) apply. Additionally, tangible personal property brought into the state after January 1 and before April 1 of any year shall be taxable for that year if the property appraiser has reason to believe that such property will be removed from the state prior to January 1 of the next succeeding year. However, tangible personal property physically present in the

state on or after January 1 for temporary purposes only, which property is in the state for 30 days or less, shall not be subject to assessment. This subsection does not apply to goods in transit, as described in subsection (4) or supersede the provisions of s. 193.085(4).

(3) If more than one county of this state assesses the same tangible personal property in the same assessment year, resolution of such multicounty dispute shall be governed by the following provisions:

(a) Tangible personal property which was physically present in one county of this state on January 1, but present in another county of this state at any time during the preceding year, shall be assessed in the county and taxing jurisdiction where it was habitually located or typically present. All tangible personal property which is removed from one county in this state to another county after January 1 of any year shall be subject to taxation for that year in the county where located on January 1; except that this subsection does not apply to tangible personal property located in a county on January 1 on a temporary or transitory basis if such property is included in the tax return being filed in the county in this state where such tangible personal property is habitually located or typically present.

(b) For purposes of this subsection, an item of tangible personal property is "habitually located or typically present" in the county where it is generally kept for use or storage or where it is consistently returned for use or storage. For purposes of this subsection, an item of tangible personal property is located in a county on a "temporary or transitory basis" if it is located in that county for a short duration or limited utilization with an intention to remove it to another county where it is usually used or stored.

(4)(a) Personal property manufactured or produced outside this state and brought into this state only for transshipment out of the United States, or manufactured or produced outside the United States and brought into this state for transshipment out of this state, for sale in the ordinary course of trade or business is considered goods-in-transit and shall not be deemed to have acquired a taxable situs within a county even though the property is temporarily halted or stored within the state.

(b) The term "goods-in-transit" implies that the personal property manufactured or produced outside this state and brought into this state has not been diverted to domestic use and has not reached its final destination, which may be evidenced by the fact that the individual unit packaging device utilized in the shipping of the specific personal property has not been opened except for inspection, storage, or other process utilized in the transportation of the personal property.

(c) Personal property transshipped into this state and subjected in this state to a subsequent manufacturing process or used in this state in the production of other personal property is not goods-in-transit. Breaking in bulk, labeling, packaging, relabeling, or repacking of such property solely for its inspection, storage, or transportation to its final destination outside the state shall not be considered to be a manufacturing process or the production of other personal property within the meaning of this subsection. However, such storage shall not exceed 180 days.

[The actual location of a property for purposes of taxation.]

30. SUPPLIES

REFERENCE	DESCRIPTION
STANDARD ON VALUATION OF PERSONAL PROPERTY, International Association of Assessing Officers, 1996, p. 4.	SUPPLIES. Stocks of goods intended to be consumed during the production process but are not part of the raw materials inventory that is processed into the finished product. Examples of supplies include chemicals, clothing, pallets, paper, shipping materials, fuels, and repair parts. Unlike inventory, supplies are not held for resale. Supplies should be valued at their acquisition cost.
Commentary provided by Florida Chapter of International Association of Assessing Officers, Tangible Personal Property Steering Committee, 1996.	SUPPLIES. Common types of property that may be misclassified and unreported by taxpayers. They render a service to the business but are not embodied in the final product. They include, but are not limited to: office and professional supplies, wrapping materials, replacement and repair parts, clothing, lubricating oils, mail & shipping supplies, selling and advertising supplies, janitorial & cleaning supplies, chemicals, pallets, fuel and other consumable items. Under section 192.001(11)(c), F.S., supplies and raw materials shall be considered to be inventory only to the extent that they are acquired for sale or lease to customers in the ordinary course of business or will physically become a part of merchandise intended for sale or lease to customers in the ordinary course of business.

31. TANGIBLE PERSONAL PROPERTY

REFERENCE	DESCRIPTION
SECTION 192.001 (11)(d), FLORIDA STATUTES	TANGIBLE PERSONAL PROPERTY. Means all goods, chattels, and other articles of value (but does not include the vehicular items enumerated in s. 1(b), Art. VII of the State Constitution and elsewhere defined) capable of manual possession and whose chief value is intrinsic to the article itself. "Construction work in progress" consists of those items of tangible personal property commonly known as fixtures, machinery, and equipment when

in the process of being installed in new or expanded improvements to real property and whose value is materially enhanced upon connection or use with a preexisting, taxable, operational system or facility. Construction work in progress shall be deemed substantially completed when connected with the preexisting, taxable, operational system or facility. Inventory and household goods are expressly excluded from this definition.

32. TRADE FIXTURES

REFERENCE

DESCRIPTION

ASSESSMENT OF
PERSONAL PROPERTY,
International
Association of
Assessing Officers,
130 E. Randolph St.,
Suite 850, Chicago,
IL 60601, 1996, p. A-6.

TRADE FIXTURES. Property attached to a rented space or building by a tenant, used in conducting a business and owned by the tenant.

BLACK'S LAW
DICTIONARY,
6th Edition,
West Publishing
Co., 1990, 1493.

TRADE FIXTURES. Personal property used by tenants in carrying on business. Such fixtures retain the character of personal property; e.g. shelves used to display merchandise.

THE APPRAISAL
OF REAL ESTATE,
10th Edition,
Appraisal Institute,
1992, p. 8-9.

A trade fixture, also called a chattel fixture, is an article that is owned and attached to a rented space or building by a tenant and used in conducting a business. Thus, trade fixtures are not real estate endowed with the rights of real property ownership; they are personal property regardless of how they are affixed. Some examples of trade fixtures are restaurant booths and bars, gasoline station pumps and storage tanks, and body building equipment in a health club. In industrial real estate, the term can be used to refer to fixed building equipment installed for human comfort (e.g., plumbing, lighting, heating, air-conditioning) and to industrial equipment (e.g., air hoses, water pipelines, craneways, bus ducts). A trade fixture is to be removed by the tenant when the lease expires unless this

right has been surrendered in the lease. To decide whether an item is a trade fixture, and therefore personal property, or part of the real estate, courts use the following criteria: 1. The manner in which the item is affixed. Generally, an item is considered personal property if it can be removed without serious injury to the real estate or to itself. There are exceptions to this rule. 2. The character of the item and its adaptation to the real estate. Items that are specifically constructed for use in a particular building or installed to carry out the purpose for which the building was erected are generally considered permanent parts of the building. 3. The intention of the party who attached the item. Frequently, the terms of the lease reveal whether the item is permanent or to be removed at some future time.

33. UNIT METHOD OF VALUATION

REFERENCE	DESCRIPTION
	[See discussion of Unit Method on page 44.]

34. VALUE

REFERENCE	DESCRIPTION
ASSESSMENT OF PERSONAL PROPERTY, International Association of Assessing Officers, 130 E. Randolph St., Suite 850, Chicago, Il 60601, 1996, p. A-6.	VALUE. The relationship between an object desired and a potential owner, the characteristics of scarcity, utility, desirability, and transferability must be present for value to exist. Value may also be described as the present worth of future benefits arising from the ownership of real or personal property.
BLACK'S LAW DICTIONARY, 6th Edition, West Publishing Co., 1990, p. 1551.	VALUE. The utility of an object in satisfying, directly or indirectly, the needs or desires of human beings, called by economist "value in use," or its worth consisting in the power of purchasing other objects, called "value in exchange."

35. VALUE IN EXCHANGE

REFERENCE	DESCRIPTION
ASSESSMENT OF PERSONAL PROPERTY, International Association of Assessing Officers, 130 E. Randolph St., Suite 850, Chicago, Il 60601, 1996, p. A-7.	VALUE IN EXCHANGE. The amount an informed purchaser would offer in exchange for property under given market conditions. The concept that states value is based on the ability of property to command another asset, such as money, in trade.

IV. PROPERTY SUBJECT TO TAXATION

Section 192.011, F.S., states in part that "The property appraiser shall assess all property located within the county, except inventory..." Tangible personal property is specifically defined in section 192.001(11)(d), F.S., and is hereby incorporated by reference. Note: See section 193.621, F.S. and chapter 62-8, F.A.C., for special rules concerning assessment of pollution control devices.

V. EXEMPTIONS AND EXCLUSIONS

Chapter 192, F.S., excludes certain items from taxation, while chapter 196, F.S., exempts certain items from the tax imposed on tangible personal property. Excluded property is not subject to tax return filing requirements. Exempt property is not subject to payment of taxes but may be subject to all the return filing requirements of property subject to ad valorem tax. A current listing of some of the excluded and exempted properties in accordance with the above referenced statutes follows:

1. Real and personal property of the United States, state, and counties, under section 196.199, F.S. (Exempt or immune) (No filing by federal entity required.)
2. Real and personal property of a municipality used exclusively by it for municipal or public purposes, under section 3(a), Article VII, Florida Constitution and section 196.199, F.S. (Exempt)
3. Real and personal property devoted exclusively to religious, charitable, scientific or literary purposes qualifying under section 196.196, F.S. (Exempt)
4. Household goods and personal effects in homestead property as provided by sections 196.181 and 192.001(11)(a), F.S. The Florida Supreme Court in *Colding v. Herzog*, 467 So. 2d 980 (Fla. 1985), determined that household goods in non-homesteaded property, owned and used by natural persons, are not subject to tax. However, goods used as furnishings in rented or leased property are subject to tax. (Exempt) (No filing requirement.)
5. Renewable energy sources, qualifying under section 196.175, F.S. (Exempt)

6. Real and tangible personal property of hospitals, nursing homes and homes for special services qualifying under section 196.197, F.S. (Exempt).
7. Real and tangible personal property of non-profit homes for the aged qualifying under section 196.1975, F.S. (Exempt).
8. Real and tangible personal property of educational institutions qualifying under section 196.198, F.S. (Exempt)
9. Real and tangible personal property of community centers qualifying under section 196.1986, F.S. (Exempt)
10. Certain property in economic development areas of enterprise zones qualifying and granted exemption by local government under section 196.1995, F.S. (Exempt)
11. Real and tangible personal property of certain not-for-profit sewer and water companies qualifying under section 196.2001, F.S. (Exempt)
12. Inventory qualifying under section 196.185, F.S. (Exempt) (No filing requirement.)
13. Licensed motor vehicles and vessels used to transport persons or property over roads or waterways, including items appropriate and necessary to perform the transportation function for which the vehicle or vessel is designed or equipped. Motor vehicles and vessels employed primarily as a "work platform" for equipment and in certain other uses are not exempt. See Article VII Section 1(b) of the Florida Constitution and *Crane Rental v. Hausman*, 532 So. 2d 1057 (Fla. 1988) (Excluded) (No filing requirement.)
14. Mobile homes and recreational vehicles properly licensed as provided in section 320.08(11), F.S., and as provided under section 193.075, F.S. Mobile homes without current decals or license plates properly displayed and visible shall be presumed to be tangible personal property. [Section 193.075, F.S.]

When the mobile home is tied down and hooked up to the normal and usual utilities, it is considered to be permanently affixed to the land. When the owner of the mobile home is also the owner of the land to which the mobile home is permanently affixed, the mobile home is considered and assessed as real property .

Mobile homes and travel trailers located in the state for at least six (6) consecutive months are not exempt from the

requirements for Florida registration and display of current decals or license plate. [Section 320.37, F.S.]

To obtain exemption classification, an application (Form DR-501, Department of Revenue, r. 7/95, and as subsequently amended) must be made and a return (Form DR-504, Department of Revenue, r. 6/88, and as subsequently amended, or Form DR-504S, Department of Revenue, r. 12/93, and as subsequently amended) must be filed; exemptions are not automatic. Tangible personal property is exempt only to the extent that its use meets requirements set forth in chapter 196, F.S. Please note the provision relating to taxpayer responsibilities contained in section 196.021, F.S.

VI. DISCOVERY

A. The efficiency and equity of the personal property taxing system is directly related to an effective discovery program. Basic sources for the discovery of personal property and ownership are as follows:

1. Previous assessment records;
2. Physical inspections;
3. Tangible personal property tax returns (Form DR-405 r. 7/93, and as subsequently amended or approved substitute, see Attachment F and page 44);
4. Real property field appraiser reports and records;
5. Audits;
6. State and local sales tax permits;
7. State, city, and county business licenses;
8. Chamber of commerce membership;
9. New business listings from news media;
10. Public records (e.g., trade name records, chattel mortgage records, corporation charters, financing statements, and fictitious name notices);
11. Property transfer documents;
12. Classified advertisements;

13. Telephone directories;
 14. City directories;
 15. Accounting records;
 16. Tax returns - federal and state;
 17. State agencies; and
 18. Canvassing (commercial address listing).
- B. A tangible personal property tax return along with the previous year's assessment record is typically the primary source of discovery. When this is insufficient or unavailable, other sources should be used. Sources such as financial statements, physical inspection, accounting records, federal tax returns, etc., also help to verify whether a property is listed on the tangible personal property tax return.
- C. Once the property has been discovered and the owner identified, the appraiser should systematically inspect the property and establish an account or record for the owner or business. The appraiser should speak to the owner or manager of the property, explain the purpose of the visit, and obtain the necessary data from the appropriate person(s).
- D. Information that should be obtained in detail includes the following:
1. Name (doing business as or also known as);
 2. Type of business;
 3. Type of ownership;
 4. Situs of the personal property and mailing address of the business;
 5. Name and address of the owner(s);
 6. Telephone number of the business;
 7. Name and title of the person supplying the information;
 8. Name, address, and telephone number of the party keeping records for the business;

9. Beginning date for the business and business fiscal year;
10. A listing of tangible personal property belonging to the owner including description, manufacturer, model number, age and general condition;
11. For leased equipment: the name and address of the owner/lessor, a description of the equipment including name of manufacturer, date of manufacture, model number, serial number, list price, and original cost if available, [lease number, terms of the lease and whether it's a capital lease (a purchase) or operating lease (rental agreement). If possible, a copy of the lease agreement should be obtained];
12. Leasehold improvements may be assessed as real property. Care should be taken to avoid double assessment. A copy of the lease agreement should be obtained to determine whether the improvement should be assessed as real estate or personal property;
13. For loaned or consigned items (e.g. vending and amusement machines and jukeboxes, etc.): the name and address of the owner(s), a brief description of the equipment including name of manufacturer, date of manufacture, model number, serial number, list price, and cost if available;
14. A list of tangible personal property owned by the business but located at another site within the county, including a detailed description and the location.

VII. STEPS IN THE INITIAL VALUATION PROCESS

Procedures should be used by the county property appraisers and their appraisal staffs to insure equity and uniformity when valuing the many types of tangible personal property. These guidelines were prepared in an effort to simplify the complex problems encountered when appraising tangible personal property.

- A. Identify the tangible personal property using discovery techniques as described in Section VI, of this manual.
 1. Begin with the preparation of a worksheet. (See sample property worksheet, Attachment E)

2. Perform a field review to verify the business exists, to determine use codes (See Rule 12D-8.009, F.A.C.) and length of time the business has operated within the county, and to determine the date assets were brought into your county.
 3. Mail tangible personal property tax returns to taxpayers. The forms will contain instructions on completion requirements and filing deadlines.
 4. A second notice is recommended for all accounts failing to respond by the due date (April 1). This mailing should be completed as soon as practicable after April 2nd.
 5. Penalties should be assessed, when applicable, in accordance with sections 193.062 and 193.072, F.S.
- B. Upon receiving a tangible personal property tax return from the taxpayer, calculate the just value.
1. Review the tangible personal property tax return for completeness and resolve any discrepancies with the property owner or their agent, if possible. Use information on and/or attached to the return to calculate the personal property's just value.

Examples:

- a. For an established account, compare the current and prior year tax returns to insure that property has not been deleted without justification or replaced with other property. You may also want to compare the return with the returns of other similar businesses. Contact the property owner when there are questions and discrepancies.
 - b. For a new account, compare the tax return with other returns filed by similar businesses and other discovery sources, such as equipment list(s) obtained during initial discovery. Contact the property owner to clarify questions and discrepancies.
2. If applicable, use the "back-assessment" provisions contained within section 193.092, F.S.
 3. When no tax return is filed for a newly discovered taxpayer (business) and it has been determined that equipment was in place on the lien date (January 1), the value should be determined using the best information available. This information might be

obtained by a field inspection, the use of cost manuals, a review of comparable businesses, or any other appropriate procedures. Values are determined on the best information available when no return is filed and are considered *prima facie* correct. [Sections 193.073 and 195.032, F.S. and Rules 12D-8.005(1) and 12D-10.003(3), F.A.C.]

- C. Make assessments based on the just value as determined in Section B above.
- D. Notification of assessment to the taxpayer is required by section 194.011, F.S. Taxpayers may request informal conferences with the property appraiser prior to administrative or judicial review in order to resolve any objections to just value.

VIII. COMPONENTS USED IN THE VALUATION PROCESS

A. Appreciated Property

Some tangible personal property may not suffer any depreciation and could actually appreciate in value (e.g., objects of art).

B. Depreciation

As with all appraisals, depreciation based on effective age, not actual age, is critical to the final estimate of value. To achieve statewide standardization of procedures, all appraisers in Florida should use the appropriate Equipment Index Factors Table (Equipment Index Table, Department of Revenue, 1997, and as subsequently amended, see Attachment B) and Untrended Depreciation Schedule (Untrended Depreciation Schedule, Department of Revenue, 1997, and as subsequently amended, see Attachment C) or comparable tables which ensure equity in just values.

The property appraiser should make additional adjustments for unusual physical depreciation of property, when justified. Some of the conditions for which adjustments may be necessary are: unusual exposure to the elements; prolonged exposure to corrosive materials; poor maintenance of the property; the competency of the operator; and excessive or unusual use. Such adjustments should be made on an individual basis and only after physical inspection of the equipment and examination of maintenance records.

C. Economic Life and Useful or Physical Life

The physical life of tangible personal property is the period extending from the time a piece of equipment or other personal

property is new until it is physically no longer usable. The economic life of tangible personal property is the estimated period of time measured from the date the item is new until it loses its capacity to produce a yield greater than its maintenance expense. Physical life may be greater than, or equal to, the economic life of a specific item. In the absence of economic and functional obsolescence, economic and physical life may be identical.

The appraiser should estimate a reasonable economic life for each type of property by item or determine the aggregate economic life for a category of similar equipment as a whole.

The Life Expectancy Guidelines (Life Expectancy Guidelines, Department of Revenue, 1997, and as subsequently amended, see Attachment D) may be used for this purpose. Note: These economic life guidelines are subject to revision as verifiable and authoritative information becomes available.

D. Historical or Original Cost (Acquisition Cost)

The costs as shown in accounting records generally reflect the amount paid for an asset. The property may have been acquired by cash purchase, by contract on a deferred payment plan, by exchange or trade, by issuance of securities or other property, by self-construction, by gift or discovery, or by other means.

Accounting records are generally based on the price established at the time the property was acquired. The terms "historical cost" and "original cost" are typically used for this cost basis for accounting purposes. (These terms may not be synonymous for appraisal purposes. See definitions.) The cost of assets, as recorded on the books and records, seldom departs from the purchase price or rarely reflects an appreciated value of the assets. Some exceptions to this are:

- (1) Statement of Financial Accounting Standards No. 121- This statement provides for the writeoff of long-lived assets in the event that the carrying amount of the asset may not be recoverable. This statement generally requires that long-lived assets be reported at the lower of the carrying amount or fair value less cost to sell.
- (2) Under APB16 (Accounting Principles Board Opinion 16) and Section B50 (Current Text of Volume I, General Standards - Section B50) published by the FASB (Financial Accounting Standards Board), a business combination such as a merger or acquisition, can be recorded as either a "purchase" or a "pooling of interests". (See definitions on pages 18 and 19.)

Under the "purchase method", the total price paid for the business is allocated to the acquired assets less

liabilities assumed based on the fair market value of the assets and liabilities. Any excess is recorded as goodwill. Care should be taken to ensure that the assets are actually recorded at their fair market value. Both the buyer and the seller have a vested interest in how the price is allocated to the assets.

The buyer and the seller will usually have adverse opinions as to how the price is allocated to the assets. The buyer wants as much of the price allocated to the depreciable assets so as to obtain depreciation writeoffs, whereas the seller is concerned about the gain/loss to be reported on the assets. Accountants and CPAs will also allocate the price according to the assets' book values. They will assume that the book values approximate fair market values.

If the price paid for the business is lower than the fair market value of the assets, the noncurrent assets, except for long-term investments, receive a lower allocation than their fair market value and could actually be recorded at a zero cost.

Under the "pooling of interests method", the recorded assets and liabilities of the separate enterprises generally become the recorded assets and liabilities of the combined enterprise. The combined enterprise combines and records the historical cost-based amounts of the assets and liabilities of the separate enterprises.

- (3) Section 179 of the Internal Revenue Code allows taxpayers the election to expense certain tangible property used in a trade or business. This is commonly referred to as "Section 179". This election enables the taxpayer to expense an asset in the year of purchase, rather than depreciating that asset over its depreciable life. These assets may not be shown on the depreciation schedule, similar to fully depreciated assets. Also, some taxpayers may delete the expensed assets, as well as fully depreciated assets from their books and records, even though these assets are still in use and may have value.
- (4) Investment credits consist of the reforestation credit, the rehabilitation credit, and the energy credit. The taxpayer generally reduces the depreciable basis of assets to reflect the investment credit taken, consequently, the asset's full cost is not reflected on the company's federal tax depreciation schedule. (See Federal Form 3468 of the Internal Revenue Code for more information.)
- (5) Fully depreciated assets are assets that have been fully depreciated by the business. Their book value (cost less accumulated depreciation) equals zero once fully depreciated. These assets might not be shown on a

company's depreciation schedule nor books and records once fully depreciated, even though the assets are still in use.

A determination of costs must be made after review of the accounting records. This cost basis should reflect the total cash outlay necessary for the acquisition of the property, including the invoice cost, freight and installation cost, sales and/or use tax, extra foundations necessary to support the equipment, and any other costs incurred for the use of the property. The appraiser must then determine if the cost basis represents market value at the time of acquisition. This may or may not be the purchase price. On occasion, particularly with asset transfers, prior book values are reported as acquisition costs and such book values are not indicative of market value and should not be used.

The historical or original cost may be the only reliable source data available for the appraisal of tangible personal property. The source data may reflect historical costs for new (original costs for used) property according to the date of acquisition. The appraiser may have to adjust the cost basis, listed in accounting records, to reflect current value at the time of acquisition. Note: It may be necessary to adjust historical costs to the trade level (i.e., manufactured cost to retail cost). A typical example is the case of a leasing company which manufactures the equipment it leases.

NOTE: If a business sells, and the reported costs of assets by the new owner vary from the costs of the same assets as reported by the previous owner, the property appraiser should use the costs, either historical or original, most indicative of market value. If it is determined that the original (used) costs are more indicative of market value, care should be taken to recognize the assets' effective ages at the time of the purchase to avoid allowing excessive depreciation.

E. Just Valuation

According to section 193.011, F.S., in arriving at just valuation as required under s. 4, Art. VII of the Florida Constitution, the property appraiser shall take into consideration the following factors:

- (1) The present cash value of the property, which is the amount a willing purchaser would pay a willing seller, exclusive of reasonable fees and costs of purchase, in cash or the immediate equivalent thereof in a transaction at arm's length;
- (2) The highest and best use to which the property can be expected to be put in the immediate future and the present use of the property, taking into consideration any applicable judicial limitation or local or state land use

regulation and considering any moratorium imposed by executive order, law, ordinance, regulation, resolution, or proclamation adopted by any governmental body or agency or the Governor when the moratorium or judicial limitation prohibits or restricts the development or improvement of property as otherwise authorized by applicable law. The applicable governmental body or agency or the Governor shall notify the property appraiser in writing of any executive order, ordinance, regulation, resolution, or proclamation it adopts imposing any such limitation, regulation, or moratorium;

- (3) The location of said property;
- (4) The quantity or size of the property;
- (5) The cost of said property and the present replacement value of any improvements thereon;
- (6) The condition of said property;
- (7) The income from said property; and
- (8) The net proceeds of the sale of the property, as received by the seller, after deduction of all of the usual and reasonable fees and costs of the sale, including the costs and expenses of financing, and allowance for unconventional or atypical terms of financing arrangements. When the net proceeds of the sale of any property are utilized, directly or indirectly, in the determination of just valuation of realty of the sold parcel or any other parcel under the provisions of this section, the property appraiser, for the purposes of such determination, shall exclude any portion of such net proceeds attributable to payments for household furnishings or other items of personal property.

In considering the above factors, the property appraiser should consider for use at least one of the following approaches to value as may be appropriate for the property being valued. Where reliable information is available for use of more than one of the approaches to value, the property appraiser should determine the value of the subject property after consideration of all such approaches.

- (1) The **Comparable Sales Approach** involves consideration of the price or prices at which the property or comparable properties have recently sold.

When utilizing the comparable sales approach, the appraiser must consider all factors the buyers and sellers of similar equipment consider. These factors will be reflected in the "market place" and will be indicated by the asking and/or

the selling price of similar units in arm's length transactions. Consideration should be given as to where the property is located, thereby ascertaining which freight and installation costs should be included in the appraisal. Adjustment of sales prices may be required to account for any special conditions, such as forced sales, lease cancellations, value attributed to trade names, goodwill, etc. Market data relating to personal property may be obtained from:

- * Leasing companies
- * Commercial bankers
- * New and used equipment dealers
- * Trade and sales journals
- * Newspaper advertisements
- * Auction sales.

(2) The **Cost Approach** to value involves consideration of:

(A) The reproduction or replacement cost is the cost of replacing reproducible property with new property of similar utility, or of reproducing the property at its present site and at present price level, less the extent to which the value has been reduced by deterioration and obsolescence.

(B) The historical or original cost is sometimes used as a starting point to the calculation of value. An appropriate appraisal depreciation rate reflecting economic, physical, and functional obsolescence must be determined and applied, as well as an appropriate trending factor to capture price changes from date of acquisition. (This approach may not apply to all assets. See Section G, Replacement Cost New Less Depreciation Calculation.)

(C) The appraiser should consider the cost of any asset at the appropriate level of trade-the manufacturing level, the wholesale level, and the retail level- and value the property according to the trade level for which it is utilized. Property normally increases in value as it progresses from the manufacturers' level (the lowest market value) to the retail level of trade (the highest level of trade). At each level a value is added to calculate a selling price which recovers for the current owner all direct costs to manufacture and install and indirect costs of overhead and profit. For example, the trade level concept must be considered when a manufacturer, who is operating at more than one trade level, transfers property to a subsidiary without the normal profit and costs. In order to maintain equity and uniformity in assessments of comparable property, the asset should be valued at a cost had the asset been acquired in an arm's length transaction from an outside supplier.

- (3) The **Income Approach** to value involves consideration of the amount that investors (in a free market) would be willing to pay for the right to receive the income that the property is expected to yield with the risks attendant upon its receipt.

F. Obsolescence

Obsolescence should be considered when appraising any type of property. It may be defined as a reduction in value due to technological changes or innovation, changes in demand for a product, or other causes.

When the loss in value is due to technological change or innovation, it is usually referred to as functional obsolescence. It can be recognized by a lack of utility in the property, the location of the property, or inadequate capacity in use. Functional obsolescence can sometimes be overcome by remodeling or reconditioning.

When the loss in value is due to change in product, demand, or location, it is customarily referred to as economic obsolescence. This type of obsolescence is brought about by external factors and cannot be overcome.

Obsolescence of personal property is not too difficult to recognize, but it is difficult to accurately measure. Adequate market data to measure obsolescence cannot always be found for all types of personal property.

The appraiser should look to the market for any evidence of a change in value when formulating an estimate of the market value using the cost approach. The appraiser should always consider what an informed purchaser would be willing to pay for the property as an installed operating unit when employed at its highest and best use. When valuing individual pieces of personal property using replacement cost new less depreciation, the residual percent good may be adjusted, if, in the appraiser's judgement, it is necessary to account for obsolescence.

G. Replacement Cost New Less Depreciation Calculation

The costs provided by the taxpayer to the property appraiser are generally accounting (historical or original) costs. These costs are adjusted to replacement cost new (RCN) by the use of equipment index factors. The equipment index factors include adjustments to base year prices and reflect the direction of cost movements. These equipment index factors are listed by year and reflect the national average of industrial, commercial, and manufacturing business costs.

The equipment index factors are compiled by the Department annually and are based on cost indexes as published by Marshall Valuation Service and Summary Data from the Producer Price Index News Release, as issued by the U.S. Department of Labor, Bureau of Labor Statistics. Typical industry costs are weighted with general business activity and status of the economy to derive cost indexes. These cost indexes are used by the Department to compile the Equipment Index Factors Table (Equipment Index Factors Table, Department of Revenue, 1997, and as subsequently amended, see Attachment B). See attachment for the factors used in the following example.

The following formula is used by the Department to derive the equipment index factors: [For further discussion, see section 98 from Marshall Valuation Service.]

$$\text{Equipment Index Factor} = \frac{\text{Present Cost Index}}{\text{Former Cost Index}}$$

Steps in determining replacement cost new (RCN) are as follows:

1. Estimate the appropriate cost basis from the taxpayer's books, records or returns filed with the property appraiser. If these records do not indicate a cost basis that is representative of market value then further research is necessary. The cost basis used in this analysis must be representative of market value at the time of acquisition. The cost basis should be multiplied by a factor based on the year of acquisition. (See page 36 for further discussion on "cost basis.")
2. Select the appropriate factor from the current year's schedule of Equipment Index Factors Table (Equipment Index Factors Table, Department of Revenue, 1997, and as subsequently amended, see Attachment B for 1997 example) based on the acquisition date, and type of business. (Note: The average of all industry index factors may be used.)
3. Multiply the cost basis by the equipment index factor.

The resulting calculation is an estimate of replacement cost new.

The following is an example of estimating replacement cost new (RCN) of office equipment purchased in 1990 with a 10-year economic life using the 1997 equipment index factors.

Cost Basis	= \$10,000
Acquisition Date	= 1990
7/97 Office Equipment Index Factor	= 1.11
Cost \$10,000 x 1.11	= \$11,100 (RCN)

Replacement Cost New (RCN) should be adjusted to reflect depreciation and establish Replacement Cost New Less Depreciation (RCNLD). Depreciation is estimated by use of a remaining value or untrended depreciation schedule. Normal depreciation allows for the decline of a property's value over its estimated remaining economic life. The appraiser must consider factors such as time, maintenance, repairs and replacement costs when estimating the appraisal depreciation for an item of personal property. The use of the property has an effect on the remaining economic life (percent good) and the current market value. Depreciation rates are based on an average condition for the age of the item.

The following example demonstrates an application of the Untrended Depreciation Schedule (Untrended Depreciation Schedule, Department of Revenue, 1997, and as subsequently amended, see Attachment C). To use this table, (1) determine the economic life in years of the property, (2) determine the effective age, and (3) use the appropriate untrended depreciation factor.

Replacement Cost New (RCN)	=	\$11,100
Economic life	=	10 years
Age of property	=	7 years
Untrended Depreciation Factor	=	39%

The replacement cost new (RCN) multiplied by the untrended depreciation factor provides an estimate of replacement cost new less depreciation (RCNLD) or an estimate of just value.

$\$11,100 \times 39\% = \$4,329$ (RCNLD or just value estimate)

NOTES:

1. Under the concept of mass appraisal, indexing or trending tables are typically applied only over the item's economic life, after which no additional trending is appropriate.
2. Trending of historical costs may not be appropriate when assets' costs are decreasing due to emerging technologies.
3. Under the concept of mass appraisal, depreciation is typically applied only over the item's economic life.

H. Salvage/Scrap Value

The appraiser will occasionally encounter property which is worn out or no longer used but still in the possession of a business. Although this property may or may not remain on the books and records, it still has value which must be considered when valuing the business's tangible personal property. This value is typically referred to as scrap or salvage value (See definition on page 22) and should be determined on a case by case basis,

considering all the facts and circumstances presented.

I. Tangible Personal Property Tax Returns

It is recommended that the property appraiser's office mail a tangible personal property return form (Form DR-405, DOR, r. 7/93, and as subsequently amended, see Attachment F) or an approved substitute to all accounts on file as of January 1 of each year. Although Florida Statutes only require that the forms be made available in the property appraiser's office, this service will enhance voluntary compliance and improve public perception of the property appraiser. Information obtained from the tangible personal property tax returns will be used to assist the appraiser in arriving at the just value of all tangible personal property. The property appraiser may notify any taxpayer not filing a return by April 1 of each year that he has failed to file a tangible personal property tax return as required by section 193.062, F.S. Inspections of businesses for discovery of tangible personal property and on-site verifications shall be made when no tax return has been filed for two consecutive years as set forth in the Florida Administrative Code, Rule 12D-8.005(7).

J. Unit Method

The unit method of valuation is an appraising method used to value an entire group of operating properties. A unit may be properly valued by the cost, market, or income approaches, as appropriate. This valuation method includes the value resulting from the combination of assets used in the operation of the business. The use of such a valuation method may result in a value that includes intangible personal property, tangible personal property, and real property. The type of property included in the value resulting from the use of the unit method of valuation depends on the type of business and property to which it is applied. The items of property included in a unit value and the appropriateness of their inclusion for purposes of taxation must be determined by the facts and circumstances involved in specific applications of this method of valuation; non-taxable property should be deducted from the valuation.

K. Valuation Procedures for Special Properties

1. **Leased Equipment:** The economic life for a leasing company's equipment will vary, depending on the type of property being leased. The leasing equipment market includes almost every type of equipment now in existence. When valuing leased equipment, the economic life assigned should be similar to that of equipment purchased for ownership and use by a business.

Exceptions may be made for some types of equipment when it can be clearly documented that a greater than normal loss in value is suffered by the equipment being leased.

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. [Section 192.001(11)(c), F.S.]

2. **Mobile Home Attachments:** Attachments to mobile homes and recreational vehicle type units that have not been assessed as real property are subject to tax as tangible personal property. Attachments are considered tangible personal property when installed on leased or rented real property. Refer to the Tangible Personal Property Mobile Home Attachment Schedule distributed annually by the Department of Revenue for base rate information. [See Rules 12D-6.001, 12D-6.002, and 12D-6.003, F.A.C.]
3. **Furniture and Fixtures:** Furniture and fixtures should be distinguished from other equipment listed on a tax return and valued using the appropriate economic life. All other equipment on the tax return should be valued using the appropriate asset classification type.
4. **Personal Computers:** Personal computers should be distinguished from other equipment; computer equipment is depreciated using an appropriate economic life. Related equipment includes monitors, printers, scanners, disk drives, cables and other electronic peripherals commonly used as part of a non-production computer system. These items should be given an appropriate economic life. (See Life Expectancy Guidelines, DOR, 1997, and as subsequently amended, Attachment D.)
5. **Pollution Control Devices:** Procedures for assessment of pollution control devices by the property appraisers are contained in Section 193.621, F.S. and Rule 12D-6.005, F.A.C. The Department of Environmental Protection has adopted Chapter 62-8, F.A.C., which provides for the publication of rules for the consideration and guidance to the property appraisers in assisting them in making a determination as to what assessment should be made for ad valorem taxes with respect to pollution control devices. The Return of Pollution Control Devices for Ad Valorem Tax Purposes (Form DR-492, DOR, r. 8/83, and as subsequently amended, see Attachment H) must be timely filed with the property appraiser as set forth in Rule 12D-1.004(1)(b), F.A.C., and qualifying property should be assessed for no greater than its market value as salvage.

IX. FIELD INSPECTION PROCEDURES

An on-site inspection may be made of each firm, partnership, co-partnership, association, society, corporation, or any other legal entity which owns, holds, controls, or uses personal property whether or not a personal property return is filed. However, on-site inspection/appraisals shall be made of all property owned, held, or used by taxpayers who have not filed a Form DR-405 for two consecutive years. The appraiser may follow additional provisions found in Rule 12D-8.005(7), F.A.C. A field inspection is separate and distinct from the audit process and should be routinely employed during the discovery process, both initially and during updates. All efforts at on-site inspections should be documented to provide an adequate audit trail. This documentation should include:

- A. Business name and location;
- B. Business telephone number;
- C. Mailing address (if different from the business address);
- D. Person contacted (at the business);
- E. Date the business opened;
- F. Date the equipment was delivered;
- G. Millage Code;
- H. Whether entry is refused and if so by whom;
- I. The business's owner, principal officer, or representative;
- J. Information pertaining to leased personal property such as, the name of the owner, a brief description of the property, and verification as to whether the property is assessed to the owner. Leased property should be assessed appropriately;
- K. Appropriate listing and description of personal property with the date of acquisition and cost, if known;
- L. Economic life by item or class of property;
- M. Effective age of the property;
- N. Square footage or area occupied by the personal property;
- O. The business type and the appropriate business class code;
- P. The quality and condition of property;

- Q. An estimate of the just value of the property;
- R. The name of appraiser or reviewer;
- S. The date of appraisal or inspection;
- T. A uniform parcel number where applicable; and
- U. Other comments relative to value conclusions.

For accuracy, the appraiser should compare the property discovered with information reported by the owner.

The appraiser may examine or audit business accounting and financial records as set forth in Section 195.027(3), F.S., and Rule 12D-1.005, F.A.C. Refer to other reliable sources for the conduct of audits.

When a tangible personal property return has not been filed, the appraiser should do the following:

- a. Tour the facility to list all personal property located on site and obtain information necessary to complete the sample property worksheet (Attachment E).
- b. Determine if there is any leased property located at the business. If so, obtain the name of the owner, a brief description of the property, terms, monthly lease payments, cost of equipment, and assess appropriately.
- c. Determine the cost, age and estimated economic life of the personal property. Record other relevant information and note the source.
- d. Record adequate information allowing a reasonable estimate of value to be placed on the personal property when the information is from other than the field inspection. Use appropriate pricing guides, returns from similar businesses, or other sources to develop a value for the property.

X. GENERAL INFORMATION

- A. The Department of Revenue will supply tangible personal property returns and TRIM notice forms on request. Each county may have their own tangible personal property returns printed, but any deviations from the Department's standard form must be approved in advance. [Section 195.022, F.S.]
- B. The sample property worksheet (Attachment E) was developed to assist in the valuation process. The worksheet contains

a blank space for account numbers. Account numbers will provide an additional means of identifying ownership of personal property.

- C. The Property Tax Administration Program of the Department of Revenue will provide an update to this manual as necessary. Replacement sheets will be furnished for any changes to written material, Equipment Index Factors Table, Untrended Depreciation Schedule and Life Expectancy Guidelines, as subsequently amended.
- D. The value adjustment board is bound by the same standards as the county property appraiser in determining values and granting exemptions; the Department may review the proceedings and findings of each value adjustment board as part of its in-depth study of the property appraiser's assessment roll. [Section 195.096, F.S.]
- E. These guidelines are to be used in the appraisal of personal property and are not all inclusive. The Department recommends the use of publications and services such as the Marshall & Swift Appraisal Service, Hunnicutt Personal Property Appraisal Guide, and Dataquest Green Guide for specific pieces of equipment not listed in these guidelines. Any other reputable guides or sources of information that assist in determining the market value of personal property may be considered in addition to these guidelines.

XI. ATTACHMENTS AND OCCURRENCES OF USE IN TEXT

- A. **REAL AND PERSONAL PROPERTY CLASSIFICATION GUIDELINES** (DOR, 1997, and as subsequently amended), pages 50 through 56
- B. **EQUIPMENT INDEX FACTORS TABLE**, (DOR, 1997, and as subsequently amended), pages 6, 35, 42, 48, and 57
- C. **UNTRENDED DEPRECIATION SCHEDULE** (DOR, 1997, and as subsequently amended), pages 6, 35, 43, 48, and 58
- D. **LIFE EXPECTANCY GUIDELINES** (DOR, 1997, and as subsequently amended), pages 6, 36, 45, 48, 59, and 60
- E. **SAMPLE PROPERTY WORKSHEET**, pages 6, 33, 47, and 61
- F. **TANGIBLE PERSONAL PROPERTY TAX RETURN** (Form DR-405 r. 7/93, and as subsequently amended), pages 5, 6, 31, 32, 34, 44, 62, and 63
- G. **RULE 12D-8.009, F.A.C., ADDITIONAL REQUIREMENTS FOR PREPARATION OF TANGIBLE PERSONAL PROPERTY ASSESSMENT ROLL** [Personal Property Class Codes] (r. 9/30/82, and as subsequently amended), pages 6, 34, and 64
- H. **RETURN OF POLLUTION CONTROL DEVICES FOR AD VALOREM Tax PURPOSES** (Form 492 r. 8/83, and as subsequently amended), pages 6, 29, 45, and 65

REAL AND PERSONAL PROPERTY CLASSIFICATION GUIDELINES
Florida Department of Revenue
1997, and as subsequently amended.

The use of any questionable unit of machinery, equipment or structure will help determine its classification as real or personal property. If the unit is directly used in a manufacturing process or is a function or extension of such equipment, it is to be considered personal property. If the unit is a land or building improvement, it is to be considered as real estate. **Special facts and circumstances may create exceptions to classifications as recommended.** The following guidelines may be of assistance when classifying property:

Air Conditioning, - window units and package units - Personal Property

Air Conditioning, - special purpose to maintain controlled temperature and humidity - Personal Property

Aluminum pot lines - Personal Property

Anhydrous ammonia tanks and equipment - Personal Property

Animals (show and performing) - Personal Property

Ash handling system, including pit and superstructure (see boilers) - Personal Property

Asphalt mixing plant and equipment (moveable) - Personal Property

Auto-call and telephone system - Personal Property

Bar and equipment (commercial use) - Personal Property

Billboards (wood, concrete or metal) - Personal Property

Bins, permanently affixed for storage - Real Property

Bins, used in manufacturing processes - Personal Property

Boilers, primarily used for manufacturing - Personal Property

Boilers, permanently affixed and primarily used for the building - Real Property

Booths for welding, painting or other specialty uses - Personal Property

Bowling alley lanes - Personal Property

Bucket elevators, open or enclosed (including casing) - Personal Property

REAL AND PERSONAL PROPERTY CLASSIFICATION GUIDELINES
Florida Department of Revenue
1997, and as subsequently amended.

Buildings - Real Property

Examples:

Structural and other improvements to buildings such as: foundations, walls, floors, roofs, insulation, stairways, permanent partitions, loading and unloading platforms, canopies, areaways, central heating and air conditioning systems, ventilation and sanitation fixtures, installed fire protection equipment (not alarms), lighting, plumbing, drinking water equipment, building elevators, and escalators. Note: Building codes require fire protection elements.

Buildings, specially constructed storage, poultry, or livestock processing buildings (excluding machinery or equipment) - Real Property

Bulkheads - creating additional land area - Real Property

Cable Television Systems - Personal Property

Carpeting (when permanently affixed as the floor finish) - Real Property

Cistern - Real Property

Coal-handling system - See boilers

Cold storage building - Real Property

Cold storage refrigeration equipment - Personal Property

Control booth - Personal Property

Conveyor belt housing, structure or tunnels - Personal Property

Conveyor unit, including belt and drives - Personal Property

Cooling towers, primary use for manufacturing - Personal Property

Crane, mobile - Personal Property

Crane runways including supporting columns, structure, and foundation inside or outside of buildings - Personal Property

Crane runways, bolted to or hung on trusses - Personal Property

Decor Packages - (shopping malls) - Personal Property

REAL AND PERSONAL PROPERTY CLASSIFICATION GUIDELINES
Florida Department of Revenue
1997, and as subsequently amended.

Dock levers - Personal Property

Drapes - Personal Property

Drying rooms structure - Real Property

Dust catchers - Personal Property

Electric Power Plants - Personal Property

Fence, security (exterior) - Real Property

Fire alarm system - Personal Property

Fire walls, masonry - Real Property

Floors (raised floors), computer room - Personal Property

Foundations for machinery and equipment - Personal Property

Gas lines for equipment or processing - Personal Property

Gasoline tanks - (see tanks)

Gates, security and parking control - Personal Property

Grain bins, portable - Personal Property

Grain drying equipment - Personal Property

Grain elevators (commercial, industrial), storage, workinghouse, headhouse, milling space - Real Property

Grain elevator machinery and equipment (commercial, industrial) including but not limited to legs (inside or outside), conveyors, spouting, hopper scales, man lifts, aeration systems, grain cleaners, grain dryers, mechanical grain dumping equipment, loading and unloading systems, truck scales, all processing machinery and equipment - Personal Property

Gravel Plant, machinery and equipment - Personal Property

Greenhouses, benches and heating system - Personal Property

Hoist pits - (see pits)

Hydraulic Lines - Personal Property

Irrigation equipment - Personal Property

REAL AND PERSONAL PROPERTY CLASSIFICATION GUIDELINES
Florida Department of Revenue
1997, and as subsequently amended.

Kilns, lumber-drying kiln structure - Real Property

Kilns, concrete block-drying kiln structure - Real Property

Kilns, circular down draft (Beehive) - Real Property

Kilns, heating or drying system - Personal Property

Land Improvement - Real property

Examples:

Retaining walls, piling and mats for general improvement of site, private roads, walks, paved areas, culverts, bridges, viaducts, subways and tunnels, exterior fencing, reservoirs, dikes, dams, ditches, canals and drainage.

Fixed wharves and docks located on a river, lake or tidewater.
Permanently built bridges and trestles.

Walls forming storage yards and fire protection dikes.

Laundry steam generating equipment - Personal Property

Leased equipment - Personal Property

Lighting, yard lighting - Personal Property

Lighting, service stations (except buildings) - Personal Property

Mixers and mixing houses - Personal Property

Mobile home attachments (shed, carport, a/c, etc.) on rental lot--
Personal Property

Monorail crane runways - Personal Property

Ore bridge foundation - Real Property

Ovens, processing - Personal Property

Performing Animals - Personal Property

Piping, process piping (above or below ground) - Personal Property

Pits for equipment or processing - Personal Property

Pollution Control Devices - Personal Property

REAL AND PERSONAL PROPERTY CLASSIFICATION GUIDELINES
Florida Department of Revenue
1997, and as subsequently amended.

Pools, swimming (not portable) - Real Property

Portable Partition Walls - Personal Property

Power lines and auxiliary equipment - Personal Property

Pumps and Motors - Personal Property

Pump house (including sub-structure)- Real Property

Racks and shelving (portable or removable) - Personal Property

Railroad siding (except belonging to railroad) - Real Property

Ready-mix concrete batch plant and equipment - Personal Property

Refrigeration equipment (see air conditioning) - Personal Property

Rental Equipment - Personal Property

Sanitary sewer system - Personal Property

Sanitary system, buildings - Real Property

Satellite dishes (commercial use) - Personal Property

Scale houses - Real Property

Septic system (priced with land) - Real Property

Scales, truck or railroad (including pit) - Personal Property

Scales, dormant - Personal Property

Security monitoring systems - Personal Property

Sewage Treatment Plants - Personal Property

Sheds or buildings, portable or on skids - Personal Property

Signs - Personal Property

Silos (metal) - Personal Property

Spare parts - Personal Property

Spray pond piping and equipment - Primary Use Classification

Sprinkler system (building) - Real Property

REAL AND PERSONAL PROPERTY CLASSIFICATION GUIDELINES
Florida Department of Revenue
1997, and as subsequently amended.

Stacks, mounted on boilers (see boilers)

Stacks, supported individually and servicing heating boilers - Real Property

Stacks, servicing personal property units or a process -Personal Property

Steam electric generating plant and equipment - Personal Property

Stone crushing plant - equipment - Personal Property

Storage bins, portable - Personal Property

Storage facilities, permanent of masonry or wood - Real Property

Storage vaults, including bank vaults (poured in place) - Real Property

Storage vaults, modular - Personal Property

Storage vault doors, including bank vault doors - Personal Property

Substation building - Real Property

Substation equipment - Personal Property

Supplies - Personal Property

Tanks, bulk storage (large capacity water & fuels) above or below ground - Personal Property

Tanks, welded steel pressure tanks, (propane, butane or natural gas storage) - Personal Property

Tanks, used as part of a manufacturing process - Personal Property

Tanks, fuel tanks at service station - Personal Property

Towers, TV or radio broadcasting - Personal Property

Trade Fixtures - Personal Property

Transformers - Personal Property

Travel trailer attachments (shed, carport, a/c, etc.) on rental lot - Personal Property

Tunnels - Real Property

REAL AND PERSONAL PROPERTY CLASSIFICATION GUIDELINES
Florida Department of Revenue
1997, and as subsequently amended.

Tunnels, waste heat or processing - Personal Property

Unit heaters, non-portable - Real Property

Unit heaters, portable - Personal Property

Unloaded runway - Real Property

Ventilating system for building - Real Property

Ventilating system for manufacturing equipment - Personal Property

Video tapes for rent - Personal Property

Walls, portable partitions - Personal Property

Waste water systems - Personal Property

Walk-in coolers or freezers - Personal Property

Water lines, for processes above or below ground - Personal Property

Water pumping station, building and structure - Real Property

Water pumps and motors - Personal Property

Water treating and softening plant building and structure - Real Property

Water treatments systems - Personal Property

Well pumps, motors and equipment - Personal Property

Well casings - Real Property

Wiring, power wiring - Personal Property

EQUIPMENT INDEX FACTORS 2025
(NATIONAL AVERAGE)

FLORIDA DEPARTMENT OF REVENUE

This table is intended to assist the property appraiser in the assessment of tangible personal property and is not a rule or all inclusive in nature.

INDUSTRY	7/24	7/23	7/22	7/21	7/20	7/19	7/18	7/17	7/16	7/15	7/14	7/13	7/12	7/11	7/10	7/09	7/08	7/07	7/06	7/05	7/04	7/03	7/02	7/01	7/00	7/99	7/98	7/97	7/96	7/95	7/94	7/93	7/92	7/91	7/90	
Average of all	1.00	1.01	1.01	1.21	1.32	1.33	1.37	1.42	1.45	1.44	1.44	1.47	1.48	1.52	1.57	1.57	1.60	1.66	1.76	1.83	1.97	2.05	2.09	2.10	2.11	2.16	2.16	2.18	2.21	2.23	2.32	2.38	2.43	2.47	2.52	
Airplane mfg.	1.00	1.01	1.00	1.20	1.33	1.32	1.36	1.41	1.45	1.43	1.42	1.44	1.44	1.48	1.54	1.53	1.56	1.62	1.71	1.79	1.95	2.03	2.07	2.08	2.08	2.13	2.13	2.14	2.17	2.19	2.28	2.33	2.38	2.40	2.44	
Apartment	1.00	1.00	1.00	1.18	1.27	1.29	1.32	1.37	1.40	1.40	1.41	1.43	1.46	1.50	1.54	1.56	1.58	1.63	1.69	1.75	1.86	1.91	1.93	1.95	1.96	2.00	2.01	2.03	2.06	2.08	2.14	2.20	2.28	2.33	2.38	
Bakery	1.00	1.01	1.02	1.22	1.33	1.33	1.37	1.43	1.47	1.46	1.46	1.49	1.49	1.54	1.59	1.59	1.62	1.68	1.80	1.88	2.02	2.11	2.15	2.16	2.18	2.23	2.24	2.25	2.30	2.31	2.41	2.49	2.54	2.58	2.64	
Bank	1.00	1.00	0.98	1.18	1.29	1.30	1.34	1.38	1.42	1.41	1.42	1.45	1.46	1.49	1.53	1.54	1.57	1.61	1.68	1.73	1.85	1.92	1.94	1.96	1.96	2.01	2.01	2.01	2.05	2.06	2.12	2.17	2.24	2.29	2.32	
Bottling	1.00	1.01	1.01	1.21	1.34	1.34	1.39	1.44	1.47	1.46	1.45	1.48	1.48	1.52	1.58	1.58	1.60	1.66	1.77	1.85	2.01	2.10	2.14	2.15	2.16	2.21	2.22	2.22	2.26	2.28	2.38	2.44	2.49	2.52	2.56	
Brewery and distillery	1.00	1.01	1.04	1.24	1.34	1.35	1.41	1.46	1.48	1.47	1.47	1.50	1.51	1.55	1.59	1.60	1.63	1.69	1.81	1.88	2.04	2.12	2.16	2.18	2.19	2.24	2.26	2.27	2.31	2.34	2.44	2.49	2.53	2.57	2.62	
Candy	1.00	1.01	1.03	1.22	1.32	1.33	1.37	1.43	1.46	1.46	1.46	1.49	1.50	1.54	1.59	1.59	1.62	1.68	1.81	1.88	2.02	2.11	2.15	2.17	2.18	2.23	2.24	2.26	2.30	2.32	2.43	2.50	2.55	2.59	2.66	
Cannery (fish)	1.00	1.01	1.02	1.21	1.32	1.32	1.36	1.42	1.46	1.45	1.45	1.48	1.49	1.53	1.59	1.58	1.61	1.67	1.80	1.87	2.01	2.10	2.14	2.16	2.17	2.23	2.23	2.25	2.29	2.31	2.41	2.49	2.54	2.59	2.65	
Cannery (fruit)	1.00	1.01	1.01	1.20	1.31	1.32	1.35	1.41	1.45	1.44	1.44	1.48	1.49	1.53	1.58	1.59	1.61	1.66	1.78	1.84	1.98	2.07	2.10	2.12	2.13	2.18	2.19	2.20	2.25	2.26	2.36	2.43	2.50	2.56	2.61	
Cement mfg.	1.00	1.02	1.04	1.25	1.36	1.37	1.43	1.48	1.51	1.50	1.50	1.52	1.53	1.58	1.63	1.62	1.69	1.75	1.85	1.93	2.10	2.20	2.25	2.26	2.27	2.32	2.33	2.35	2.38	2.41	2.50	2.56	2.61	2.63	2.68	
Chemical	1.00	1.01	1.03	1.24	1.36	1.36	1.42	1.47	1.49	1.47	1.47	1.50	1.50	1.54	1.58	1.57	1.61	1.68	1.78	1.86	2.03	2.11	2.15	2.17	2.18	2.22	2.23	2.25	2.28	2.31	2.41	2.45	2.49	2.51	2.56	
Church	1.00	1.00	0.98	1.17	1.29	1.31	1.35	1.40	1.44	1.44	1.45	1.48	1.48	1.51	1.55	1.59	1.60	1.63	1.66	1.72	1.78	1.89	1.96	1.99	2.01	2.02	2.07	2.08	2.09	2.14	2.15	2.21	2.27	2.38	2.46	2.50
Clay products	1.00	1.02	1.04	1.24	1.33	1.34	1.39	1.44	1.48	1.47	1.47	1.50	1.51	1.56	1.61	1.60	1.67	1.73	1.83	1.91	2.07	2.15	2.20	2.22	2.23	2.27	2.28	2.30	2.34	2.37	2.46	2.51	2.57	2.60	2.65	
*Communication	1.00	1.05	1.07	1.13	1.15	1.18	1.22	1.24	1.26	1.26	1.27	1.28	1.29	1.30	1.30	1.30	1.31	1.33	1.34	1.34	1.33	1.31	1.28	1.26	1.24	1.22	1.21	1.20	1.22	1.23	1.24	1.26	1.27	1.28	1.29	
Contractor's equip.	1.00	1.02	1.05	1.21	1.30	1.31	1.36	1.39	1.42	1.41	1.42	1.45	1.47	1.52	1.57	1.57	1.61	1.66	1.71	1.79	1.91	1.98	2.01	2.03	2.03	2.07	2.09	2.11	2.15	2.18	2.23	2.28	2.36	2.41	2.47	
Creamery and dairy	1.00	1.02	1.04	1.22	1.32	1.33	1.38	1.43	1.46	1.45	1.45	1.48	1.49	1.53	1.59	1.59	1.61	1.67	1.80	1.88	2.03	2.11	2.15	2.16	2.18	2.23	2.24	2.25	2.30	2.32	2.43	2.49	2.53	2.57	2.63	
Dwelling	1.00	1.00	1.01	1.18	1.26	1.28	1.31	1.36	1.39	1.39	1.40	1.42	1.44	1.48	1.52	1.54	1.56	1.60	1.66	1.73	1.83	1.87	1.89	1.91	1.92	1.96	1.98	2.00	2.02	2.04	2.11	2.17	2.24	2.28	2.33	
Elec. equip. mfg.	1.00	1.00	0.99	1.20	1.34	1.33	1.37	1.42	1.47	1.44	1.42	1.44	1.42	1.45	1.53	1.53	1.53	1.60	1.72	1.81	1.99	2.08	2.12	2.12	2.12	2.17	2.17	2.19	2.20	2.31	2.37	2.40	2.41	2.44		
Elec. power equip.	1.00	1.00	0.99	1.24	1.37	1.36	1.40	1.45	1.50	1.46	1.44	1.45	1.42	1.45	1.53	1.55	1.53	1.61	1.75	1.86	2.05	2.15	2.19	2.18	2.24	2.23	2.23	2.25	2.25	2.38	2.43	2.45	2.45	2.46		
*Farm and grove	1.00	1.01	1.05	1.24	1.31	1.34	1.39	1.41	1.43	1.44	1.45	1.48	1.49	1.52	1.57	1.59	1.65	1.73	1.78	1.82	1.92	1.99	2.01	2.05	2.08	2.10	2.13	2.14	2.18	2.23	2.34	2.39	2.48	2.54	2.63	
Flour, cereal and feed	1.00	1.01	1.03	1.22	1.33	1.33	1.37	1.43	1.46	1.45	1.45	1.48	1.48	1.52	1.58	1.58	1.61	1.67	1.79	1.86	2.02	2.11	2.14	2.16	2.17	2.22	2.23	2.25	2.28	2.30	2.40	2.47	2.51	2.54	2.59	
Garage	1.00	1.01	1.01	1.20	1.30	1.31	1.35	1.39	1.42	1.41	1.40	1.43	1.43	1.47	1.52	1.52	1.55	1.60	1.68	1.75	1.88	1.95	1.98	1.99	2.00	2.04	2.05	2.06	2.09	2.10	2.18	2.23	2.29	2.32	2.37	
Glass mfg.	1.00	1.01	1.02	1.24	1.35	1.36	1.41	1.47	1.50	1.48	1.48	1.50	1.51	1.55	1.61	1.60	1.64	1.71	1.82	1.90	2.08	2.17	2.22	2.23	2.24	2.30	2.31	2.35	2.37	2.48	2.53	2.57	2.60	2.63		
Hospital	1.00	1.01	1.02	1.21	1.30	1.31	1.35	1.40	1.44	1.43	1.43	1.46	1.47	1.51	1.56	1.57	1.60	1.65	1.75	1.82	1.95	2.02	2.06	2.07	2.08	2.13	2.14	2.15	2.19	2.21	2.30	2.36	2.42	2.46	2.51	
Hotel	1.00	1.01	1.03	1.21	1.29	1.31	1.34	1.39	1.43	1.43	1.43	1.47	1.48	1.52	1.57	1.58	1.61	1.65	1.74	1.81	1.92	1.98	2.01	2.02	2.04	2.08	2.10	2.12	2.15	2.18	2.26	2.32	2.39	2.44	2.50	
Laundry and cleaning	1.00	1.01	1.01	1.21	1.32	1.32	1.37	1.41	1.45	1.44	1.43	1.47	1.47	1.51	1.57	1.56	1.61	1.66	1.76	1.82	1.98	2.06	2.10	2.12	2.12	2.17	2.17	2.19	2.23	2.24	2.33	2.39	2.44	2.48	2.52	
Library	1.00	1.00	0.98	1.18	1.31	1.32	1.36	1.41	1.46	1.44	1.43	1.47	1.47	1.51	1.57	1.56	1.60	1.65	1.74	1.80	1.95	2.02	2.06	2.08	2.08	2.13	2.13	2.14	2.18	2.19	2.27	2.34	2.41	2.45	2.48	
Logging equip.	1.00	1.01	1.01	1.18	1.30	1.30	1.34	1.38	1.42	1.40	1.40	1.42	1.43	1.47	1.52	1.51	1.55	1.60	1.67	1.73	1.87	1.95	1.98	1.99	1.99	2.04	2.04	2.06	2.09	2.11	2.18	2.23	2.30	2.34	2.38	
Metalworking	1.00	1.01	1.02	1.21	1.32	1.31	1.36	1.40	1.45	1.43	1.42	1.44	1.44	1.48	1.54	1.52	1.56	1.62	1.71	1.77	1.93	2.00	2.03	2.04	2.04	2.08	2.08	2.09	2.12	2.14	2.23	2.29	2.33	2.35	2.40	
Mining and milling	1.00	1.05	1.06	1.26	1.37	1.38	1.45	1.49	1.53	1.52	1.53	1.56	1.58	1.65	1.71	1.72	1.79	1.86	1.94	2.02	2.20	2.30	2.35	2.38	2.38	2.43	2.44	2.47	2.51	2.53	2.61	2.67	2.75	2.80	2.87	
Motion picture	1.00	1.01	0.99	1.18	1.31	1.32	1.35	1.40	1.45	1.43	1.43	1.45	1.46	1.49	1.55	1.57	1.58	1.64	1.72	1.79	1.93	2.01	2.05	2.06	2.06	2.11	2.11	2.11	2.15	2.16	2.23	2.29	2.37	2.41	2.44	
Office equipment	1.00	1.01	1.01	1.20	1.28	1.30	1.33	1.37	1.40	1.40	1.40	1.43	1.43	1.46	1.50	1.51	1.54	1.59	1.66	1.71	1.82	1.87	1.90	1.91	1.92	1.95	1.96	1.97	1.99	2.02	2.08	2.13	2.16	2.19	2.22	
Packing (fruit)	1.00	1.01	1.00	1.19	1.30	1.31	1.35	1.40	1.44	1.44	1.44	1.48	1.50	1.54	1.59	1.60	1.63	1.67	1.76	1.82	1.95	2.03	2.06	2.08	2.09	2.14	2.15	2.16	2.22	2.23	2.30	2.36	2.46	2.53	2.57	
Packing (meat)	1.00	1.02	1.03	1.22	1.31	1.32	1.36	1.42	1.45	1.45	1.45	1.48	1.50	1.54	1.59	1.59	1.63	1.69	1.81	1.87	2.01	2.09	2.13	2.15	2.16	2.21	2.22	2.24	2.28	2.31	2.40	2.47	2.52	2.57	2.63	
Paint mfg.	1.00	1.01	1.02	1.22	1.34	1.34	1.39	1.44	1.48	1.47	1.46	1.49	1.49	1.54	1.59	1.58	1.63	1.69	1.80	1.87	2.04	2.13	2.17	2.19	2.20	2.25	2.26	2.27	2.31	2.33	2.43	2.49	2.54	2.57	2.61	
Paper mfg.	1.00	1.01	1.00	1.20	1.33	1.33	1.38	1.43	1.47	1.45	1.45	1.48	1.49																							

UNTRENDED DEPRECIATION SCHEDULE

(FOR USE ON REPLACEMENT COST NEW)

Effective Age in Years	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	25	30	Effective Age in Years
1	83%	85%	87%	89%	90%	91%	92%	93%	94%	94%	95%	95%	96%	96%	96%	97%	97%	98%	98%	1
2	65%	69%	73%	76%	79%	82%	84%	86%	87%	88%	89%	90%	91%	91%	92%	93%	93%	95%	97%	2
3	43%	52%	57%	62%	67%	72%	76%	78%	80%	82%	84%	85%	86%	87%	88%	89%	90%	93%	95%	3
4	24%	34%	41%	48%	54%	61%	67%	70%	73%	75%	77%	79%	81%	82%	83%	85%	86%	90%	93%	4
5	18%	23%	30%	37%	43%	51%	58%	62%	66%	69%	71%	73%	75%	77%	79%	81%	82%	87%	91%	5
6		18%	23%	28%	33%	41%	49%	54%	58%	62%	65%	68%	71%	73%	75%	77%	78%	84%	89%	6
7			19%	23%	26%	33%	39%	45%	50%	54%	58%	62%	65%	68%	70%	72%	74%	81%	86%	7
8				20%	22%	26%	30%	37%	43%	47%	51%	55%	58%	62%	65%	68%	70%	78%	84%	8
9					20%	22%	24%	30%	36%	41%	45%	49%	53%	57%	60%	63%	65%	75%	82%	9
10						20%	21%	25%	29%	34%	39%	43%	47%	51%	54%	57%	60%	71%	79%	10
11							20%	22%	24%	29%	33%	37%	42%	46%	49%	52%	55%	68%	76%	11
12								20%	22%	25%	28%	31%	36%	40%	44%	47%	50%	64%	74%	12
13									20%	22%	24%	26%	31%	35%	39%	42%	45%	60%	71%	13
14										20%	22%	23%	27%	31%	34%	37%	40%	56%	68%	14
15											20%	21%	24%	28%	31%	33%	35%	52%	65%	15
16												20%	22%	25%	27%	29%	31%	48%	61%	16
17													20%	21%	23%	25%	27%	44%	58%	17
18														20%	22%	23%	24%	39%	54%	18
19															20%	21%	22%	34%	51%	19
20																20%	21%	30%	47%	20
22																	20%	26%	40%	22
24																		23%	34%	24
26																		21%	28%	26
28																			23%	28
30																			21%	30
32																			20%	32

These percentages should be applied to historical cost after it has been factored upward (trended) to the current year's Replacement Cost New (RCN).

Trending of historical cost may not be appropriate when assets' replacement costs are decreasing due to emerging technologies. See section VIII.G., for discussion.

Factors indicate the remaining percentage of economic life.

This table is based on equipment in average condition.

If the county property appraiser determines that the application of another comparable table, designed specifically for ad valorem tax purposes more accurately reflects the just value of the personal property within the county they may utilize such table, on a county-wide basis, in lieu of the table above.

Source: 1997 Florida Department of Revenue, Property Tax Administration (Based on Marshall Valuation Service, Depreciation-Fixtures & Equipment", Normal Depreciation, Sec. 97, p. 18, January 1996)

Florida Department of Revenue

LIFE EXPECTANCY GUIDELINES

The asset life recommendations have been derived from various sources: Marshall Valuation Service, Florida Public Service Commission, and industry depreciation studies. As relevant information becomes available, the Department will update the tables.

INDUSTRY GROUP	ASSET LIFE IN YEARS
Aerospace industry.....	10
Agriculture, machinery and equipment	10
cotton ginning.....	12
Aircraft and all helicopters	
except commercial aircraft	6
commercial aircraft.....	12
Amusement and theme parks.....	10
Apparel and fabricated textile manufacturing	9
Automobile repair shops.....	10
Bakeries and confectionery production.....	12
Barber and beauty shops	10
Billboards	20
Brewery equipment	12
Cable television, headend facilities	11
microwave systems	9.5
program origination	9
service and test.....	8.5
subscriber connection and distribution.....	10
Canneries and frozen food production	12
Cement manufacture.....	20
Chemical and allied production.....	9.5
Clay products manufacturing.....	15
Clocks and watches, manufacturing.....	10
electronic instrumentation	6
Cold storage and ice-making equipment.....	18
Cold storage warehouse equipment	10
Computers, 'personal computers' ('PC').....	4
mainframe.....	6
Peripherals.....	6
Condiments, manufacturing and processing.....	10
Construction equipment, general construction	6
marine construction	6
Dairy products manufacturing.....	12
Data handling equipment, except computers	6
Distilling.....	12
Electrical equipment manufacturing.....	10
Electric companies, steam production.....	25-34
other production, combined cycle.....	16-21
gas turbines	26-29
nuclear production.....	26-28

INDUSTRY GROUP	ASSET LIFE IN YEARS
transmission	39-41
distribution.....	29-33
Electronic equipment manufacturing.....	6
Fabricated metal products	12
special tools	3
Fishing equipment, excluding boats and barges	4
Food and beverage production	12
special handling devices	4
Fur processing	9
Gas distribution, total distribution equipment	35-40
Optional - for equipment by category:	
mains and services, plastic.....	36-40
mains and services, steel.....	37-44
meters, regulators, installations.....	25-30
other distribution equipment	30-35
Glass and glass products.....	14
special tools	2.5
Grain and grain mill products manufacture.....	17
Gypsum products	15
Hand tools	5
Hospital furnishings and equipment	10
Hotel and motel furnishings and equipment	10
Jewelry products and pens.....	12
Knitwear and knit products	7.5
Laundry equipment	10
Leather and leather products.....	11
Logging, timber cutting.....	6
Machinery manufacturing, except. as otherwise listed...	10
Meatpacking	12
Medical and dental supply production.....	9
Metalworking machinery manufacturing.....	10
Mining and quarrying	10
Motion picture and television production.....	12
Motor vehicle and parts manufacturing	12
special tools	3
Office furniture and equipment	10
Optical lenses and instrument manufacturing	10
Paints and varnishes.....	9.5
Paper and pulp manufacturing	13
converted paper, paperboard and pulp	10

Florida Department of Revenue

LIFE EXPECTANCY GUIDELINES

The asset life recommendations have been derived from various sources: Marshall Valuation Service, Florida Public Service Commission, and industry depreciation studies. As relevant information becomes available, the Department will update the tables.

INDUSTRY GROUP	ASSET LIFE IN YEARS	INDUSTRY GROUP	ASSET LIFE IN YEARS
		circuit, analog.....	8
Petroleum and natural gas, drilling, onshore.....	6	circuit, optic.....	8
drilling, offshore.....	7.5	other central office equipment.....	8
exploration and production.....	14	information/origination equipment.....	8
marketing.....	9	smart phones.....	6
petroleum refining.....	16	metallic cable.....	12
pipeline transportation.....	22	fiber cable.....	20
Plastics manufacturing.....	9.5	poles.....	20
Plastic products manufacturing.....	11	conduit.....	20
special tools.....	3.5	Telecommunications, interstate interexchange	
Primary metals production, nonferrous and foundry		analog switching.....	8
products.....	14	digital switching.....	8
special tools.....	6.5	metallic cable.....	12
Primary steel mill products.....	15	fiber cable.....	20
Printing and publishing.....	11	poles.....	20
Professional and scientific instruments.....	10	conduit.....	20
Radio and television, broadcasting.....	6	all other equipment.....	8
manufacturing.....	10	Telecommunications, cellular	
Railroad transportation equipment manufacturing.....	12	analog switching.....	8
locomotive manufacturing.....	11.5	digital switching.....	8
Recreation and amusement.....	10	radio frequency channel and control.....	8
Retail trades, fixtures and equipment.....	9	power equipment.....	12
Residential furniture.....	10	antennae.....	10
Restaurant and bar equipment.....	10	towers.....	20
Restaurant equipment, fast foods.....	7	transmission equipment.....	8
Rubber products manufacturing.....	14	cellular phones.....	5
special tools.....	4	Textile products, including finishing and dyeing.....	9
Sawmills, permanent.....	10	manufacture of nonwoven fabrics.....	10
portable.....	6	manufacture of yarn, thread and woven fabrics.....	11
Service establishments.....	9	manufacture of textured yarns.....	8
Ship and boat building machinery and equipment.....	12	Theater equipment.....	10
special tools.....	6.5	Tobacco and tobacco products.....	15
Soft drink manufacture and bottling.....	12	Vegetable oil products.....	18
Steam production and distribution.....	28	Waste reduction and resource recovery.....	10
Stone products manufacturing.....	15	Water transportation.....	20
Sugar and sugar products manufacturing.....	18	vessels, barges and tugs.....	18
Telecommunications, local exchange		Water utilities.....	50
analog switching.....	8	Wharves, docks and piers.....	20
digital switching.....	8	Wholesale trade fixtures and equipment.....	9
circuit, digital.....	8		

Florida Department of Revenue

LIFE EXPECTANCY GUIDELINES

The asset life recommendations have been derived from various sources: Marshall Valuation Service, Florida Public Service Commission, and industry depreciation studies. As relevant information becomes available, the Department will update the tables.

INDUSTRY GROUP	ASSET LIFE IN YEARS	INDUSTRY GROUP	ASSET LIFE IN YEARS
Wood products and furniture manufacturing.....	10		

insert sample property worksheet

TANGIBLE PERSONAL PROPERTY TAX RETURN**CONFIDENTIAL**DR-405, R. 01/18
Rule 12D-16.002, F.A.C.
Eff. 01/18Return to property appraiser by **April 1** to avoid penalty.

County Tax year

Business name (DBA-Doing Business As) and mailing address:

Federal Employer
Identification Number - NAICS

If name and address is incorrect, please make needed corrections.

1. Owner or person in charge _____ Phone _____ Business/corporate name	6. Type or nature of your business _____ Trade levels (check all that apply) <input type="checkbox"/> Retail <input type="checkbox"/> Wholesale <input type="checkbox"/> Manufacturing <input type="checkbox"/> Professional <input type="checkbox"/> Service <input type="checkbox"/> Agricultural <input type="checkbox"/> Leasing/rental <input type="checkbox"/> Other, specify: _____
2. Physical location (no PO Boxes)	7. Did you file a TPP return in this county last year? <input type="checkbox"/> Yes <input type="checkbox"/> No Name and location
3. Do you file a TPP tax return under any other name? <input type="checkbox"/> Yes <input type="checkbox"/> No Name on most recent return or tax bill	8. Former owner of business
4. Date you began business in this county	9. If sold, to whom? _____ Date sold _____
5. Fiscal year end date _____ If before 12/31 last year, does this return reflect additions/deletions through Dec 31? <input type="checkbox"/> Yes <input type="checkbox"/> No	

Personal Property Summary Schedule - Enter totals from page 2 or from an attached itemized list or depreciation schedule with original cost and date of acquisition.		Taxpayer's Estimate of Fair Market Value	Original Installed Cost	For Property Appraiser Use Only
10	Office furniture, office machines, and library			
11	EDP equipment, computers, and word processors			
12	Store, bar and lounge, and restaurant furniture, equipment, etc.			
13	Machinery and manufacturing equipment			
14	Farm, grove, and dairy equipment			
15	Professional, medical, dental, and laboratory equipment			
16	Hotel, motel, and apartment complex			
16a	Rental units (stove, refrigerator, furniture, drapes, and appliances)			
17	Mobile home attachments (carport, utility building, cabana, porch, etc.)			
18	Service station and bulk plant equipment (underground tanks, lifts, tools)			
19	Signs (billboard, pole, wall, portable, directional, etc.)			
20	Leasehold improvements - grouped by type, year of installation, and description			
21	Pollution control equipment			
22	Equipment owned by you but rented, leased or held by others			
23	Supplies not held for resale			
24	Renewable energy source devices			
25	Other, specify:			
TOTAL PERSONAL PROPERTY				

I declare I have read this tax return and the accompanying schedules and statements. The facts in them are true. If prepared by someone other than the taxpayer, the preparer signing this return certifies that this declaration is based on all information he or she has knowledge of.

Signature taxpayer	Print name	Title	Date
Signature preparer	Print name	Preparer ID	Date
Address		Phone	

Sign and date your return, send the **original** to the county property appraiser's office by **April 1**. Unsigned returns **cannot** be accepted by the appraiser's office. If you are entitled to a widow's, widower's, or disability exemption on personal property (not already claimed on real estate), consult your appraiser.

<input type="checkbox"/> \$25,000	Less	
<input type="checkbox"/> Widowed	Exemptions	
<input type="checkbox"/> Blind	Taxable	
<input type="checkbox"/> Total disability	Value	
<input type="checkbox"/> Other, specify	Penalties	
Signature, deputy		Date

DR-405, R. 01/18, Page 2

ASSETS PHYSICALLY REMOVED DURING THE LAST YEAR										
Description			Age	Year Acquired	Taxpayer's Estimate of Fair Market Value	Original Installed Cost	Disposed, sold, or traded and to whom?			
LEASED, LOANED, OR RENTED EQUIPMENT				Complete if you hold equipment belonging to others.					Lease Purchase Option	
Name and Address of Owner or Lessor			Description			Year Acquired	Year of Manufacture	Monthly Rent	Original Installed Cost	Yes No
										<input type="checkbox"/> <input type="checkbox"/>
										<input type="checkbox"/> <input type="checkbox"/>
										<input type="checkbox"/> <input type="checkbox"/>
SCHEDULE FOR LINE 22, PAGE 1			Equipment owned by you but rented, leased, or held by others. Enter total on page 1.							
Lease Number	Name/address of lessee Actual physical location		Description	Age	Year Acquired	Monthly Rent	Term	Taxpayer's Estimate of Fair Market Value	Cond*	Original Installed Cost New
SCHEDULES FOR PAGE 1, LINES 10 - 21 and 23 - 25										APPRAISER'S USE ONLY
<input type="text"/>	Enter line number from page 1. Description		Age	Year Acquired	Taxpayer's Estimate of Fair Market Value	Cond*	Original Installed Cost	Cond*	Value	
Enter totals on page 1.			TOTAL			TOTAL		TOTAL		
<input type="text"/>	Enter line number from page 1. Description		Age	Year Acquired	Taxpayer's Estimate of Fair Market Value	Cond*	Original Installed Cost	Cond*	Value	
Enter totals on page 1.			TOTAL			TOTAL		TOTAL		
<input type="text"/>	Enter line number from page 1. Description		Age	Year Acquired	Taxpayer's Estimate of Fair Market Value	Cond*	Original Installed Cost	Cond*	Value	
Enter totals on page 1.			TOTAL			TOTAL		TOTAL		

Complete this form if you own property used for commercial purposes that is not included in the assessed value of your business' real property. This may include office furniture, computers, tools, supplies, machines, and leasehold improvements. Return this to your property appraiser's office by April 1. Keep a copy for your records.

Report your summary totals on page 1. Use page 2 or an attached, itemized list with original cost and date acquired for each item to provide the details for each category. Contact your local property appraiser if you have questions.

If you ask, the property appraiser will give you an extension for 30 days and may grant an additional 15 days. You must ask for the extension in time for the property appraiser to consider the request and act on it before April 1.

Each return is eligible for an exemption up to \$25,000. By filing a DR-405 on time you automatically apply for the exemption. If you do not file on time, Florida Law provides for the loss of the \$25,000 exemption.

WHAT TO REPORT

Include on your return:

1. Tangible Personal Property. Goods, chattels, and other articles of value (except certain vehicles) that can be manually possessed and whose chief value is intrinsic to the article itself.
2. Inventory held for lease. *Examples:* equipment, furniture, or fixtures after their first lease or rental.
3. Equipment on some vehicles. *Examples:* power cranes, air compressors, and other equipment used primarily as a tool rather than a hauling vehicle.
4. Property personally owned, but used in the business.
5. Fully depreciated items, whether written off or not. Report at original installed cost.

Do not include:

1. Intangible Personal Property. *Examples:* money, all evidences of debt owed to the taxpayer, all evidence of ownership in a corporation.
2. Household Goods. *Examples:* wearing apparel, 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.
3. Most automobiles, trucks, and other licensed vehicles. See 3 above.
4. Inventory that is for sale as part of your business. Items commonly referred to as goods, wares, and merchandise that are held for sale. Also, inventory is construction and agricultural equipment weighing 1,000 pounds or more that is returned to a dealership under a rent-to-purchase option and held for sale to customers in the ordinary course of business. See section 192.001(11)(c), Florida Statutes.

LOCATION OF PERSONAL PROPERTY

Report all property located in this county on January 1. You must file a single return for each site in the county where you transact business. If you have freestanding property at multiple sites other than where you transact business, file a separate, but single, return for all such property located in the county.

Examples of freestanding property at multiple sites include vending and amusement machines, LP/propane tanks, utility and cable company property, billboards, leased equipment, and similar property not customarily located in the offices, stores, or plants of the owner, but is placed throughout the county.

PENALTIES

Failure to file - 25% of the total tax levied against the property for each year that no return is filed

Filing late - 5% of the total tax levied against the property covered by that return for each year, each month, and part of a month, that a return is late, but not more than 25% of the total tax

Unlisted property - 15% of the tax attributable to the omitted property

RELATED FLORIDA TAX LAWS

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

LINE INSTRUCTIONS

Within each section, group your assets by year of acquisition. List each item of property separately except for "classes" of personal property. A class is a group of items substantially similar in function, use, and age.

Line 14 - Farm, Grove, and Dairy Equipment

List all types of agricultural equipment you owned on January 1. Describe property by type, manufacturer, model number, and year acquired. Examples: 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.

Line 16 and 16a - Hotel, Motel, Apartment and Rental Units (Household Goods)

List all household goods. Examples: furniture, appliances, and equipment used in rental or other commercial property. Both residents and nonresidents must report if a house, condo, apartment, etc. is rented at any time during the year.

Line 17 - Mobile Home Attachments

For each type of mobile home attachment (awnings, carports, patio roofs, trailer covers, screened porches or rooms, cabanas, open porches, utility rooms, etc.), enter the number of items you owned on January 1, the year of purchase, the size (length X width), and the original installed cost.

Line 20 - Leasehold Improvements, Physical Modifications to Leased Property

If you have made any improvements, including modifications and additions, to property that you leased, list the original cost of the improvements. Group them by type and year of installation. Examples: slat walls, carpeting, paneling, shelving, cabinets. Attach an itemized list or depreciation schedule of the individual improvements.

Line 22 - Owned by you but rented to another

Enter any equipment you own that is on a loan, rental, or lease basis to others.

Line 23 - Supplies

Enter the average cost of supplies that are on hand. Include expensed supplies, such as stationery and janitorial supplies, linens, and silverware, which you may not have recorded separately on your books.

Include items you carry in your inventory account but do not meet the definition of "inventory" subject to exemption.

Line 24 - Renewable Energy Source Devices

List all renewable energy source devices as defined in section 193.624, Florida Statutes. Section 196.182, F.S., provides an exemption to renewable energy source devices considered tangible personal property. The exemption is granted based on a percentage of value, when the devices are installed, and what type of property the devices are installed on.

COLUMN INSTRUCTIONS

List all items of furniture, fixtures, all machinery, equipment, supplies, and certain types of equipment attached to mobile homes. For each item, you must report your estimate of the current fair market value and condition of the item (good, average, poor). Enter all expensed items at original installed cost. Do not use "various" or "same as last year" in any of the columns. These are not adequate responses and may subject you to penalties for failure to file.

Taxpayer's Estimate of Fair Market Value

You must report the taxpayer's estimate of fair market value of the property in the columns labeled "Taxpayer's Estimate of Fair Market Value." The amount reported is your estimate of the current fair market value of the property.

Original Installed Cost

Report 100% of the original total cost of the property in the columns labeled "Original Installed Cost." This cost includes sales tax, transportation, handling, and installation charges, if incurred. Enter only unadjusted figures in "Original Installed Cost" columns.

The original cost must include the total original installed cost of your equipment, before any allowance for depreciation. Include sales tax, freight-in, handling, and installation costs. If you deducted a trade-in from the invoice price, enter the invoice price. Add back investment credits taken for federal income tax if you deducted those from the original cost. Include all fully depreciated items at original cost, whether written off or not.

Assets Physically Removed

If you physically removed assets last year, complete the columns in the first section of page 2. If you sold, traded, or gave property to another business or person, include the name in the last column.

Leased, Loaned, and Rented Equipment

If you borrowed, rented, or leased equipment from others, enter the name and address of the owner or lessor in the second section of page 2. Include a description of the equipment, year you acquired it, year of manufacture (if known), the monthly rent, the amount it would have originally cost had you bought it new, and indicate if you have an option to buy the equipment at the end of the term.

12D-8.009 Additional Requirements for Preparation of Tangible Personal Property Assessment Roll.

(1) The appraiser shall include on the roll a code reference to the tax return showing the property, and need not give a description of such property on the roll. The account number may be adopted as the code to indicate the reference to the return, provided the property appraiser places the account number on the return.

(2) Classification of property by class type.

(a) The property appraiser shall classify tangible personal property to convey the actual current use of the property and indicate the same on the assessment roll. Where property has more than one use, it shall be classified under the category which represents its primary and predominant use. It is the primary and predominant use that will govern the classification. Possessory interests shall be classified according to the use of the property by the possessor.

(b) The classification shall be based upon six primary groupings of the major use type categories, with sub-classifications of the primary groupings of the major use type categories. The primary groupings of major uses are:

1. Retail.
2. Wholesale.
3. Manufacturing.
4. Leasing/Rental.
5. Services.
6. Special.

(c) The following is a detailed explanation of the minimum use type classifications for tangible personal property and a numeric code designation for each. The classifications are based on classification codes as set forth in the Standard Industrial Classification Manual, 1987, as published by the Office of Management and Budget, Executive Office of the President, and, as such, the code numbers may be out of sequence. It is recommended the user refer to the Standard Industrial Classification Manual, 1987, for detailed description of property use. This listing is intended to facilitate the determination of classification, particularly in special and questionable kinds of property and is not intended to list every possible use which might occur in the state. Upon request, the Department of Revenue will inform the appraiser of the classification under which specific property uses not listed below should be placed.

RETAIL

Department Store

General Merchandise

5311	
5331	Discount Merchandise Store (K-Mart, etc.)
5932	Used Merchandise, Antiques, Pawn Shops
5932	Army, Navy Surplus
5961	Mail Order
7389	Stamp Redemption
5399	Miscellaneous General Merchandise

Apparel & Accessories

5651	Clothing
5661	Shoes
5699	Miscellaneous Apparel & Accessories
5944	Jewelry Stores, Watches Furniture, Fixtures, Home Furnishings
5712	Household Furniture
5021	Office Furniture
5713	Floor Covering
5714	Drapery, Upholstery
5722	Appliances
5731	Radio, Television
5734	Computers
5735	Music Records, Tapes
5736	Music Instruments
5046	Partitions, Shelving, Office and Store Fixtures

Other Merchandise

5731	Electronics
5943	Office supply, stationery
5942	Books, Magazines
5994	Newsstands
5992	Florist
5993	Tobacco, Cigars, Cigarettes
5949	Fabric
5949	Needlework, Knitting
5941	Sporting Goods, Gun Shops, Fisherman's Supply, Bait and Tackle
5945	Arts and Crafts, Hobby, Ceramics
5946	Photographic Supplies, Cameras
7384	Film Processing
3861	Microfilm
5947	Gift and Novelty Shop
5945	Toys
5999	Miscellaneous Other Merchandise

Health Care/Cosmetics

5912	Drug Store/Pharmacy
5995	Optical Goods
5999	Hearing Aids, Orthopedic Appliances
5047	Medical and Dental Equipment and Supplies
5087	Cosmetics, Beauty and Barber Equipment and Supplies
5999	Miscellaneous Health Care/Cosmetics

Food Products

5411	Supermarket
5411	Grocery
5421	Specialty market (Meat, Fish)
5451	Dairy
5431	Fruit, Vegetable
5411	Convenience Market
5461	Bakery
5921	Package Store-Liquor and Beer
5813	Bar, Night Club, Lounge
5812	Restaurant Cafeteria
5812	Fast Food Ice Cream
5499	Miscellaneous Food Store (Health Food)
5441	Candy

Building Materials – Hardware**Garden Supply**

5211	Lumber and Other Building Materials
5074	Plumbing, Heating, and Water Conditioning
5075	Air Conditioning
5063	Electrical, Lighting Equipment
5231	Paint, Glass
5211	Tile
5251	Hardware
5261	Nursery
0782	Landscaping

5261	Farm and Garden Supply
5211	Pool and Patio – Utility Buildings
5211	Miscellaneous Building Materials
Machinery and Equipment	
5083	Farm, Grove and Garden Machinery and Equipment
5084	Industrial Machinery and Equipment
5082	Construction and Mining Machinery and Equipment
5999	Miscellaneous Machinery and Equipment
Electrical and Electronic Machinery and Equipment	
5999	Office/Business Machinery and Equipment
5734	Data Processing – Computers
5999	Copying Machines
5731	Miscellaneous Electrical and Electronic Machinery and Equipment
Transportation	
5511	Automobiles and Trucks (New)
5521	Automobiles and Trucks (Used)
5531	Auto Parts, Junk Yards, Tires
5271	Mobile Homes
5551	Ships, Boats
5551	Marine Supplies
5599	Aircraft and Parts
5571	Motorcycles and Bicycles and Parts
5561	Miscellaneous Transportation Equipment – Motor Homes, R. V.'s, Bus, Taxi Miscellaneous Retail
5999	Miscellaneous Retail
WHOLESALE	
General Merchandise	
5099	General Merchandise
Apparel and Accessories	
5136	Clothing (Men, Boys)
5137	Clothing (Women, Children, Infants)
5139	Shoes
5137	Miscellaneous Apparel and Accessories – Handbags
5094	Jewelry, Watches
Furniture, Fixtures, Home Furnishings	
5021	Household Furniture
5021	Office Furniture
5023	Floor Coverings, Drapery, Upholstery
5064	Appliances
5064	Radio, TV, Music
5046	Partitions, Shelving, Office and Store Fixtures
Other Merchandise	
5064	Electronics
5111	Printing and Writing Paper
5112	Office Supply and Stationery
5113	Paper Products
5192	Books, Magazines
5193	Florist

5194	Tobacco, Cigars, Cigarettes
5131	Fabric/Textiles
5131	Needlework, Knitting, Yarn, Thread
5091	Sporting Goods
5092	Arts and Crafts, Hobby, Ceramic Supplies
5043	Photographic Supplies, Cameras, Film Processing, Microfilm
5092	Toys
5099	Miscellaneous Other Merchandise

Health Care/Cosmetics

5122	Drugs-Pharmaceutical
5047	Hearing, Orthopedic
5048	Optical
5047	Medical & Dental Equipment & Supplies
5087	Cosmetics, Barber and Beauty Equipment and Supplies
5122	Miscellaneous Health Care/Cosmetics

Food Products

5153	Farm Products (grain, citrus, etc.)
5154	Farm Products (livestock)
5141	Grocery
5144	Specialty (Poultry)
5146	Specialty (Fish and Seafood)
5147	Specialty (Meat)
5148	Fresh Fruits & Vegetables
5149	Bakery
5181	Beer
5182	Wine, Liquor
5149	Beverages
5149	Miscellaneous Food

Building Materials – Hardware

Garden Supply

5031	Lumber and Other Building Materials
5074	Plumbing, Water Conditioning
5075	Heating and Air Conditioning
5063	Electrical, Lighting
5039	Glass, Tile
5198	Paint
5072	Hardware
5193	Nursery and Landscaping
5191	Farm and Garden – Feed, Seed, Fertilizer
5091	Pool and Patio – Utility Buildings
5039	Miscellaneous Building Materials

Machinery

5083	Farm, Grove and Garden Machinery and Equipment
5084	Industrial Machinery and Equipment
5082	Construction and Mining Machinery and Equipment
5083	Miscellaneous Machinery and Equipment

Electrical and Electronic

Machinery and Equipment

5044	Office/Business Machines and Equipment
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5045	Data Processing – Computers
5044	Copying Machines
5065	Miscellaneous Electrical Machinery, Equipment and Supplies
Transportation	
5012	Automobiles and Trucks
5013	Auto Parts
5014	Tires
5015	Junk Yards
5039	Mobile Homes
5088	Ships, (non-pleasure)
5091	Boats (pleasure)
5088	Marine Products
5088	Aircraft and Parts
5092	Bicycles and Parts
5012	Motorcycles
5012	Miscellaneous Transportation Equipment – Motor Homes, R. V.'s., Bus, Taxi
Other Wholesale	
5160	Chemicals
5050	Metals and Minerals
5170	Petroleum and Petroleum Products – Gasoline
5199	Miscellaneous Other Wholesale Miscellaneous Wholesale
5199	Miscellaneous Wholesale
MANUFACTURING	
Textiles	
2200	Fabric and Knitting Mills, Floor Covering
2290	Miscellaneous Textiles
Apparel	
2300	Clothing
Furniture and Fixtures	
2510	Household Furniture
2520	Office Furniture
2440	Partitions, Shelving, Office and Store Fixtures
Health Care	
2830	Drugs
3827	Optical Instruments and Lenses, Glasses and Contact Lenses
3840	Medical and Dental Instruments, Equipment and Supplies
2844	Cosmetics
2834	Miscellaneous Health Care/Cosmetics
Food Products	
2010	Meat
2020	Dairy
2030	Canned and Preserved Fruits and Vegetables (Orange juice concentrate)
2040	Grain (Flour, Cereal, Animal Food)
2050	Bakery
2080	Liquor and Beer
2080	Beverages
2090	Miscellaneous Food Preparation
2099	Refining Sugar, etc.
Lumber and Wood Products,	

Paper

2411	Logging
2421	Sawmills, Planing Mills
2490	Miscellaneous Wood Products
2610	Pulp
2620	Paper Mills
2621	Paper Products (Stationery, Tissues, Bags, Paper Plates, etc.)
2650	Paperboard Containers and Boxes
2670	Miscellaneous Paper Products (Insulation, Tar Paper)

Stone, Clay, Glass and Concrete**Products**

3200	Glass and Glass Products
3240	Concrete, Gypsum, Lime
3241	Cement
3251	Brick, Clay
3253	Ceramic, Tile
3261	Miscellaneous Products – (Plumbing fixtures)
3264	Porcelain, Electrical Supply

Metals

3300	Metal Industries – Foundries, Smelting, Refining
3390	Metal Products
3399	Miscellaneous Metals

Chemicals

2819	Chemicals
2813	Industrial Gas
2821	Plastics
2822	Synthetics
2840	Cleaning Preparations
2890	Miscellaneous Chemical Products – Paint and Varnish, etc.

Petroleum

2910	Petroleum Refining – Gasoline
2950	Paving and Roofing Materials – Asphalt
2990	Miscellaneous Petroleum Products

Rubber and Plastic Products

3011	Tires and Inner Tubes
3021	Rubber Products
3080	Misc. Plastic Products

Leather

3111	Tanning and Finishing
3131	Boots and Shoes
3190	Miscellaneous Leather Goods
3161	Luggage

Machinery and Equipment

3510	Engines and Turbines
3520	Farm, Grove and Garden Machinery and Equipment
3560	Industrial Machinery and Equipment
3530	Construction and Mining Machinery and Equipment
3590	Miscellaneous Machinery and Equipment

Electrical and Electronic

Machinery and Equipment

3578	Office/Business Machinery and Equipment
3571	Data Processing – Computers
3579	Copying Machines
3640	Electric Lighting and Wiring
3630	Appliances
3660	Communication Equipment
3663	Radio & TV Communications Equipment
3670	Electronic Components and Accessories
3690	Miscellaneous Electrical Machinery, Equipment and Supplies

Transportation

3710	Automobiles and Trucks
3714	Auto Parts and Accessories
2451	Mobile Homes
3731	Ships
3732	Boat
3429	Marine Supplies
3720	Aircraft and Parts
3751	Motorcycles, Bicycles and Parts
3790	Miscellaneous Transportation Equipment – R. V.'s, Bus, Taxi
3716	Motor Homes

Other Manufacturing

2131	Tobacco
2121	Cigars
2111	Cigarettes
3861	Photographic Equipment and Supplies
3800	Scientific Instruments
3873	Watches, Clocks, and Parts
3911	Jewelry
3914	Silverware
3931	Musical Instruments
3951	Pens
3952	Pencils, Office and Artist Supplies
3949	Sporting Goods
3944	Toys
3990	Miscellaneous Other Manufacturing

Miscellaneous Manufacturing

3999	Miscellaneous Manufacturing
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LEASING/RENTAL**General Merchandise**

7359	General Merchandise – Rent All Apparel and Accessories
7299	Miscellaneous Apparel and Accessories

Furniture, Fixtures, Home**Furnishings**

7359	Household Furniture
7359	Office Furniture
7359	Appliances
7359	Radio, TV, Music
7394	Partitions, Shelving, Office and Store Fixtures

Other Merchandise

7359	Electronics
7999	Sporting Goods
7359	Cameras, Microfilm
7999	Miscellaneous Other Merchandise

Health Care

7352	Hearing/Optical/Orthopedic
7352	Medical and Dental
7352	Miscellaneous Health Care

Building Materials

7353	Heating, Air Conditioning, Water Conditioning
7353	Electrical, Lighting (Signs)
7359	Pool and Patio – Utility Buildings
7359	Miscellaneous Building Material

Lumber and Wood Products,**Paper**

7359	Sawmills, Planing Mills
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Metals

7359	Miscellaneous Metals (Tank Rental)
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Machinery and Equipment

7353	Engines and Turbines
7353	Farm, Grove and Garden Machinery and Equipment
7353	Industrial Machinery and Equipment
7353	Construction and Mining Machinery and Equipment
7353	Miscellaneous Machinery and Equipment

Electrical and Electronic**Machinery and Equipment**

7359	Office/Business Machinery and Equipment
7377	Data Processing – Computers
7359	Copying Machines
7359	Electric Lighting and Wiring (Searchlights, Construction Lighting)
7359	Miscellaneous Electrical Machinery and Equipment

Transportation

7514	Automobiles
7513	Trucks
7519	Mobile Homes
4499	Ships, Boats
7359	Aircraft
7999	Motorcycles, Bicycles
7519	Miscellaneous Transportation Equipment

Other Leasing/Rental

7359	Laundry and Dry Cleaning Equipment
7352	Medical and Dental Equipment
7359	Beauty and Barber Shop Equipment
7389	Communication Equipment – Telephone Answering
7359	Sanitary Services – Portable Toilets

Miscellaneous Leasing/Rental

7359	Miscellaneous Leasing/Rental
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SERVICES

Personal Services

7210	Laundry, Cleaning and Garment Services
7215	Coin-Operated Laundries and Dry Cleaning
7231	Beauty Shops
7241	Barber Shops
7261	Funeral Service, Crematoriums, Cemeteries
7299	Miscellaneous Personal Services – Shoe Shine

Business Services

7310	Advertising
7323	Credit Bureaus
7322	Collection Agencies
7338	Secretarial Services
7331	Mailing
7334	Photocopying
7335	Commercial Art
7336	Commercial Photography
7349	Cleaning and Maintenance
7342	Disinfecting and Pest Control Services
7380	Miscellaneous Business Services
7389	Personnel Supply, Telephone Answering

Repair – Other Than**Automotive**

7631	Watch, Clock, Jewelry
7629	Electrical
7641	Re-Upholstery – Furniture
7690	Machinery and Equipment Repair
7620	Appliance Repair
7690	Miscellaneous Repair

Health Services

8011	Physicians
8021	Dentists
8041	Chiropractors
8042	Optometrists
8049	Other Health Care Practitioners
8060	Hospitals
8050	Skilled Nursing and Intermediate Care Facilities
8059	Nursing Homes except skilled and intermediate care facilities, Domiciliary

Care with Health Care

8082	Home Health Care Services
8070	Medical and Dental Labs
8090	Other Health Services
8093	Rehabilitation Centers
8099	Blood Banks

Legal Services

8111	Attorneys, Law Libraries
8111	Other Legal Services

Financial Service

6000	Banks, Savings & Loan, Credit Unions, and other Depository Institutions, etc.
6100	Credit Agencies, Personal Credit, Business Credit, Mortgage Bankers, Loan Brokers and Other Non-

6200	Depository Institutions
Insurance and Real Estate	Security and Commodity Brokers, Dealers, Exchanges and Services – Stocks and Bonds
6411	Insurance Companies, Insurance Brokers
6300	Insurance Carriers (Companies)
6410	Insurance Agents, Brokers, and Services
6500	Real Estate Agents, Realtors, Title Abstract Offices, Developers
Miscellaneous Professional Services	
8710	Engineering, Architectural, and Surveying Services
8720	Accounting, Auditing, and Bookkeeping Services
8750	Other Professional Services
Educational Services	
8200	Educational Institutions per Section 196.012(4), F.S. – Exempt
8240	Other Schools and Educational Services – Beauty and Barber, Charm, Driving Schools
Social Services	
8300	Job Training, Vocational Rehabilitation, Child Day Care, Residential Care
Amusement and Recreation	
7800	Motion Picture Production and Distribution, Theaters
7933	Bowling Alleys, Billiards and Pool
7940	Commercial Sports, Professional Sports, Clubs, Race Tracks
7990	Tourist Attractions, Amusement Parks
8412	Museums and Art Galleries
7990	Miscellaneous Amusement and Recreation Services, Golf Courses, Country Clubs, Yacht Clubs
Membership Organizations	
8600	Business, Professional, Labor Unions, Civic, Social and Fraternal, Political
8661	Religious Organizations
Public Administration	
9100	General Government, Courts, Police, Fire, Safety, National Security, Public Library
4311	U.S. Postal Service
Communication	
4810	Telephone and Telegraph
4830	Radio and Television Broadcasting
2700	Printing and Publishing – Newspapers, Books, Magazines; Typesetting, Photoengraving, etc.
4841	Cable and Other Pay Television Services
4899	Other Communication Services
Electric, Gas and Sanitary Services	
4911	Electric Power
4920	Gas – Production and Distribution, Pipelines
4941	Water Supply
4950	Sanitary Services (Sewerage, Refuse, Mosquito Control)
4939	Alternate Energy Devices – Solar, Wind, Geothermal
Automotive Repair and Services	
7530	Automotive Repair – Garages
7532	Top & Body Repair and Paint Shops
5541	Service Stations – Gasoline
7540	Automotive Services – Parking, Car Wash

Passenger Transportation

4100 Bus Line, Taxi, Ambulance, School Bus, Terminals

Trucking and Warehousing

4210 Trucking – Local and Long Distance

4220 Public Warehousing

4231 Other Trucking and Warehousing

Water and Air Transportation

4400 Water Transportation and Support Services – Docks, Yacht Basins

4500 Airlines

4580 Airports and Terminals

Railroads and Private Car Line**Companies**

4011 Railroads – Operating Property (Centrally Assessed)

4741 Private Car Line Companies

Transportation Services

4720 Travel Arrangement – Travel Agencies

4780 Miscellaneous Transportation Services – Inspection and Weighing, Crating and Packing, Toll Road and Bridge Operation

Miscellaneous Services

8999 Miscellaneous Service

SPECIAL**Agricultural Production –****Crops**

0100 Grain and Field Crops – Soybeans, Tobacco, Peanuts, etc.

0161 Vegetables, Melons

0174 Citrus

0173 Nuts

0180 Specialties – Mushrooms, Bulbs, Sod Farms

0190 General Farms – Primarily Crop

Agricultural Production –**Livestock**

0210 Beef, Hogs, Sheep and Goat

0240 Dairy

0250 Poultry and Egg

0272 Horses

0291 General Farms – Primarily Livestock

Agricultural Services

0711 Soil Preparation and Crop Service

0740 Veterinary Service

0750 Other Animal Services – Breeding, Boarding, Training

0760 Farm Labor and Management Services

0780 Landscaping and Agricultural Services

0782 Lawn and Garden Services

Forestry

0811 Timber Tracts

0851 Forestry Service

Fishing, Hunting, Trapping

0910 Commercial Fishing

0921 Fish Hatcheries, Game Preserves

0971	Other Fishing, Hunting, Trapping
Oil and Gas Extraction	
1311	Crude Petroleum and Natural Gas
1321	Liquid Natural Gas
1380	Oil and Gas Field Services
Mining and Quarrying	
1420	Crushed and Broken Stone (Lime Rock, Limestone)
1440	Sand and Gravel
1470	Chemical and Fertilizer Mining (Phosphate Rock) Construction
1500	General Building Contractors
1611	Highway and Street Construction
1620	Heavy Construction
Special Trade Contractors	
1711	Plumbing, Heating and Air Conditioning
1721	Painting and Paper Hanging
1731	Electrical Work
1750	Carpentering and Flooring
1761	Roofing and Sheet Metal Work
1771	Concrete Work
1781	Water Well Drilling
1790	Miscellaneous Special Trade Contractors
Accommodation	
6514	Single Family – Rental Property
6514	Duplex
6514	Triplex
6514	Condominiums
6513	Apartment – 10 or Fewer Units
6513	Apartment – More Than 10 Units
7011	Hotel, Motel
7021	Rooming and Boarding Houses
7033	Camps, Tourist Courts
6512	Building Rental
6519	Building on Leased Land
8811	Floating Structures – Residential
8811	Household Goods – Non-Florida Residents
6515	Mobile Homes
8811	Mobile Home Attachments
Miscellaneous Special	
9999	Miscellaneous Special

(3)(a) Effective January 1, 2002, the property appraiser shall classify tangible personal property on the assessment roll according to the classification system set out in the 1997 North American Industry Classification System-United States Manual (NAICS), and any subsequent amendments thereto, as published by the Office of Management and Budget, Executive Office of the President, hereby incorporated by reference in this rule. The NAICS classification system will replace the 1987 Standard Industrial Classification (SIC) codes currently described within this rule. Effective January 1, 2002, the Department of Revenue will not accept assessment rolls which classify personal property using either the class code system defined in Rule 12D-8.009, F.A.C., as amended on September 30, 1982, or with SIC codes currently identified in this rule. Information on how to obtain any documents described within this rule may be obtained from the Property Tax Oversight Program, Florida Department of Revenue, (850)717-6570.

(b) The NAICS classification system, a 5-digit and/or 6-digit classification system, is to be used in Field Number 6 of the STANDARD N.A.P. File described in paragraph 12D-8.013(6)(c), F.A.C. Conversion from existing classification systems may be

completed prior to the conversion deadline. Assessment rolls submitted prior to full conversion to the NAICS system may contain classification systems which use any of the three aforementioned classification systems. Upon submission of the first assessment roll containing other than the class code classification system, the Department must be notified in writing of the conversion methods used on the assessment roll. Field Number 5 should be completed with an alphabetic character indicating the coding system used for the assessment roll. If reporting by original class codes in Field Number 6, enter code "C" in Field Number 5. If reporting the SIC codes in Field Number 6, enter code "S" in Field Number 5. If reporting the NAICS code in Field Number 6, enter code "N" in Field Number 5.

(c) To facilitate Florida-specific property tax administrative needs, the Department of Revenue recommends the following special code numbers, not currently contained within the NAICS system:

CATEGORY	CODE NUMBER
CITRUS	
Citrus Brokers	11137
MOBILE HOME	
Mobile Home Owners	81418
Mobile Home Attachments	81419
RESTAURANTS	
Franchise Ltd. Svc. Restaurants-Bar-B-Que	722214
Franchise Ltd. Svc. Restaurants-Hamburger	722215
Franchise Ltd. Svc. Restaurants-Pizza	722216
Franchise Ltd. Svc. Restaurants-Chicken/Fish	722217
Franchise Ltd. Svc. Restaurants-Mexican	722218
Franchise Ltd. Svc. Restaurants-All Others	722219
GROCERY	
Supermarkets and Other Grocery except Convenience Stores (state or regional chain)	44511
Other Supermarkets and Grocery (locally owned)	445113
RAILROAD	
Line-Haul Railroads	482111
Short Line Railroads	482112
Support Activities for Rail Transportation	48821
Railroads (Non-operating Property)	482119

Rulemaking Authority 195.027(1), 213.06(1) FS. Law Implemented 193.052, 193.114, 195.073 FS. History—New 12-7-76, Amended 9-30-82, Formerly 12D-8.09, Amended 12-30-97, 1-31-99.



RETURN OF POLLUTION CONTROL DEVICES FOR AD VALOREM TAX PURPOSES

Section 193.621, Florida Statutes and Rule 12D-1.004(1)(b), F.A.C.

File this form with your county property appraiser by **April 1**. Keep a copy for your records.

Taxpayer	County
Address	Phone
	Fax

This return is for the assessment of the pollution control devices below. (Fields will expand, as needed.)

Description of property:

Description of facility:

I will furnish any reasonable information the property appraiser may request for this return.

Signature, taxpayer

Print name

Date

A property appraiser may ask the Department of Environmental Protection to make a recommendation about whether a taxpayer is entitled, in whole or in part, to an assessment limit under Section 193.621, F.S. You will be notified if a recommendation is requested. You may wish to familiarize yourself with the requirements of that statute before making an application with your county property appraiser.