

Tennessee Code Annotated

67-5-903. Schedules - Property used for business, professionals, manufacturing.

(a) All partnerships, corporations, other business associations not issuing stock and individuals operating for profit as a business or profession, including manufacturers, except those whose property is entirely assessable by the comptroller of the treasury, shall be furnished by the assessor not later than February 1 of each year, a schedule requiring the taxpayer to list in detail all tangible personal property owned by the taxpayer and used or held for use in such business or profession including, but not limited to, furniture, fixtures, machinery and equipment, all raw materials, supplies, but excluding all finished goods in the hands of the manufacturer and the inventories of merchandise held for sale or exchange, such schedule to be approved by the director of property assessments.

(b) It is the duty of the taxpayer to list fully such tangible personal property used, or held for use, in the taxpayer's business or profession on such schedule, including such other information relating thereto as may be required by the assessor, place its correct value thereon, sign same, and return it to the assessor prior to March 1 of each year. In lieu of detailing acquisition cost on the reporting schedule, the taxpayer may certify that the depreciated value of tangible personal property otherwise reportable on the form is one thousand dollars (\$1,000) or less. The assessor shall accept the certification, subject to audit, and fix the value of tangible personal property assessable to the taxpayer pursuant to the schedule, at one thousand dollars (\$1,000). This value shall be subject to equalization pursuant to § 67-5-1509. The certification stated on the schedule shall warn the taxpayer that it is made subject to penalties for perjury and subject to statutory penalty and costs if proven false.

67-5-904. Schedules - Leased property.

(a) (1) For the purpose of assessing leased property, it is the further duty of the taxpayer to list fully on a schedule provided by the assessor all tangible personal property which is leased by the taxpayer for the conduct of the taxpayer's business.

(2) Leased property shall include equipment, machinery and all tangible personal property used in the conduct of, or as a part of, the taxpayer's business including, but not limited to, the following:

(A) Equipment that is leased only, not sold; (B) Equipment that is leased at nominal rent or loaned under certain circumstances; (C) Equipment that is leased and not permitted to be sold; (D) Leased coin-operated machines and devices; (E) Equipment that is placed on location; (F) Vehicles, automobiles, trucks; (H) Electronic equipment.

For more information:

. . .about your tangible personal property schedule, appraisal or assessment, contact:

**Cumberland County
Assessor of Property
2 South Main Street
Suite 101
Crossville, TN 38555
(931) 484-5745**

. . .about your county property taxes, contact:

**Cumberland County Trustee
2 South Main Street
Suite 111
Crossville, TN 38555
(931) 484-5730**

. . .about your county business license, contact:

**Cumberland County Clerk
2 North Main Street
Suite 206
Crossville, TN 38555
(931) 484-6442**

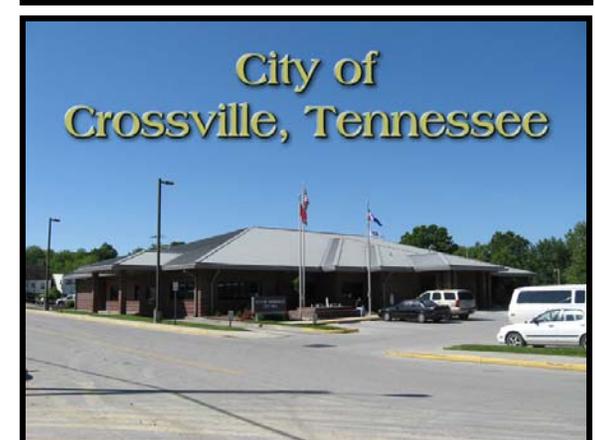


**Cumberland County
Assessor of Property**



Assessment of Tangible Personal Property

Information for Business Owners about
Reporting and Assessment of Tangible
Personal Property for Tax Purposes.



Frequently Asked Questions

Q: What is "Tangible Personal Property" ?

A: Tangible Personal Property is all property owned or held by a business to operate that business, including but not limited to, furniture, fixtures, vehicles, tools, machinery, equipment, raw materials, and supplies. The tangible personal property reporting schedule and its accompanying instructions contain a good, but not all inclusive list of the items that make up personal property. Finished goods in the hands of the manufacturer and inventories of merchandise held for sale or exchange are not considered tangible personal property.

Q: How is Tangible Personal Property reported and assessed in Tennessee?

A: No later than 1 February each year, the Assessor of Property is required to furnish each applicable business in the county with a schedule for listing all of their tangible personal property. Those business owners (or agents) must then complete and return those forms to the assessor's office prior to 1 March. In many cases, for an existing business, this simply involves listing the equipment acquired or disposed of during the previous year, so that it may be added to or removed from the schedule already on file. It is basically a "self declaring" system, but is subject to audit for verification.

Q: I no longer operate a business, why do I still receive a schedule to fill out?

A: If you have closed your business, but are still receiving Tangible Personal Property schedules, you probably have not closed out your business license. Along with contacting the County Clerk's office to remedy this, you need to state that your business is closed in the "notes" section on the back of the schedule, then sign, date, and return the form to the Assessor.

Q: What happens if a business owner fails to return the tangible personal property schedule?

A: If a business owner fails to complete and file a schedule, the Assessor of Property must make a "forced assessment" regarding the quantity and value of the personal property held by that business by using information available on businesses of similar size and function.

Q: I have a personal vehicle that I use for business purposes, do I have to list that vehicle as business property?

A: Yes, if you use the vehicle for business it must be reported.

Q: Some of the equipment or machinery that I use to run my business is leased, do I report that property on my schedule?

A: Yes, under Tennessee Law, leased or rented equipment is assessed to the lessee and you are required to list it on your schedule.

Q: I run a small business out of my home that uses very little equipment or supplies, do I have to individually list those items?

A: No, if you believe that the depreciated value of all your personal property is \$1,000 or less, you can check that box on the reverse side of the schedule and there is no requirement to itemize.

Q: What if I disagree with the value assigned to my personal property by the Assessor?

A: As with "real property", a property owner has the right to appeal their personal property assessment, beginning with the County Board of Equalization and continuing until satisfied or their appeals are exhausted. For the initial appeal to be heard, however, the taxpayer must first file a completed schedule.

Important Dates

1 January: Date of Assessment
TCA 67-5-504

1 February: On or before 1 February, the Assessor of Property provides business owners with a schedule to list all tangible personal property used in operation of their business.
TCA 67-5-903(a)

1 March: Prior to 1 March, all schedules must be returned to the Assessor of Property's office. If schedule not returned, "forced assessment" will be made.
TCA 67-5-903(b)

20 May: Assessor lists all property and notifies property owners of any changes in their assessments.
TCA 67-5-504 & TCA 67-5-508

1 June: County Board of Equalization meets for approximately two weeks to consider appeals and certify values.
TCA 67-1-404 & TCA 67-5-1410

July: County Commission and City Council set their respective tax rates.
TCA 67-5-510

In October: Taxes become due and payable.
TCA 67-1-701

1 March (following year): County taxes become delinquent, penalty and interest begin to accrue.
TCA 67-1-801

1 December (following year): City taxes become delinquent, penalty and interest begin to accrue.
TCA 67-1-801