

## INSTRUCTIONS FOR FILING KANSAS PERSONAL PROPERTY ASSESSMENT FORM

File a return in each county where you have taxable personal property. Refer to the schedule summaries below for the types of personal property that are taxable. For more information contact your local county appraiser's office.

- 1) Complete the owner and address information. Provide the name of taxpayer if different from owner and provide the location of property if different from the owner's address. **Note:** If this is not a new account, please provide the county account number.
- 2) Check one of the "I DO HEREBY CERTIFY" boxes and sign the return. By law, both the property owner and the rendition preparer (if applicable) must sign the return. Attach any appropriate schedules. **Note:** The county appraiser will supply a list of property reported to the county for the prior tax year. This list should be reconciled and used for the current year reporting.
- 3) File by March 15<sup>th</sup>. By law, this form must be completed, signed and filed with the county appraiser by March 15<sup>th</sup>. A written request for an extension must be filed with the county appraiser prior to March 15<sup>th</sup> if an extension from this filing date is needed. The penalty for late filing is 5% per month up to a maximum of 25%, the penalty for failure to file is 50%.

**Machinery & Equipment Credit:** An income tax credit/refund equal to 25% of the property taxes timely paid on commercial or industrial machinery and equipment listed on Schedules 5 or 6 (of this return) is available from the state. This credit can be claimed on Kansas Schedule K-64 and filed with your Kansas income tax, privilege tax, or insurance company premiums tax returns.

The following is a brief description of the schedules a taxpayer should use to report taxable personal property:

**SCHEDULE 1: Personal Property Mobile Homes** used for Residential Housing; By law, a mobile home is considered to be personal property unless: (1) the owner (or spouse) of the mobile home also owns the land it is on and (2) the mobile home has a permanent foundation. The method used to value a residential mobile home will be the same, whether classified as real or personal.

**SCHEDULE 2: Mineral Leasehold Interests,** contact the county appraiser for a separate Schedule 2.

**SCHEDULE 3: Public Utilities-Locally Assessed,** contact the county appraiser for a separate Schedule 3.

**SCHEDULE 4: Motor Vehicles** are self-propelled and designed to operate on public roads. List motor vehicles that are tagged to operate at 16,000 pounds or greater or non-highway titled. Vehicles that not designed to operate on public roads are listed on Schedule 5 or 6. "Haul for hire" motor carrier vehicles are reported to the state.

**SCHEDULE 5: Commercial and Industrial Machinery and Equipment** is any tangible personal property used to produce income or depreciated or expensed for IRS purposes which is not exempt, state appraised, or a motor vehicle. All tangible personal property used for commercial and industrial purposes must be listed for property tax purposes unless it is *expressly exempt*, even if the item has been fully depreciated for income tax or record keeping purposes. \* **Digital television and radio equipment** that qualifies for a personal property tax credit pursuant to K.S.A. 79-2980 and K.S.A. 79-2981 must be listed separately on Schedule 5B (digital television equipment) or Schedule 5C (digital radio equipment).

The following is a brief description of the columns on Schedule 5:

- (1) A description of the property.
- (2) The year the new or used item was purchased.
- (3) Note whether the item was purchased new ("N") or used ("U").
- (4) The age, in years, of the item at the time it was purchased. If purchased new the age at purchase is 0.
- (5) The cost to acquire the item; in terms of dollar value, not including sales tax or freight and installation costs that are charged separately and readily discernible from the actual retail price of the item.
- (6) through (10) are for county use

Retail cost when new is the cost of the item when first offered new at the retail level, not including sales tax or freight and installation costs charged separately and readily discernible from the set retail price. When items are purchased used, the appraiser will use a formula prescribed by the state to estimate "retail cost when new".

An "item" functions independently, without direct physical attachment to another "part" of machinery and equipment used in the owners business. For example, a keyboard or monitor is a "part" used in conjunction with other "parts" which together form the "item" (computer).

**Exemptions 2007 Forward:** Machinery and equipment with a "retail cost when new" of \$1500 or less is *expressly exempt* from taxation. In addition, all machinery and equipment **acquired after June 30, 2006**, (physically delivered) via a bona fide purchase or lease-purchase or is transported into the state for expansion of an existing business or creation of a new business is *expressly exempt* from taxation.

**SCHEDULE 6: Other personal property not elsewhere classified** is any taxable personal property that can not be listed on Schedules 1 through 5. Personal property that may qualify as "Other" includes boats, jet skis, off-road motorcycles, ATVs, snowmobiles, race cars, non-commercial trailers, travel trailers that are not Kansas RV-titled, etc. **Note:** The owner of record must notify the county appraiser of the sale or acquisition of any watercraft. The notification must be given on or before December 20<sup>th</sup>, so the value can be prorated for the number of months it is owned.

**SCHEDULE 7: Tangible Personal Property Held But Taxable to Others.** Anyone having in their possession or custody taxable personal property belonging to another (e.g.; leased/lease-purchase equipment, vending or game machines, etc.) must list the property in the name of the owner. Exempt entities must also list taxable personal property belonging to others. Refer to Schedule 5 for applicable exemptions.

**Note:** By law, in order to promote uniform, equal and accurate assessments, all renditions filed are subject to review by the county appraiser for completeness and accuracy. For the same reason, the county appraiser will also take steps to discover non-filers.