

ASSESSOR'S NOTIFICATION

When the Assessor has valued your Business Personal Property, and determined it is a taxable account, you will receive a Notice of Valuation (NOV). **THIS IS NOT A TAX BILL!**

The purpose of the notice is to inform you of any change of valuation and advise you of your right to protest the new value.

When received please study the NOV carefully. The notice describes:

- The business name and location
- The actual value for both the prior and current year
- Estimated taxes
- Provides an opportunity to present your objections to the Assessor

CONTACT THE ASSESSOR RIGHT AWAY IF YOUR NOV REFLECTS A VALUE YOU DISAGREE WITH!

TAX PAYER REMEDIES YOUR LEGAL RIGHTS UNDER THE LAW

- You must file an objection with the Assessor in the county where the property is located.
- For Business Personal Property owners, objection or appeal of the NOV must be postmarked or physically delivered no later than **June 30th**
- The Assessor must give a decision, in writing, by **July 10th**

IF YOU ARE DISSASTIFIED WITH THE DECISION OF THE COUNTY BOARD OF EQUALIZATION

- You may appeal to the Board of Assessment Appeals (BAA), Binding Arbitration, or the District Court of the county in which the property is located
- Your appeal must be filed within 30 days of the decision of the CBOE

IF YOU ARE DISSASTIFIED WITH THE BOARD OF ASSESSMENT APPEALS OR DISTRICT COURT DECISION

- You may appeal to the Court of Appeals within 30 days of the BAA decision, or within 45 days of the District Court decision
- Decisions reached through the Binding Arbitration process are final and not subject to review

ASSESSORS FIELD INSPECTION OF PERSONAL PROPERTY

To ensure that all taxpayers receive just and equalized appraisals for their property, Colorado law requires that the Assessor physically inspect Business Personal Property in the county on a regular basis. Property owners will be contacted by the Assessor's office when their Business Personal Property account has been selected for an on-site review.

WHEN TO PAY PROPERTY TAXES

The El Paso County Treasurer is responsible for mailing and collecting the property tax bill. Each year taxpayers receive their property tax bills after **January 1st**

Mark Flutcher El Paso County Assessor



BUSINESS PERSONAL PROPERTY TAX INFORMATION

A guide from the El Paso County Assessor's office to provide greater understanding of Business Personal Property Valuation and Assessment

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BUSINESS PERSONAL PROPERTY

The Colorado Business Personal Property tax is a levy on Personal Property for a business or organization. The procedure for applying this tax is similar to that used for Real Property: The Assessor places a value on the property and consolidates the levies. The Treasurer then mails a tax bill to the property owner.

WHAT IS PERSONAL PROPERTY

Business Personal Property is everything that is not “Real Property”, typically portable or moveable items. Business Personal Property includes equipment, machinery, furniture, security devices, signs and personal effects not otherwise exempt by law.

Certain leasehold improvements are considered Business Personal Property. Property owners report detailed leasehold improvements on the Declaration Schedule and the Assessor determines if they are Business Personal Property or Real Property improvements.



NOTE

Some equipment is classified as type “F” or special mobile equipment and is valued and taxed by the local County Clerk.

EXEMPTIONS

- Consumables: The Personal Property must have an economic life of one year or less.
- First Use: An asset that has been purchased but not put into service.
- Any asset with an original cost of \$350 or less.



IMPORTANT DATES

- Colorado law states that **January 1st is the assessment date**. The owner of the property is considered the owner for the entire assessment year. Proration is generally not allowed.
- Declaration Schedules are mailed as close to **January 1**, as possible.
- Taxpayers must return Declaration Schedule to the Assessor by **April 15th**.

IT IS THE RESPONSIBILITY OF THE BUSINESS OWNERS TO OBTAIN AND FILE A DECLARATION SCHEDULE, IF ONE IS NOT RECEIVED IN THE MAIL.

EXTENSIONS

An extension may be obtained from the Assessor’s Office by submitting a letter of request along with a payment of \$20 for ten days or \$40 for twenty days. The extension request must be received by the April 15th deadline.

WHO MUST FILE

Owners of Business Personal Property must file a Declaration Schedule, listing all assets not otherwise exempt by law. If the total value of all assets is less than \$56,000, the owner is exempt from paying Business Personal Property Tax. **However, if your business is new or you have never filed a Declaration Schedule, please submit a complete listing of your assets. This will ensure accurate valuation of the business.**

NOTE

All Business Personal Property Declaration Schedules and enclosed forms returned to the Assessor are considered private, confidential documents by law.

FAILURE TO FILE

Failure to file a Declaration Schedule by April 15th or by the end of the requested extension time will be fined \$50 or 15% of the taxes due, whichever is the lesser amount. If a Declaration Schedule is not received, the Assessor shall estimate the property value according to the **BIA “Best Information available”** assessment method.

Failure to make a complete disclosure of Business Personal Property will result in an additional penalty of 25% of the undisclosed property.



HOW BUSINESS PERSONAL PROPERTY IS VALUED

The County Assessor’s duty is to value Business Personal Property for assessment purposes. The property owner files a Declaration Schedule with the Assessor, listing full description of asset, original cost and year purchased. This enables the Assessor to estimate the actual value (market value as estimated by Statutory Appraisal Methods) of the property.

The Assessor multiplies the actual value of the Business Personal Property by the assessment rate of 27.9% to arrive at an assessed value. The assessed value is multiplied by the mill levy to calculate the taxes for the property.

$$\begin{aligned} \$60,000 \text{ (Actual Value)} \times 26\% \text{ (Assessment Rate)} \\ = \$15,600 \text{ (Assessed Value)} \times .0700 \text{ (Mill Levy)} = \\ \$1,092 \text{ Estimated Taxes Due.} \end{aligned}$$

In this example, \$60,000 worth of Business Personal Property in a tax district with a mill levy of .0700 would result in a tax bill of \$1,092.