



Department of Assessing

January 8, 2016

REF: Business Personal Property Declaration Form

See the back of this letter for general instructions on completing the enclosed Business Personal Property Declaration Form.

Dear Taxpayer:

State of Maine law (MRSA 35 Section 708) provides for a tax on business personal property. The tax is assessed annually in accordance with the requirements set forth in Title 36 of the Maine Revised Statutes, sections 601 & 706. Before making an assessment, the assessor or assessors, the chief assessor of a primary assessing area or the State Tax Assessor in the case of the unorganized territory may give seasonable notice in writing to all persons liable to taxation or qualifying for exemption pursuant to subchapter 4-C in the municipality, primary assessing area or the unorganized territory to furnish the assessor or assessors, chief assessor or State Tax Assessor true and perfect lists of all their estates of which they are possessed on the first day of April of the same year.

Enclosed please find the Business Personal Property List currently on file in our office. Please indicate deletions, retired from use, and quantity changes on this printout. All **additions** should be indicated on the form. Once the form is completed and signed, return it to the Assessor's Office by **April 15th, 2016**. You may submit changes in another format if it provides all the same information as the declaration form indicates. **Please do not submit lump sum totals; we require a breakdown of all assets.** Please indicate if the items were either purchased used or homemade and the dates and costs at the time of acquisition.

Apartment Building Owners: Your cooperation in declaring your personal property (rental unit appliances) will ensure an accurate tax assessment and will qualify you for the appeal process. If you fail to file this declaration, we will have no choice but to **estimate the number of appliances**. The City will use an "in use value" on all appliances, if there is no itemized information on age or original cost.

This year an electronic copy of this form is available at www.bangormaine.gov. Your company may fill out this form with the same information and email it to declarations@bangormaine.gov

IMPORTANT: If you are in business on April 1, 2016, you are responsible for the entire year's Personal Property Tax Bill. Tax bills will be issued to all businesses unless the Assessor's Office is notified **IN WRITING** to the contrary. **If this declaration form is not completed and returned, an additional estimated assessment will be included in the new total assessment. Also under Maine Law taxpayers that do not comply may lose any right to appeal their assessment.**

The Assessor's Office is available to assist you with understanding what is required in this annual taxation reporting procedure and to answer your questions regarding these requirements. You may reach the Assessing Office at **207-992-4212**.

TAX REFUND: The State of Maine has a Business Equipment Tax Reimbursement (BETR) Program. This allows for personal property taxes paid on qualified personal property to be refunded to businesses.

TAX EXEMPTION: The State of Maine has a Business Equipment Tax Exemption (BETE) Program. This allows for a personal property tax exemption on qualified personal property. Please contact the State of Maine, Maine Revenue Services at **207-624-5600** for an application booklet for either BETR or BETE. (www.maine.gov/revenue/propertytax/)

We look forward to working with you.

Yours Sincerely,

Philip S. Drew
Assessor

Enclosures

73 Harlow Street • Bangor, Maine 04401
207.992.4215 • Fax 207.945.4433
cityassessor@bangormaine.gov



GENERAL INFORMATION

The "just market value" for municipal assessment purposes is generally the replacement/historical total cost less depreciation; **items are never depreciated to a zero value.**

**IF YOUR BUSINESS IS IN OPERATION AS OF APRIL 1ST OF A GIVEN YEAR,
YOU ARE RESPONSIBLE FOR THE PERSONAL PROPERTY TAX BILL.**

GENERAL INSTRUCTIONS

THE DECLARATION FORM MUST BE RETURNED OR YOU FORFEIT YOUR RIGHT OF APPEAL. IF YOU FAIL TO SUBMIT A BUSINESS PERSONAL PROPERTY DECLARATION, THE ASSESSOR WILL MAKE AN ESTIMATION.

The declaration form should be sent back by **APRIL 15, 2016.**

WHERE TO FILE DECLARATIONS:

REGULAR MAIL: City of Bangor - Department of Assessing, 73 Harlow Street, Bangor, ME 04401
An electronic copy from your company with the same information is acceptable.

EMAIL: declarations@bangormaine.gov

AUTOMOBILES: This applies to all businesses: **Do not report automobiles that are excised.**

→ New or First Time Taxpayers must:

- a. **LIST:** Submit a complete list of **ALL** personal property; listed under the proper sections on the enclosed declaration form. Lists will be accepted if they provide all information requested in sections 1-6.)
- b. **LUMP SUM TOTALS:** An itemized list of assets must be submitted. Lump sum totals **will not** be accepted.
- c. **FULLY DEPRECIATED ITEMS:** All fully depreciated personal property must be included.
- d. **COST:** Provide original purchase date and total cost (include shipping & installation).
- e. **LESSEE:** If you are the lessee of the personal property, see instructions below.
- f. **LESSOR:** If you are the lessor of personal property, see instructions below.

→ Previously Assessed Taxpayers must: (Note changes on the revised declaration form enclosed.)

- a. **LIST:** List all personal property under the proper sections on the enclosed form.
- b. **DELETED ITEMS:** Indicate on the prior year's list all items removed from premises, replaced or disposed of. **(CD on left-hand side of enclosed list stands for an Assessing code, not quantity.)**
- c. **FULLY DEPRECIATED ITEMS:** All fully depreciated personal property must be included.
- d. **LUMP SUM TOTALS:** An itemized list of assets must be submitted. Lump sum totals **will not** be accepted.
- e. **NO CHANGE:** If the business has not added, removed, retired, or replaced any business personal property since April 1, 2015, please check the **No Change** box above section 1.
- f. **CLOSED, MOVED, OR SOLD:** If the business has either closed, moved, or been sold since April 1, 2015, return the signed declaration form with the following:
 1. Date of closure.
 2. Date and address of relocation.
 3. Name and address of the new owner.
- g. **LESSEE:** If you are the lessee of personal property, see instructions below.
- h. **LESSOR:** If you are the lessor of personal property, see instructions below.

→ Lessees declaring leased personal property must:

- a. **OWNER:** Include the full business name and address of the owner.
- b. **LEASED ITEMS:** Identify item(s) being leased. Include information requested in section 5.
- c. **LEASE TERMS:** Provide lease terms, monthly payment, number of months the lease runs, original date of the lease and the original cost of the equipment.
- d. **TERMINATED LEASE:** If lease has been terminated, you must indicate if the equipment has been returned/removed or is a "buyout".
- e. **PARTY IN POSSESSION:** If lease information is not provided, lessee will be assessed as party in possession.

PLEASE NOTE THE FOLLOWING DISTINCTIONS:

FINANCED EQUIPMENT: Personal property that is **OWNED** by you, but is financed through another company should be listed as owned in the appropriate sections 1-4.

LEASED EQUIPMENT: Section 5 should only have items listed that are **LEASED, LOANED, OR RENTED and OWNED BY ANOTHER PARTY.**

→ Lessors declaring leased personal property must:

- a. **LOCATION:** Specify the exact physical location, lessee name and lessee address.
- b. **LEASED ITEMS:** Provide the information requested on item(s) being leased, see sections 5 & 6.
- c. **TERMINATED LEASE:** If lease has been terminated, you must indicate if the equipment was returned, a "buyout" or given to lessee.

Business Equipment Property Tax Relief Program

Source Maine Revenue Services - Property Tax Division

BETE Exemption

- ▶ 100% property tax exemption for “eligible property” first subject to tax in Maine on or after 4/1/08 – first placed in service after April 1, 2007.
- ▶ No time limit on length of exemption.
- ▶ With some exceptions, uses same definitions of “eligible property” and applies to same types of property and companies as does BETR

Exemption – Filing Procedures - The Report

- ▶ By April 1 each year – file report with local Assessor identifying the exempt property
- ▶ Report must be on a form prescribed or approved by State Tax Assessor and must be available to tax payers before April 1, 2016
- ▶ Report must be filed by April 1 each year even if there’s no change
- ▶ Automatic Extension to May 1, 2016 if the April 1, 2016 deadline not met
- ▶ On written request local Assessor may extend the May 1st filing deadline
- ▶ Property is disqualified from exemption for any year in which the report is not timely filed

Does my business qualify for the Exemption (BETE) program?

The BETE law states that the exemption program does not include property used in “retail sales activity” located in a “retail sales facility.” A retail sales activity includes the selection, purchase or rental of goods or services; a sales facility is a structure used to serve customers who are physically present to choose, purchase, or rent goods or services.

However if your business involves the performance of services where the delivery of the services is not near contemporaneous (very close together in time) with the selection and purchase of the services by retail customers or clients who are physically present at the facility (for example, the drafting of legal documents or the provision of accounting services), then your equipment is not considered as used in a “retail sales activity” and would be eligible for the exemption program.

Maine Revenue Services cites the following examples of non-retail business whose property under most circumstances will qualify for BETE (Exemption):

- ▶ Accounting firms
- ▶ Engineering Consultants/firms
- ▶ Insurance Companies
- ▶ Computer Consultants
- ▶ Medical Laboratories
- ▶ Banks
- ▶ Law Firms

These types of retail/service businesses are excluded from BETE in most circumstances, but would be eligible for BETR (Reimbursement):

- ▶ Hair Salon/Barber
- ▶ Gas Stations
- ▶ Hotel/Motel, B&B
- ▶ Restaurants
- ▶ Laundromats
- ▶ Health Clubs
- ▶ Automotive Repair Shops

Who does Not Qualify? (See Complete BETE Application)

Property Owned or Used by an Excluded Person:

- ▶ A Public Utility
- ▶ A person that provides radio Paging Service
- ▶ A person that provided mobile telecommunications service
- ▶ A cable television company
- ▶ A person that provides satellite-based direct television broadcast services
- ▶ A person that provides multi-channel, multipoint television distribution services

(Continued on reverse side)

What does Not Qualify? (See Complete BETE Application)

- ▶ Office furniture
- ▶ Lamps and lighting fixtures used primarily for general office or worker lighting
- ▶ Property owned or used by an excluded person
- ▶ Telecommunications personal property
- ▶ Gambling machines or devices
- ▶ Property located at a retail sales facility and used primarily in a retail sales activity

Who determines whether my application for the BETE program is accepted?

The initial decision to accept a business' application for the BETE program is made by the Assessor, based on the guidelines provided in the law and interpreted by the Maine Revenue Services. If your application is denied, the assessor will notify you. If Maine Revenue Services later determines the Assessor's decision to be in error, you will be notified by them and will receive a supplemental assessment from the City of Bangor.

**For additional information and to find a copy of the Exempt Application contact
Maine Revenue Services Property Tax Division
at www.maine.gov or by calling (207)-624-5600.**

SECTION 4 ALL OTHER PERSONAL PROPERTY NOT INCLUDED IN SECTIONS 1, 2 OR 3: (Lump Sum Totals Not Accepted)

EX: TRAILERS (CARGO, BULK HAULING, STORAGE, OFFICE), LAW LIBRARY, ART WORK, ETC. IN THIS SECTION.

DESCRIPTION OF ITEM	MODEL # / SERIAL #	QTY.	MO./YR. ACQUIRED	COST EACH	TOTAL COST

(ATTACH ADDITIONAL SHEETS, IF NECESSARY AND IDENTIFY AS 'OTHER PERSONAL PROPERTY')

SECTION 5 LEASED, LOANED OR RENTED PERSONAL PROPERTY: *(PLEASE SEE NOTE ON INSTRUCTION LETTER BEFORE COMPLETING THIS SECTION)*
 List below **all** personal property which is located at your place of business that is leased, loaned, or rented and is **owned by someone else**. This would include such items as vending machines, postage machines, computer equipment, copy machines, telephone systems, security alarms, trash containers, video games, furniture, typewriters, calculators, water coolers, ice machines, storage trailers, construction equipment or any other type of equipment that is **not owned by you** but is located on your premises.

FULL NAME AND ADDRESS OF OWNER	DESCRIPTION OF ITEM	QTY	COST	LEASE DATE	MONTHLY RENT	NUMBER OF MONTHS

(ATTACH ADDITIONAL SHEETS, IF NECESSARY AND IDENTIFY AS "LEASED" EQUIPMENT, ETC.)

SECTION 6 TRUE OR CONDITIONAL LEASES - THIS SECTION FOR LESSORS OR LENDERS ONLY:
Leasing Companies: To help avoid duplication of accounts related to leased personal property, **PLEASE** complete the following:

Does your business lease personal property in the City of Bangor? Yes No
 Does your business handle conditional leases on equipment located in the City of Bangor? Yes No

If yes, provide the name and address of the person(s) or business to whom the property was leased or financed to on the assessment date. Also include a description of the item(s), its model #, serial #, the quantity leased, year acquired and original cost. Attach list identified as "Leased" or "Conditional Leased" Personal Property. **PLEASE SPECIFY WHO IS RESPONSIBLE FOR THE PERSONAL PROPERTY TAXES.**

If notice is given by mail and the taxpayer does not furnish the list, the taxpayer is barred of the right to make application to the assessor or assessors, chief assessor or State Tax Assessor or any appeal from an application for any abatement of those taxes, unless the taxpayer furnishes the list with the application and satisfies the assessing authority or authority to whom an appeal is made that the taxpayer was unable to furnish the list at the time appointed.

The assessor or assessors, chief assessor or State Tax Assessor may require the person furnishing the list to make oath to its truth, which oath any of them may administer.

I hereby certify that this declaration form, together with any accompanying exhibits or statements has been examined by me and to the best of my knowledge, information and belief sets forth a full, true, and perfect list of all taxable personal property owned by me or in my possession, or under my control, located in the City of Bangor on April 1, 2016 that such property has been reasonably described and its cost fairly represented; and that no attempt has been made to mislead the Assessor as to its age, quality, quantity or cost.

I also understand that this return is subject to audit by the Assessor or an agent acting on his/her behalf.



IF THE ASSESSOR DOES NOT RECEIVE THIS FORM BACK, HE WILL HAVE NO CHOICE BUT TO ESTIMATE THE PERSONAL PROPERTY USED IN YOUR PLACE(S) OF BUSINESS.

Signed: _____

Print Name: _____

Official Title: _____

Email Address: _____

Taxpayer ID#: _____

Person authorized to disclose records: _____

TELEPHONE #: _____

Date: _____

YES NO
I've attached/included the BETE Exemption Application Form



TO



APRIL 1, 2016 ASSESSMENT DATE.
 RETURN MUST BE FILED BY
 APRIL 15, 2016.

AFTER COMPLETION, PLEASE MAIL THIS FORM TO:
 City of Bangor
 Assessing Department
 73 Harlow Street
 Bangor, ME 04401

 Email Address:
 declarations@bangormaine.gov