

Frequently Asked Questions

What is Personal Property?

Personal Property is everything other than real estate that has value by itself as described in sections 12-41 and 12-71 of the Connecticut General Statutes. Including but not limited to; non-residential furniture, fixtures, computer equipment, tools, machinery, signs, non-registered motor vehicles, leased equipment, and leasehold improvements which may be attached to real estate and any other equipment used in a business to earn income. Farm equipment and horses are also considered personal property. Personal Property such as computer software, inventory for sale, residential furnishings, clothing and jewelry is not taxable. Asset ownership is based on the October 1st Assessment date.

Who must file a Personal Property Declaration?

Anyone in possession of assets on October 1 or having had assets in Suffield for three months prior to October 1st who has either a proprietorship, partnership, corporation or is a self-employed agent or contractor, must file each year. Farmers, horse owners, owners of unregistered motor vehicles, owners of out of state registered motor vehicles that are operated in Suffield, and property owners who lease, loan, or rent Personal Property must also file.

I already paid sales taxes on my Personal Property. Is this a new requirement?

The sales tax is a state tax and the Personal Property tax is a local tax. Connecticut law has required owners of taxable Personal Property to annually report property owned by the on October 1st to the Assessor since 1949.

Why must I file a Personal Property Declaration?

Connecticut Statute 12-71 requires that all Personal Property be reported each year to the Assessor's Office. If you receive a declaration, it is because our office has determined that you may have Personal Property to report. If you feel the form is not applicable, return it with an explanation. Either way, the declaration MUST be returned. Failure to receive a Personal Property declaration does not relieve you of your obligation to file.

I didn't get a declaration in the mail. Am I still required to report my property?

Yes. It is the responsibility of the property owner (or lessee) to file a declaration. The Assessor's Office mails out declarations in September to all known owners of taxable Personal Property. If you do not receive a declaration form in the mail, one can be obtained at the Assessor's office or on the assessor website:

<https://www.suffieldct.gov/departments/assessor>

Do I have to file a Personal Property Declaration every year?

Yes. Declarations filed with "same as last year" are insufficient and shall be considered an incomplete declaration subject to a 25% penalty. A declaration not filed shall result in a value determined by the Assessor plus a 25% penalty will be applied to the total assessment.

What if I have old equipment that has been fully depreciated and written off the books?

Whether fully depreciated in your accounting records or not, all property still in use or in your possession must be reported. When an item more than 11 years old with an original cost of \$250 or less it must be listed in the asset disposal section of the declaration and removed from the taxation reporting section.

Do I have to report assets that I lease, loan, rent, borrow or are provided in the rent?

Yes. There is a form entitled "Lessee's Listing Report" that is part of your Personal Property declaration

specifically for those assets. Even though the assets are assessed to their owner, they must be listed on this form for informational purposes. Be sure to include the full name and address of the lessor.

Can I file online?

Suffield business owners have the option to submit the annual Declaration of Personal Property online.

An access code can be found on the Declaration you receive in the mail. If you cannot find the access code, contact the Assessor's Office for assistance. Online filing begins on October 1st annually.

Is there a filing deadline?

The Declaration must be filed annually no later than November 1st (or the Monday following if November 1 falls on Saturday or Sunday) (CGS §12-42). The Declaration must either be hand delivered, filed online or have a U.S. Postal Service postmark (as defined in CGS §1-2a and as referenced in §12-41(d) on or before November 1st). Please note a postage meter machine in your office is not considered to be a U.S. Postal Service postmark. There is a twenty-five (25%) assessment penalty for failure to file a Personal Property Declaration by the due date.

Can I get an extension?

The Assessor may grant a filing extension for good cause. If an extension is needed, contact the Assessor in writing on or prior to November 1st stating the reason for the extension. The decision to grant an extension is the sole responsibility of the Assessor. There is no appeal.

How is the Personal Property Assessment calculated?

Your cost information is confidential and not open to public inspection. The original acquisition cost should include any additional charges for transportation and installation. The original acquisition cost less the standard depreciation based on the acquisition year will determine the depreciated value. The total depreciated value times 70% will determine the gross assessment for that particular category of Personal Property. Include all assets that may have been fully depreciated, written off, or charged to expenses but are still owned. Computerized filings are acceptable as long as all the information is reported in this prescribed format. If more space is needed, then attach additional pages to the Declaration.

How is the original cost determined?

The original acquisition cost should include any additional charges for transportation and installation. The cost of the asset should be the cost of the item as new. This cost should be an arm's length value that has been neither discounted nor determined by an auction sale. When purchasing used equipment the value that is paid for the item is the depreciated amount not the original cost.

What if I don't remember what I paid for these things?

If you do not remember the item's original cost, then estimate its current value and put that number on the current (first) year line in the appropriate category that appears on the declaration.

What if I don't know what these things cost because they were gifts?

If you do not know the item's original cost, then estimate its current value and put that number on the current (first) year line in the appropriate category that appears on the declaration.

Can anyone see my Personal Property Declaration?

No. Your cost information is confidential and not open to public inspection.

I'm no longer in business but I received a declaration. Do I still need to file?

Yes. Complete the section on page 1 of the declaration "Affidavit of Business Closing or Sale of Business" and tell us what happened to the assets. Do not ignore the declaration! If you do not return this information, the Assessor will assume that you are still in business but have failed to file. You will be assessed, penalized and taxed unless you return the form with the required information. Contact the Assessor's Office for information regarding acceptable documentation.

What if I buy or sell an existing business during the year – who is responsible for the taxes?

Personal Property is assessed to the owner of record on October 1st of each year. In other words, if you sell your business on January 15th, you would be responsible for the tax bill tax comes out in July of that year. It is our suggestion that this issue be resolved between the Buyer and Seller prior to the purchase or sale of the business. Submit a copy of the bill of sale to the Assessor's Office. We also suggest that you check with the Tax Collector if you plan to purchase an existing business to make sure that the taxes are current. There is limited provision in the Connecticut Statutes for proration of personal property in a fire event only.

What if I don't file a declaration?

The Assessor is required to place an assessment on the Personal Property. This assessment represents an estimate based on the value of businesses with similar equipment and assets. Being assessed does not alleviate your responsibility to file an accurate declaration. You will also be penalized 25% for failure to file.

Are there any tax breaks available to owners of Personal Property?

Yes. Certain full and partial exemptions may be available for manufacturing equipment, mechanics' tools, farming equipment, farm tools, horses, and Class 1 Renewables. Incremental exemptions may be applied to newly acquired machinery and equipment used in manufacturing and fabricating. Contact the Assessor's Office for further details.

What if I think I'm over-assessed?

You can appeal your assessment to the Board of Assessment Appeals. Applications must be submitted by February 20th (March 20th if Grand List extension was filed). If you filed your declaration late or failed to file at all, you may still appeal your assessment, but a 25% penalty must still be applied. Contact the Assessor's Office for further details and applications.

How does the Assessor know if my declaration is accurate?

Connecticut law authorizes the Assessor, or the Assessor's designee, to perform an audit for up to three (3) years, requiring the property owner to appear with accounting books, documents, federal tax returns, etc. for examination under oath in reference to their Personal Property. Any property discovered during an audit and not previously reported will be added along with the twenty-five (25%) percent non-compliance penalty.

Helpful Hints & Suggestions

- File the original declaration with the Assessor's office, as soon as possible before November 1. Be sure to sign and date your return.
- Work with your accountant to identify any equipment that may have been physically removed. List those items in the appropriate space on your declaration.
- If you have an asset listing or depreciation schedule that identifies each piece of equipment, attach it to your completed declaration.
- **DO NOT USE** vague terms such as "various" or "same as last year." Your declaration will not be accepted.
- Please indicate the **original** cost of each item plus transportation cost and installation, if applicable, on your declaration. They are important considerations in determining an accurate assessment.
- If you sell your business, go out of business, or move the assets to a new location, please inform our office in writing. It will enable us to keep timely, accurate records.

- You may ask for a filing extension **for good cause**. Must be requested in writing on or before November 1.

Significant Dates to Remember

September

Personal Property Declarations Mailed to Businesses

October 1st

Online filing available

November 1st

Personal Property Declaration Filing Deadline