



## **GENERAL INFORMATION AND GENERAL INSTRUCTIONS**

- Every person, corporation, firm or other entity owning or using tangible personal property located within the City of Franklin on January 1<sup>st</sup> and used or available for use in any business or trade must file a return. (VA Code 58.1-3518)
- The completed form is due on or before **February 15**. **Prior to the deadline**, you may submit a written request for a 30-day extension, which is subject to approval by the Commissioner of the Revenue.
- **REPORTING "SAME AS LAST YEAR" or returning a form "blank" is not considered filing.** A notation of items acquired/disposed must be provided.
- If you do not use or own any property in your business or trade, write "NONE", a written explanation must be included.
- **Examples of tangible property may include, but not limited to the following:**  
All furniture, fixtures, furnishing, operating equipment, hand tools, power tools, machinery, signage, computers & peripherals (excluding software) and all other such property leased, owned or made available to you in the conduct of your business. "Homemade or predominately "personal use "are also included. All tangible property received as a "Gift", rebate, donation, or other items received at no cost to you. (if the original cost is unknown, to the best of your ability, indicate the fair market value at the time of receipt of property). All items fully depreciated but still in use.
- All property must be reported at its **TOTAL ORIGINAL COST**. Total cost includes: all costs incidental to acquiring the acquiring and placing an asset in use. This includes but is not limited to the purchase price, freight, labor, installation and sales tax. The total cost is determined before any trade-in allowances or depreciation.
- **METHOD OF ASSESSMENT:** Business Personal Property has an assessed value equal to 25% of total original cost. The tax rate for Business Personal Property is 4.50 per 100.
- **Machinery and Tools** is limited to manufacturing, mining, processing, dairy, dry cleaning, laundry businesses or car washes. The Machinery and Tools has an assessed value equal to 30% of total original cost. The tax rate Machinery and Tools is 2.00 per 100.
- Disposed or fully depreciated items **MUST** be included if still owned and used on January 1<sup>st</sup>.
- For each item listed, a description, the acquisition date and the total original cost must be provided. **If available, ATTACH A COPY OF THE MOST RECENT DEPRECIATION SCHEDULE.**
- **THIS TAX IS NOT PRORATED.** If the business was closed or any property disposed of after January 1<sup>st</sup>, you are still liable for the tax for the entire year.
- **Virginia Code §58.1-3519** authorizes the Commissioner of the Revenue to assess property based on the best information available in any case where a taxpayer neglects or refuses to file a complete return. All filings are subject to audit by the Commissioner of the Revenue at any time.
- **NOTE:** It is a **Class 1 misdemeanor** for any person to willfully subscribe a return which he/she does not believe to be true and correct as to every material matter (Code of Virginia §58.1-11)

For questions email [LBEALE@FRANKLINVA.COM](mailto:LBEALE@FRANKLINVA.COM) OR phone 757-562-8783