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**Shelby County, Tennessee**



# The Personal Property Appraisal Process

# Shelby County Property Assessor's Primary Role

- ▶ To locate, identify, classify and appraise all property at market value, during reappraisal periods, for ad valorem tax purposes in Shelby County according to the Constitution of Tennessee and the laws of the state.
- ▶ The Assessor appraises both Real and Personal property.
- ▶ State law requires the Assessor to reappraise all business personal property annually.
- ▶ To accomplish this, Tennessee Code Annotated Section 67-5-903 requires that business owners file Tangible Personal Property Schedules to the Assessor no later than March 1 of each year. Personal property is appraised based upon information provided in the schedules after the schedules are audited by staff.

# What is Personal Property ?

- ▶ Personal Property is the tangible property used or held for use in a business or profession.
- ▶ It includes: furniture, fixtures, office equipment, vehicles, tools, machinery, signs, raw materials and supplies, artwork, etc.



- ▶ Items that are personally owned (such as your vehicle) and used in a business along with leased or loaned items are also assessed as personal property.

# How Does the Schedule Filing Process Begin?


- ▶ By February 1<sup>st</sup> of each year, the Assessor mails a Personal Property Schedule to each business owner in Shelby County.
- ▶ The Schedule is a standardized form used to list and report the cost of assets used in a business operation as of January 1<sup>st</sup>, the assessment date.
- ▶ If a business previously filed a schedule, the schedule will show Cost on File by group and year based on the previous year filing. The Cost on File should be reviewed and revised for any asset additions or deletions. Any reductions in cost must be explained.
- ▶ New businesses will be provided a blank schedule to list cost of all assets. If a schedule is not received by February 1, the business owner should contact the Assessor's office immediately to obtain one.

# The Personal Property Schedule

## The Schedule consists of:

- **Top Section** where the Personal Property Account Number, business name and mailing address, "Remarks" section and Online Filing Pin are located. This section should be used to report the closing of a business.
- **Part I - General Data** consisting of the business name, location, mailing address, owners, SIC code, business telephone number, contact person, etc.
- **Part II - Owned Personal Property** by Asset Groups. If a Business Owner has previously filed, Cost on File will be shown.

1. Date operation ceased: \_\_\_\_\_ 2. Date Business License Finalized, if applicable: \_\_\_\_\_  
 3. What was the disposition of the equipment which had been used, (if sold, the name and mailing address of buyer must be provided): \_\_\_\_\_

<b>BUSINESS NAME / MAILING ADDRESS</b>	<b>FILE YOUR 2020 SCHEDULE ONLINE</b> www.assessor.shelby.tn.us
 *****AUTO**SCH 5-DIGIT 38017 ABC COMPANY 1075 MULLINS STATION RDS MEMPHIS, TN 38134-7725	For security purposes you must use this assigned PIN number to file online <b>Online Filing PIN: 999999</b> <small>In accordance with Tennessee Code Annotated 67-9-903, this schedule must be completed, signed and received by the Assessor on or before MARCH 2, 2020. Failure to do so will result in a forced assessment, and you will be subject to a penalty as provided by law.</small>
	<b>REMARKS / EXPLANATION</b>

**PART I - GENERAL DATA**

A. Our records indicate your business is located at: 1075 MULLINS STATION RD JURISDICTION: MEMPHIS  
 (Location as of January 1st)  
 If this is in error, provide correct location: \_\_\_\_\_ Should Mailing Address Be Changed? \_\_\_\_\_

B. What is the type of business activity at this location? \_\_\_\_\_ SIC / NAICS: 6531

C. Business Owner(s) or Stockholders: \_\_\_\_\_

D. Business Telephone: \_\_\_\_\_ Contact Person: \_\_\_\_\_ Telephone #: \_\_\_\_\_

E. E-mail Address: ABCCompany@abccompany.com New E-mail Address: \_\_\_\_\_

F. Shelby County Business License ACCOUNT NO: 77777777 Fax #: \_\_\_\_\_

G. Date Business Began: \_\_\_\_\_ Formerly Operated As: \_\_\_\_\_

**IF YOU WERE OUT OF BUSINESS IN THIS COUNTY ON JANUARY 1, PLEASE NOTIFY THE ASSESSOR OF PROPERTY OF THE DATE YOU WENT OUT OF BUSINESS IN ORDER TO AVOID A FORCED ASSESSMENT.**

**PART II - OWNED PERSONAL PROPERTY**  
 Report all Personal Property owned by you and used or held for use in your business or profession as of January 1, 2020, including items fully depreciated or expensed in your accounting records. DO NOT report inventories of merchandise held for sale or exchange or finished goods in the hands of the manufacturer. Personal property leased or rented and used in your business MUST be reported in Part II of this schedule and not in section. Property on which you wish to report a nonstandard value and qualified pollution control equipment must be reported in PART IV and PART V of this schedule, not this section. A separate schedule should be filed for each business location.  
 List the total acquisition cost to you for each group below by the year acquired in the REVISED COST column. (Revised cost - Cost on file + acquisitions - dispositions) Please report cost in whole dollars. FOR SCHEDULE INSTRUCTIONS AND ADDITIONAL FILING INFORMATION, PLEASE VISIT OUR WEBSITE.  
**ALTERNATIVE REPORTING FOR SMALL ACCOUNTS** - If you believe the depreciated value of your property is \$1,000 or less, you may use the Small Accounts Certification (on reverse side) instead of reporting detailed cost below. With this certification, subject to audit, your assessment per this schedule will be set to \$300.  
**ANY REDUCTIONS IN COST FROM PREVIOUS FILINGS MUST BE EXPLAINED IN WRITING.**

Group 1 - Furniture, Fixtures, General Equip. & All Other Property Not Listed In Another Group	Group 4 - Aircraft, Towers, and Boats				Group 6 - Billboards, Tanks & Pipelines			
	Year	Cost on File	Revised Cost	Depr.	Year	Cost on File	Revised Cost	Depr.
2019	0	.88			2019	0		.94
2018	0	.75			2018	0		.88
2017	0	.63			2017	0		.81
2016	0	.50			2016	0		.75
2015	0	.38			2015	0		.69
2014	0	.25			2014	0		.63
Prior	0	.20			2013	0		.56
Total	0				2012	0		.50
Group 2 - Computers, Copiers, Fax Machines Peripherals and Tools	2011				2011			
	2010				2010			
	Prior				2009			
	Total				2008			
Group 3 - Molds, Dies and Jigs	2019				2019			
	2018				2018			
	2017				2017			
	2016				2016			
Group 5 - Manufacturing Machinery	2015				2015			
	2014				2014			
	2013				2013			
	2012				2012			
Group 7 - Scrap Property	2011				2011			
	2010				2010			
	Prior				2009			
	Total				2008			
Group 8 - Raw Materials and Supplies	2019				2019			
	2018				2018			
	2017				2017			
	2016				2016			
Group 9 - Vehicles	2015				2015			
	2014				2014			
	2013				2013			
	2012				2012			
Group 10 - Construction-in-Process (CIP)	2011				2011			
	2010				2010			
	Prior				2009			
	Total				2008			
2019				2019				
2018				2018				
2017				2017				
2016				2016				
2015				2015				
2014				2014				
2013				2013				
2012				2012				
2011				2011				
2010				2010				
Prior				2009				
Total				2008				

Part II Appraisal Last Year: 2,150  
 Part III Appraisal Last Year: 0  
 Part IV Appraisal Last Year: 0  
 Total Appraisal Last Year: 1,900  
 Total Assessment Last Year: 570



THE REVERSE SIDE OF THIS FORM MUST BE COMPLETED AND SIGNED

# Personal Property Schedule (continued)

## Part II – Owned Personal Property Asset Groups

- ▶ **Group 1** – Furniture, fixtures, general equipment, and all other property not listed in another group.
- ▶ **Group 2** – Computers, copiers, fax machines, peripherals and tools. (Small hand tools only.)
- ▶ **Group 3** – Molds, dies, and jigs.
- ▶ **Group 4** – Aircraft, towers, and boats.
- ▶ **Group 5** – Manufacturing machinery.
- ▶ **Group 6** – Billboards, tanks, and pipelines.
- ▶ **Group 7** – Scrap property.
- ▶ **Group 8** – Raw materials and supplies.
- ▶ **Group 9** – Vehicles.
- ▶ **Group 10** – Construction-in-Process (CIP).



# File your Personal Property Schedule to the Assessor by March 1

- ▶ Shelby County business owners are required to file a Personal Property Schedule to the Assessor no later than March 1<sup>st</sup> of each year.
- ▶ Failure to file by this deadline will result in a Forced Assessment on the business owner's account. A Forced Assessment is an assessment resulting from an estimation of value based upon a field inspection of the property, previously reported information adjusted for growth or it may be estimated based upon the value of personal property for a similar business. A tax bill will be generated from a forced assessment. A Forced Assessment may only be corrected by filing an appeal with the Shelby County Board of Equalization.
- ▶ Even if your business has closed during the year, you must still file the Schedule to report that information. Or, even if you have been issued a business license and you have not started your business, you must file a schedule stating that the business has not started.



# Options for Filing your Personal Property Schedule to the Assessor

- ▶ **Express Filing** – The *fastest way* if you are not making any changes to your previous year filing. Just telephone the Assessor's Answer Center and provide your PIN number for processing your schedule. This feature is not available to business owners filing for the first time.
- ▶ **Online Filing** – Save time by filing your schedule online via the Assessor's Website. It is the *easiest way to file* if you have changes to report. You must have the Pin # located on the mailed schedule available. Call our office to obtain it if necessary.
- ▶ **Mail or Walk-In** – Mail or bring the completed Schedule to our East Office, 1075 Mullins Station Rd, Memphis TN 38134. Remember to print and sign your name and to provide your title and date of completion.

# How are the Appraised and Assessed Values for Personal Property Calculated?

- ▶ The appraisal calculation process begins with a **desk audit** of the filed schedule. If necessary, a **field/site audit** may be performed.

A **Desk Audit** is an in-house review of the filed schedule by a staff auditor. Each schedule is reviewed for accuracy and consistency with previously filed schedules and for comparable business of like nature.

A **Field/Site Audit** is an onsite inspection that may be performed to compare business' assets to the filed schedule. Field inspections are also done to gather information for a forced assessment.

The audit may result in the schedule being adjusted or accepted as filed.

- ▶ Once the audit is completed, the appraised value is calculated by multiplying the cost in each group for each year times the related state provided standard depreciation factor. The results of the calculations are then totaled to arrive at the appraised value.
- ▶ The assessed value for personal property is 30% of the total appraised value.

# Assessment Change Notices are Mailed

On April 20<sup>th</sup> the Assessor will mail Assessment Change Notices advising business owners of their new/current and previous year appraisals and assessments.



# The Process to Correct the Appraised and Assessed Values

- ▶ An owner who disagrees with the values shown on the Assessment Change Notice may amend the personal property schedule filed with the Assessor at any time on or before September 1 following the tax year if the original schedule was timely and accepted as filed.
- ▶ If an owner disagrees with the values and has received a “Forced” or “Adjusted” assessment, the owner must appeal the assessment to the Shelby County Board of Equalization and submit a personal property schedule, along with supporting documentation, to the Board.

# Questions?



If you have questions or need further information, please call our Personal Property Department at 901-222-7002 between the hours of 8:00 a.m. to 4:30 p.m., Monday through Friday. A staff member will be happy to assist you.