



**DOTY PRUETT WILSON PC**  
CERTIFIED PUBLIC ACCOUNTANTS

Tax Year 2023

## 2023 Personal Property Tax Returns

In our efforts to prepare for this upcoming tax season we would like to send out a friendly reminder on Personal Property Tax Return filing requirements. You are receiving this letter because, according to our records, we have provided this service for you in the past or in reviewing your file it appears you may have a filing requirement.

All businesses (Schedule C's and farms included) and non-profits are required to file an annual Personal Property Tax Return with their county assessor's office for all personal property owned as of January 1, 2023.

### Multiple Locations

If your business has personal property in more than one location (even within the same city or county), a separate return must be submitted for each location, which could result in filing requirements in multiple counties.

### Remote Employees

If you have employees working remotely, a return is required to be filed with the county their computer resides in. For example, if you are based in Salem (Marion County) and have an employee working remotely from their home in Lake Oswego (Clackamas County), you are required to file a return listing the personal property of the business in that county.

### Taxable Personal Property

includes machinery, equipment, furniture and fixtures, computers, tools of your trade, non-inventory supplies, floating property, professional libraries, etc. Items in storage must be reported, as well. The following are common items we know the county typically looks for:

- Desk
- Chair
- Computer
- Printer
- Cell Phone

**Mailing Address**  
447 State Street  
Salem, OR 97301  
**503-362-9152**  
Fax: 503-362-9186  
office@dpwcpas.com

SALEM OFFICE  
447 State Street • Salem, OR 97301

PORTLAND OFFICE  
16037 SW Upper Boones Ferry Rd, Suite 135 • Portland, OR 97224

AN INDEPENDENT MEMBER OF  
**BDO**  
ALLIANCE USA

## Nontaxable Personal Property

The following items are exempt from property tax:

- Intangible personal property: money at interest, bonds, notes, shares of stock, business records, computer software, surveys and designs, and the materials on which the data are recorded (paper, tape, film, etc.).
- All items held exclusively for personal use: household goods, furniture, clothing, tools, and equipment used exclusively for personal use in and around your home.
- Farm animals: livestock, poultry, fur-bearing animals, and bees
- Inventories: items of tangible personal property which are or will be sold in the ordinary course of business (materials, containers, goods in process, and finished goods)
- Farm machinery and equipment.
- Licensed vehicles other than fixed load/mobile equipment.

## Due Date

The due date for Personal Property Tax Returns is March 15, 2023. **If the return is filed late per ORS 308.296, the penalties are as follows:**

<u>Return Filing Date</u>	<u>Penalty</u>
After March 15, 2023, but on or before June 1, 2023	5% of tax owed
After June 1, 2023, but on or before August 1, 2023	25% of tax owed
After August 1, 2023	50% of tax owed

## No Extensions

There is **no** opportunity to file a request for an extension beyond March 15, 2023. Any returns filed after March 15, 2023, will be assessed a penalty as stated above.

## Cost

DPW offers two different options for assistance with preparing Personal Property Tax Returns.

- **Prep & Assemble (flat rate)** – This service is offered at a flat rate of \$500 per return. It consists of DPW using client supplied information to complete the county form and assemble it with the necessary attachments. It requires the client to supply a completed Asset Listing that notates any disposals or acquisitions. This includes a fair market value for non-inventory supplies (i.e. – office supplies, maintenance supplies, operating supplies, spare parts, etc.). The Asset Listing is typically issued by the county with each Personal Property Tax Return (if you have previously filed).
- **Detailed Review (hourly rate)** – This service is performed using our current hourly rates, which range from \$125/hour to \$275/hour depending on staff level. It may consist of all or some of the following:
  - Client to supply an Asset Listing that notates any disposals.
  - DPW to review QuickBooks file for any acquisitions.
  - DPW to visit location(s) to take inventory of personal property.
  - Prepare and assemble return with necessary attachments.

If you would like assistance preparing your return, please provide us with a completed and signed engagement letter (attached), along with your 2023 form and Asset Listing. These are typically issued after October 26th by your county. If this will be your first year of filing, we can assist you in obtaining the appropriate forms. DPW will need to receive the information no later than **February 17, 2023**.

Unless we receive an affirmative response from you, we will assume you do **NOT** require our assistance or consultation regarding preparation of your Personal Property Tax Return.

If you have any questions, please give us a call.

Sincerely,

*Doty Pruett Wilson, PC*

**\*\*Marion County filers ONLY\*\*** Please complete the "Account #" (if available) and "Authorized By" sections of the attached Disclosure Authorization. Then sign and date the form. This will allow our office to communicate directly with the county regarding your Personal Property Tax Return.