



RE: Business Tangible Assessment Guide

Dear Taxpayer:

This office is in receipt of your request for the assessed value of business tangible personal property or machinery & tools located in the City of Portsmouth as of January 1st, and owned by a business. All current tangible tax returns are due by March 1st.

Original Cost of Property must always be reported.

Please see the formula below for which the City of Portsmouth determines the assessed value of tangible property (i.e. Tangible Personal Property is ALL equipment used for business). Once you locate and list the equipment owned plus any leased equipment that is under conditional sales, you can use the following formula to determine the assessed value.

If equipment is purchased **after** 1984, then apply **(50%)** to the **original cost** of property, rounding to the closest even dollar amount.

If equipment is purchased **before** 1984, then apply **(25%)** to the original cost of property, rounding to the closest even dollar.

For Example:

| <u>Original Cost of Property</u> | <u>Factor</u> | <u>Result</u> | <u>Assessed Value</u> |
|----------------------------------|---------------|---------------|-----------------------|
| \$10,500.00 | 50% | \$5250.00 | \$5250.00 |

If the equipment is **leased** you **must** provide the Name & Address of the lease company.

Business tangible personal property is taxed at the current rate of \$5.00 per \$100 of the assessed value. For a manufacturer it is \$3.00 per \$100 of the assessed value.

If you have any questions pertaining to the above, do not hesitate to contact the Business Personal Property Department by phone at (757) 393-8866, ext.2120 or fax at (757) 393-8604.

Processed By: Gwendolyn Thompson
Deputy Commissioner of Revenue