

Alabama Department of Revenue

News Release

Nov. 9, 2001

Reminder: Business Personal Property Tax Returns Due

MONTGOMERY—The Alabama Department of Revenue reminds business owners to file their business personal property returns with their appropriate county assessing official.

Business personal property tax returns become delinquent after Dec. 31, 2001.

The business personal property tax is assessed on commercial personal property such as computers, machinery, equipment, furniture, etc., that are used in the operation of a business. All business personal property is assessed at 20 percent of its market value. State, county and if applicable, city property millage rates are applied to the assessed value to arrive at the amount of tax due. The state rate is set at 6.5 mills; county and city millage rates vary.

“We encourage business owners to file as early as they can, not only to comply with timely filing, but also to avoid any last-minute confusion in the identification and itemization of their business personal property,” said State Revenue Commissioner Cynthia Underwood.

Some business owners have commercial vehicles consisting of special additions or specialized equipment called "add-on" or "added value" equipment. This type of equipment must be included on the business personal property return; it is *not* included with the property taxes paid during vehicle registration, as those taxes apply only to the value of the vehicle cab and chassis, or frame.

Examples of "add-on" equipment may include, but are not limited to, the following:

- Box type bodies
- Concrete mixer drums
- Dumping mechanisms
- Wrecker rigs

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- Propane and petroleum tanks
- Refrigeration equipment

Some of the different types of vehicles carrying "add-on" equipment include:

- Moving trucks
- Concrete trucks
- Delivery trucks
- Dump trucks
- Propane or petroleum trucks
- Ambulances and hearses
- Meat and produce trucks (refrigerated)
- Buses
- Beverage trucks
- Armored trucks
- Limousines

For more information concerning add-on equipment, contact the Alabama Department of Revenue, Property Tax Division (334) 242-1525, or visit the department's Web site at **www.ador.state.al.us**.

Contact for more information:

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