



*Association of  
Assessing Officials  
Winter Conference  
Huntsville, AL  
March 15, 2018*





# Requirements for providing returns to taxpayers

County may send a blank form or a listing but it must be a complete return, with all parts. They may also want to send some instructions referring to OPPAL as an alternative way to list.

Timeline – from plan for equalization



# Business Personal Property Return ADV-40

- Part A - listing
  - Depreciation Schedule
  - Acquisition Date
  - Acquisition Cost
- Review for completeness and accuracy
- Determine Economic Life
- Apply Composite Factor
- Add Supplies – no composite factor

ADV-40  
7/15

County: \_\_\_\_\_ Tax Year \_\_\_\_\_

Taxing Official: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

## Business Personal Property Return

(File this tax return between October 1 and December 31 with the above taxing official)

Owner's Name: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Email: \_\_\_\_\_

Doing Business As: \_\_\_\_\_

Business Address: \_\_\_\_\_

Landowner's Name: \_\_\_\_\_

For office use only

PRC No. \_\_\_\_\_

Account No. \_\_\_\_\_

City \_\_\_\_\_

School Dist. \_\_\_\_\_

Business ID No. \_\_\_\_\_



# Business Personal Property Return ADV-40

## Part B – Add-on to Motor Vehicles



Any item added to the cab and chassis of a motor vehicle either by the original manufacturer or a secondary manufacturer is add-on equipment

The ***Uniform Commercial Motor Vehicle Body Valuation Guide*** is used to determine a value of the add-on



# Business Personal Property Return ADV-40

## Part B-1 – Permanent Trailer Tags

- Available for truck trailer, semi-trailers, and tractor trailers since 2006
- Owners of trailers with permanent tags are required to list these vehicles annually on the ADV-40
- Permanent trailer tag values are posted on the Dept. of Revenue website each year





# IRP for Commercial Motor Vehicles

Interstate Registration Plan - a reciprocal agreement that authorizes the proportional registration among the states of commercial motor vehicles and truckers.

For vehicles based in Alabama but tagged in other states. In order to receive the proration of property tax an IRP invoice must be submitted by the taxpayer.

Vehicles can be reported on Part A, B, or B-1 but must be accompanied by the invoice or, if a first year vehicle, can use the statewide rate for the year. Refer to the memo for more information.



# Business Personal Property Return ADV-40

## Part C – Airplanes and Hot Air Balloons

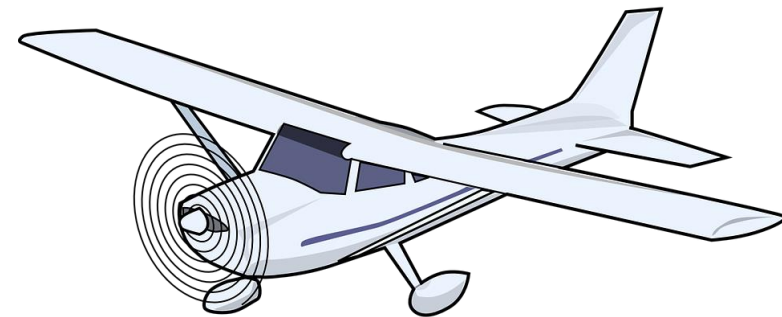
All aircraft are taxable in Alabama

### Airplanes

Aircraft Blue Book– annual publication with market values for airplanes

### Hot Air Balloons

Valued on components of envelope, basket, tank, and burner

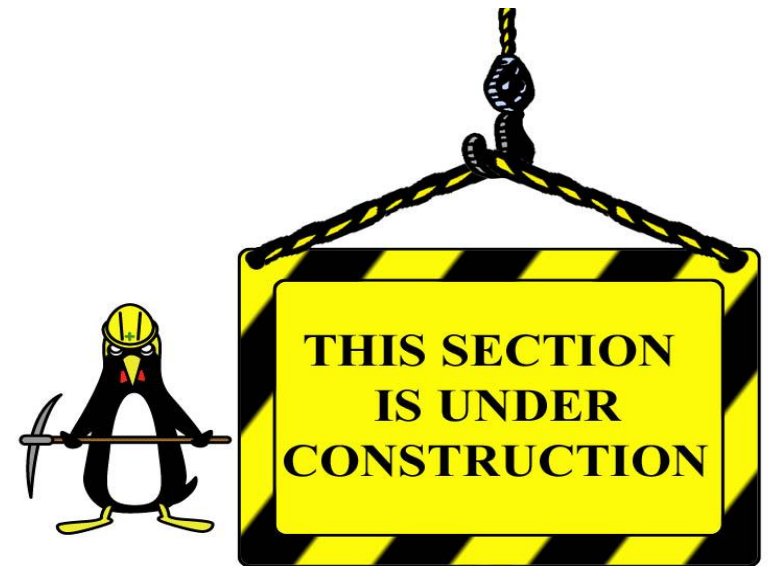




# Business Personal Property Return ADV-40

## Part D – Construction in Progress (CIP)

- Items located at the place of business on October 1 but not yet placed in service
- Valued at 100% of cost with no depreciation







# Business Personal Property Return ADV-40

## Part E - Leased Equipment

- Assessed to the owner of the equipment as of October 1
  - Lessor or Lessee
  - Potential for exemption
  - Economic Life of Leased Inventory (3-20 years)





# Business Personal Property Return ADV-40

## Part F – Other Personal Property Located on Premises

- Part F used as an aid in discovery of taxable property
- Examples – mechanic's tools, vending machines





# Electronic Filing



Optional Personal Property  
Assessment Link

**Filing business personal property returns  
is now easier than ever.**

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To file a return in [AUTAUGA](#), [ELMORE](#), [JEFFERSON](#), [LIMESTONE](#), [MOBILE](#), [MONTGOMERY](#), [MORGAN](#) or [SHELBY](#), please [CLICK HERE](#). To file in all other counties in Alabama, please [LOGIN HERE](#)

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