

Important Changes to Personal Property Tax Law Beginning in 2014

Please Read Carefully

Effective December 31, 2013, commercial and industrial personal property with a combined True Cash Value of less than \$80,000 is eligible for exemption. Combined True Cash Value is the market value of all personal property owned by, leased by, or in the possession of the owner or related entity within a local tax collecting unit.

To qualify for this exemption, the taxpayer MUST file the Eligible Personal Property Exemption Affidavit with the local tax collecting unit by February 10th. **If you do not timely file the Exemption Affidavit, you will not receive this exemption.** The Exemption Affidavit form is available in our office and online at http://michigan.gov/documents/treasury/5076_439273_7.pdf.

Taxpayers who qualify by timely filing the Affidavit for this exemption are **not** required to file a Personal Property Statement. However, taxpayers are required to maintain adequate books and records relating to the description, the date of purchase or acquisition, purchase price or lease amount, and value of all industrial and/or commercial personal property for a period of four years. Further, taxpayers must make these records available to the local assessor, county equalization department, and the Department of Treasury upon request.

If the assessor believes that the property for which the exemption is claimed is not eligible for exemption, the assessor may deny the claim for exemption by notifying the taxpayer of the reasons for the denial. A taxpayer may appeal exemption denials to the Board of Review. Only denials of timely filed Affidavits can be appealed to the Board of Review. Failure to timely file the Affidavit does not constitute a denial and cannot be appealed to the Board of Review.

A person that fraudulently claims an exemption for personal property would be guilty of a misdemeanor punishable by imprisonment of 30 days to 6 months and/or a fine of \$500 to \$2,500.

Taxpayers that are not eligible for this exemption (True Cash Value of \$80,000 and over) are still required to file a Personal Property Statement by February 20th. Failure to file either a Personal Property Statement or an Exemption Affidavit will result in an estimated assessment.

Additional exemptions for eligible manufacturing personal property are set to begin in 2016.

If you have questions, feel free to e-mail us at assessor@cityoffremont.net or you may call 231-924-2101.

Parcel Number

2014

Affidavit of Owner of Eligible Personal Property Claiming Exemption from Collection of Taxes (As of 12-31-2013)

Notice: Questions regarding this form should be directed to the assessor of the city or township where the personal property is located. This form was approved by the State Tax Commission on November 4, 2013 under the authority of Public Act 206 of 1893. This form must be filed by the owner or the owner's authorized agent.

Name and Address of Owner

To claim an exemption, this Affidavit must be received by the Assessor no later than February 10, 2014.

IMPORTANT INFORMATION: This affidavit will exempt property owned only by the entity filing the affidavit. If personal property is leased to or used by an entity other than the property's owner, the owner of that personal property must file the affidavit for that property, not the lessee or the user. The owner may file the affidavit and claim the exemption only if the True Cash Value of all of the commercial or industrial personal property located within the city or township that is owned by, leased to, or in the possession of the owner or a related entity was less than \$80,000 on December 31, 2013.

Name of Local Unit of Government		
City _____	Township _____	
List all addresses where Personal Property is located within the City or Township. (may attach additional sheets)	Names of Owners or Partners (If sole Proprietorship or Partnership)	
County	Owner Telephone Number	Legal Name of Owner, if different from above
Assumed Names Used by Legal Entity, if any	Description of Owner's Business Activity and NAICS Code	
Check only one: <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Limited Liability Co. MI ID# _____ <input type="checkbox"/> Corporation MI ID# _____ <input type="checkbox"/> Partnership		
Name and Telephone Number of Person in Charge of Personal Property Records	Address where Personal Property Records are Kept	
Names of all other businesses having personal property, including any leasehold improvements assessed as personal property at the locations included in this affidavit. (attach additional sheets as necessary)		Date Business Began in Local Tax Collecting Unit

The undersigned certifies that:

- I am the owner of the commercial personal property and industrial personal property being claimed as exempt or I am the duly authorized agent.
- The True Cash Value of all the Personal Property, as defined by Public Act 153 located within the city or township indicated above, that is owned by, leased to, or in the possession of the owner or related entity was less than \$80,000 on December 31, 2013.
- Below are the procedures used to determine that the True Cash Value of the Eligible Personal Property was less than \$80,000 on December 31, 2013:
 - The determination of True Cash Value was based on the State Tax Commission's recommended valuation procedures as set forth on Form 632, *Personal Property Statement (L-4075)*. Attach an explanation of the method used if your answer is NO Yes No
 - The determination of True Cash Value includes all assessable personal property, located within the city or township listed on this Affidavit that is owned by, leased to, or in the possession of the owner or related entity. This shall include all trade fixtures and may include leasehold improvements not assessed as real property. Attach an explanation if not all personal property is included Yes No N/A

I hereby certify that the information contained within, and attached to, this Affidavit provides a full and true statement of all personal property owned, leased, or in the possession of the owner or related entity on December 31, 2013.

Printed Name	Signature	Date
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Indicate which:

- Sole Proprietor
 Partner
 Officer
 Managing Member
 Agent (attach letter of authority)

Trade Fixtures: Items of property that have been attached to real estate by a tenant to facilitate the tenant's use of the property for business purposes and which are both capable of being removed and are removable by the tenant under the terms of the lease. Examples of trade fixtures are certain costs related to telephone and security systems and most signs.

Leasehold Improvements: Land improvements, such as paving and landscaping, and improvements made by a tenant to structures owned by the landlord. Leasehold improvements are characterized by the fact that they cannot be removed for use elsewhere because they will be destroyed by removal. Leasehold improvements may be assessed as real property to the owner of the real property or may be assessed as personal property to the tenant.

Additional information can be located in Public Act 153 and State Tax Commission Bulletin 11 of 2013.