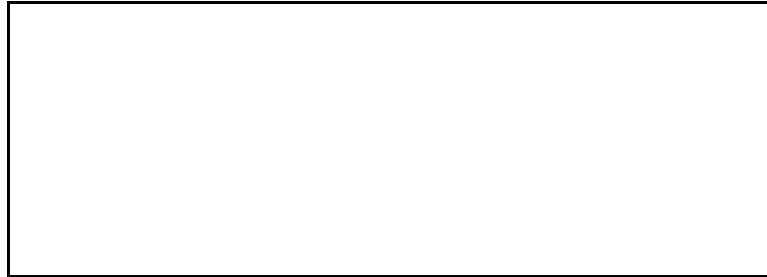
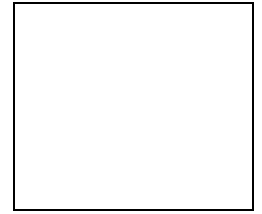


JOSEPH W. TESTA
FRANKLIN COUNTY AUDITOR
PPTX DIVISION, 21ST FL
373 S HIGH STREET
COLUMBUS OH 43215



2008
FRANKLIN COUNTY
RETURN OF TAXABLE
BUSINESS PROPERTY
TAX FORMS



FRANKLIN COUNTY AUDITOR

Clarence E. Mingo II

PERSONAL PROPERTY DIVISION

January 2008

Dear Franklin County Business Owner:

This booklet contains the forms needed to file your current Franklin County Return of Taxable Business Property Tax for 2008. The forms needed to file a prior year return can be found on our website. Any prior year filing not submitted will need to be completed and sent to our office. For most businesses this will be the last year for filling a current personal property tax return in Ohio.

New for 2008 is a change in the listed value percentage. The listed value will decrease from 12.5% to 6.25% for this filing year and will be reduced to 0% in 2009. There are also several new taxing districts added for the 2008 tax year. You will find a complete list of all our taxing districts, with county and state codes in the back of this booklet. Please double-check your location's taxing district by visiting our website for any possible district changes.

With the change in the listed value more businesses will fall under the \$10,000 filing requirement and will not be required to file. We are requesting those businesses to complete the Form 804 and submit it to our office to clarify why a return was not filed. This form is used for businesses that are below \$10,000 listed value, no longer hold an active charter, or they are no longer engaged in business in Franklin County.

We continue striving to improve our website. Included on our site are current and prior year tax rates; taxing district codes for Franklin County; the Ohio Department of Taxation inter-county district codes; instructions for searching for particular locations to find proper taxing districts; extension filing information; extension request forms; Form 804; and other useful information. We continue to make available on our website two online classes, Basic Information and Form Preparation. Each course is approved for 2 CPE and 2 CLE credit hours and offered at no charge.

If you have any comments or suggestions, please let us know. Your feedback is always welcomed and appreciated.

Sincerely,

Clarence E. Mingo II
Franklin County Auditor

Visit our website at www.franklincountyohio.gov/auditor
E-mail the Personal Property Tax Division at persprop@franklincountyohio.gov
373 South High Street, 21st Fl. * Columbus, Ohio 43215-6310 * (614) 462-3230

General Information for 2008 Returns

What is personal property? Personal property is every tangible thing that is owned, except real property. Real property is defined as land, growing crops, all buildings, structures, improvements and fixtures on the land.

Who must file? If you are engaged in business in Ohio and have property located in Ohio on January 1 (and have a total listed value of more than \$10,000), you must file a return.

What tax return forms should I use? Where do I obtain the forms? Those taxpayers with property in only one county must file **form 920, County Return of Taxable Business Property**. To obtain the Franklin County Form 920, visit our website*. If property is located in more than one county, **Form 945, Inter-County Return of Taxable Business Property**, must be filed.

When is the return filed? Form 920 is filed between Feb. 15 and April 30. An extension of time to June 15 may be requested. For more information on requesting Extension for Franklin County, please contact our office or visit our website* for an electronic Extension Request. The postmark date is sufficient to be considered timely filed for Franklin County 920 filing and for Extension Requests. However, postmarked dates are NOT sufficient for filing with the Ohio Department of Taxation, Forms 945, or Extension Requests for Inter-County filings. They must be received by the due date.

Where is the return filed? Franklin County Form 920 is filed with the Franklin County Auditor, 373 S High St, Personal Property Tax Division, 21st Fl, Columbus OH 43215. If business is not located in Franklin County, it must be submitted to the county auditor's office in the county the business is located. Taxpayers located in more than one county must file a combined return (form 945) with the Ohio Department of Taxation.

What property is taxed? Tangible personal property used in business is taxed. This includes machinery and equipment, furniture and fixtures, small tools, supplies and inventory held for manufacture or resale. See page 6 for additional exemptions.

What is the \$10,000 exemption? Each taxpayer is entitled to an exemption not greater than \$10,000 of listed value. This exemption is deducted from the total listed value in the taxing district with the greatest listed value. If there is an excess, the balance is deducted from the district with the next greatest listed value. See page 6 for additional exemption information.

How is the tax calculated? The tax is based on the true or market value of the property. In the case of fixed assets, the value is the cost less an allowance for depreciation depending on age. In the case of inventory, the average of the cost of inventory on hand at the end of each month is the value. The values are reduced to taxable or listed values and multiplied by the local rate. This tax rate varies according to location and is based on the tax rates for real property.

Which taxing district should I use? Tangible personal property is to be listed in the taxing district where it is physically located on listing date. Refer to your real estate tax bill or visit our website* for taxing district information.

What is true value? The true value of depreciable tangible personal property is its book cost less book depreciation, unless the tax commissioner or a taxpayer using the prescribed prima facie valuation procedure finds that the depreciated book value is greater or less than the true value of such property.

When are the taxes paid? At least one half of the total tax due is required to be paid with form 920 filing. Second-half is billed by the county treasurer in August and must be paid by Sept. 20.

Is there a minimum amount of tax? If the total tax due is less than \$2, then no payment is required. If the total listed value of the return is less than \$10,000, no return is required to be filed.

What if I file after the due date? If the return is filed late, the assessor will add a penalty of up to 50% of the remaining listed value after the full \$10,000 exemption is applied.

What if I make a late payment? Late paid taxes are subject to a 10% late payment penalty and also to interest charges. The interest is applied monthly and is based on the current market rate.

What if my business began after Jan. 1? Taxpayers who begin business after Jan. 1 must file a "new taxpayer return" (form 920NT) within 90 days of beginning business. The amount of tax is prorated according to the number of full months left in the calendar year.

What if my business stops after Jan. 1? If business stops or property is sold after Jan. 1, a full return is still due. However, a return will not be required for the following year.

Are other forms required?

Form 902, Claim for Deduction from Book Value: File this form if the value you claim is less than depreciated book value, as shown on your books and records. This deduction must be reflected in the "true value" as represented on the return schedules and recapitulation of listed value.

Form 913EX, Report of Exempt Personal Property Located in an Enterprise Zone or a Hazardous Substance Reclamation Area: This form is required when an exemption for property located in an enterprise zone is claimed and to calculate the taxable property within a zone.

Form 937, True Value Computation: This form is required to be filed when using the prescribed true value computation.

Instructions for Listing and Valuing Personal Property

Listing Tangible Personal Property All tangible personal property used in business must be listed and assessed unless specifically exempt. Business is defined as all enterprises, except agriculture, conducted for gain, profit or income, and extends to personal service occupations. Property is to be listed as of the last day of December of the preceding calendar year. If a year end other than Dec. 31 is used for IRS purposes, then that year end must be used for personal property purposes. Use the year ending in the previous calendar year. If you have not been engaged in business in Ohio for 12 months before that year end, then you must use Dec. 31. (Ohio Adm. Code 5703-3-04)

Depreciable Assets Depreciable assets should be listed at their true value, which may be greater or less than their book value as of the taxpayer's listing date. The tax commissioner has prescribed a method of computing the true value to be used in lieu of book value. This method uses composite annual allowances, varying by business. The composite prima facie valuation procedure for use in filing personal property tax returns may be obtained upon request from the tax commissioner. Form 937 is the prescribed form for making this computation.

List in Schedule 2 all assets used in manufacturing beginning prior to Jan. 1, 2005. **List in Schedule 4** all other assets, except inventories. **For the 2008 return, list in Schedule 5** the cost of all manufacturing equipment first used in business after Jan. 1, 2007, and meeting the definition of manufacturing equipment found in O.R.C. 5711.16.

Exempt Property Includes property used in agriculture, property for which an exempt facility certificate has been applied for or certified exempt, patterns, jigs, dies and drawings not held for sale, construction in progress not capable of use, and registered motor vehicles and aircraft.

Leased Property Must be listed by the owner regardless of the terms of the lease. If the lessee is obligated to purchase the property, then he is deemed to be the owner otherwise the lessor is deemed to be the owner. If you lease property to a public utility or an interexchange telecommunications company, contact the Department of Taxation, Property Tax Division, for instructions. Lessees must list all tangible personal property held under lease on tax listing date on tax form 921, Ohio Balance Sheet Exhibit C.

Inventories Ohio law requires inventories of manufacturers and merchants to be listed on the average monthly basis. The average value is determined by dividing the sum of the month-end values in each taxing district by the number of months engaged in business in Ohio in that year. Example: A merchant moving from taxing district "A" to taxing district "B" during the year would report the monthly values for each taxing district separately and divide the total of each by the number of months in business in Ohio. If monthly inventory records are not maintained, a gross profits computation may be used. (Ohio Adm. Code 5703-3-16)

The value of manufacturing inventory must include the costs of raw material, goods-in-process and finished goods. Goods-in-process and finished goods must include all factory burden and overhead costs attributable to the manufacturing facilities and process. Such costs include, but shall not be limited to, indirect labor, insurance, utilities, taxes, transportation, rents and leases, repairs and maintenance, depreciation and amortization. (Ohio Adm. Code 5703-3-27)

The value of merchandising inventory must include the cost to acquire the inventory taxes and freight. Inventories carried at retail must be restated at cost. Consigned manufacturing or merchandising inventory must be listed by the owner but inventory consigned to a merchant from outside Ohio must be listed by the merchant.

Inventories of repair and maintenance parts, as well as equipment held as spare parts, are valued at 100% of the cost of the amount on hand at year end reported in Schedule 4, and listed at 25%. The supply items of a manufacturer, the costs of which are not absorbed in the cost of the final product, and supply items of all other taxpayers are to be valued at the cost of the amount on hand at year end reported in Schedule 4, and listed at 6.25%. Such inventories include those of mines, quarries, laundries, dry cleaners, contractors, repair shops, garages, etc. This also includes office supplies and supplies used in the normal business activities.

Taxing Districts Property must be listed in the taxing district where it is located. Taxing district names normally consist of a township, city or village, and school district. Cities may have more than one taxing district. If you do not know your taxing district, check your real estate bills, visit our website www.franklincountyohio.gov/auditor/ or contact our office (614) 462-3230.

Line Instructions for Completing Form 920

Taxpayer Identification and Recapitulation

Enter all identification information. Please indicate the taxpayer name as registered with the Ohio secretary of state or with the Franklin County Auditor if only a vendor's license is held. Indicate the type of business organization – if not a corporation, indicate whether it is a sole proprietorship, partnership, joint venture, etc.

- Line 1A** **Taxing District Number** Enter the correct state taxing district number.
- Line 1B** **Taxing District Name** Enter the full exact taxing district name (township, city and school district).
- Line 2*** **Schedule 2** Enter the listed value by taxing district (rounded to the nearest \$10).
**Please note that the listing percentage changed to 6.25%.*
- Line 3*** **Schedule 3** Enter the listed value by taxing district (rounded to the nearest \$10).
**Please note that the listing percentage changed to 6.25%.*
- Line 4*** **Schedule 3A** Enter the listed value by taxing district (rounded to the nearest \$10).
**Please note that the listing percentage changed to 6.25%.*
- Line 5*** **Schedule 4** Enter the listed value by taxing district (rounded to the nearest \$10).
**Please note that the listing percentage changed to 6.25%.*
- Line 6** **Total Listed Value** Add the listed values from lines 2, 3, 4 and 5 and enter here. **If the total listed value is less than \$10,000, no return is required.**
- Line 7** **\$10,000 Exemption** Enter the allowable exemption by taxing district.
- Line 8** **Taxable Value** Subtract the amount on line 7 from the amount on line 6 and enter here.
- Line 9** **Tax Rate** Enter the tax rate for the taxing district.
- Line 10** **Tax** Multiply the amount on line 8 by the amount on line 9 and enter here. Since tax rates are expressed in dollars per \$1,000 of taxable valuation, you must multiply the "taxable value" on line 8 by the "tax rate" on line 9 and enter it here (i.e., rate of \$65.50 converts to .06550).
- Line 11** **Amount Paid With the Return** **Enter the amount paid with return. A minimum of half the total tax must be paid with return.**
- Line 12** **Balance** **Enter Balance Due for Each Taxing District**
- Line 13** **Schedule 5** Enter the cost of all manufacturing equipment first used in business in Ohio after Jan. 1, 2005, and meeting the definition of manufacturing equipment in O.R.C. 5711.16

FRANKLIN COUNTY 2008 PERSONAL PROPERTY TAX RATES

(Continued)

CITY OF COLUMBUS-OTHER SCHOOL DISTRICTS

District #	Name	Tax Rate Per \$1,000
<u>945 920 (filing 945 use 4 digit, 920 use 3 digit)</u>		
0257 410	BLENDON TWP-COLUMBUS CSD	91.48
0298 415	BROWN TWP-COLUMBUS CSD	102.68
0305 420	CLINTON TWP-COLUMBUS CSD	121.48
0325 425	FRANKLIN TWP-COLUMBUS CSD	91.48
0455 430	MADISON TWP-COLUMBUS CSD	112.08
0465 433	MADISON TWP-CANAL WINCHESTER	107.19
0405 435	JACKSON TWP-COLUMBUS CSD	110.48
0445 440	JEFFERSON TWP-COLUMBUS CSD	99.35
0525 445	MIFFLIN TWP-COLUMBUS CSD	101.48
0565 450	NORWICH TWP-COLUMBUS CSD	107.48
0583 455	PERRY TWP-COLUMBUS CSD	96.98
0635 460	PLAIN TWP-COLUMBUS CSD.....	102.87
0665 465	PLEASANT TWP – COLUMBUS CSD.....	91.48
0697 470	PRAIRIE TWP-COLUMBUS CSD	108.08
0735 475	SHARON TWP-COLUMBUS CSD	91.48
0847 485	WASHINGTON TWP-COLUMBUS CSD	105.45
0005 490	CANAL WINCHESTER LSD.....	86.59
0015 495	HAMILTON TWP-COLS CSD.....	106.48
0030 510	HAMILTON LSD.....	81.43
0025 512	HAMILTON TWP-HAMILTON LSD	96.74
0035 515	LICKING HEIGHTS LSD-LICKING	73.61
0040 520	GAHANNA JEFFERSON CSD	91.63
0045 525	OLENTANGY LSD	86.40
0050 530	GROVEPORT MADISON LSD	78.64
0052 535	MADISON TWP-GROVEPORT MADISON LSD.....	99.55
0055 540	PICKERINGTON LSD	103.98
0060 545	PLAIN LSD	92.40
0070 550	REYNOLDSBURG CSD.....	83.04
0080 560	HILLIARD CSD	101.02
0090 570	SOUTHWESTERN CSD	86.08
0100 580	UPPER ARLINGTON CSD.....	124.77
0020 590	DUBLIN CSD	97.63
0120 600	WESTERVILLE CSD	94.93
0130 610	WORTHINGTON CSD	109.66

ADDRESS TO MAIL FRANKLIN COUNTY RETURN 920:

Franklin

373
Columbus

County Auditor
Personal Property Tax Division
South High Street, 21st Floor
OH 43215-6315

WHICH TAXING DISTRICT: Tangible personal property is required to be listed in the taxing district where it is physically located on listing date. For taxing district information, refer to your real estate tax bills, visit our Web Site at www.franklincountyohio.gov/auditor or contact the Personal Property Tax Division by telephone at (614) 462-3230, or by e-mail persprop@franklincountyohio.gov .