



To facilitate the year-end accounting and tax preparation processes, we have enclosed your *Projected Fixed Asset Schedule* (not applicable to new clients) that will be used to prepare your personal property tax returns. Please review this schedule for additions and disposals. If you are a new client, please provide us with your prior-year personal property tax return and a fixed asset schedule, if available.

As of January 1, 2016 the IRS increased the threshold at which assets must be capitalized from \$500 to \$2500. Unfortunately, many states have not recognized or updated this for personal property tax and the lower limits are still in effect. Please keep this in mind when completing the acquisitions schedule.

Please note that you may be able to reduce your personal property tax liability by identifying assets that are no longer owned by the business (whether scrapped, sold, traded, or abandoned). You also may be able to reduce your liability by identifying assets that are still owned by the company but are no longer in use (idle assets).

Please provide us with the following information regarding asset additions and disposals:

- If your company has acquired assets please provide the following:
 - Date of acquisition
 - Description of asset
 - Total cost of asset (invoice or purchase agreement including labor cost to install asset, if applicable)
 - Property location (if multiple locations)

- If you have disposed of any assets please provide the following:
 - Date of disposal
 - How asset was disposed (sold, scrapped, traded, or abandoned)
 - Amount received on disposal
 - Asset number and cost on fixed asset schedule

For your convenience, we have enclosed a *Fixed Asset Update* form to assist you in providing us with this information. If you work with Pietrasiuk, Kelley & Kelley, P.C. on a monthly or quarterly basis, the asset addition portion may not apply. If you are unsure if the asset addition portion applies to your business, please contact Tom Titus at (734) 971-8500 to review your particular situation.

Please attach any related documentation such as purchase invoices or trade-in contracts. Note that under certain types of leasing contracts, you may be required to include a leased asset on your fixed asset schedule. Also, you are required to report leased assets on your personal property tax return and identify the leasing company. However, you may not be taxed on such leases if the leasing company reports the asset on its return under the contract terms.

There are specific reporting requirements for the personal property tax return if you lease equipment to another party or sublet property to another tenant. Please take a moment to review the enclosed *Rental Property* and *Other Property* forms and complete Part A (required), Part B (if applicable), and Part C (if equipment-leasing transactions are applicable to your company).

Unless you notify us otherwise, we will assume that we are preparing your personal property tax return for the current year if we prepared your return last year. Likewise, if our office did not prepare your return last year or if you are a new client, we will assume you are preparing your own return unless you notify us by providing all appropriate information as soon as possible. When replying, please provide a copy of your prior-year personal property tax return, the current year preprinted form (if available), the *Fixed Asset Schedule* (if applicable), as well as the completed *Fixed Asset Update* form.

Depending on the taxing municipality in which your company resides, you should receive your preprinted personal property tax return beginning in December through the first week of January. Please forward this preprinted form to our office upon receipt.

Many municipalities require the forms to be postmarked to the Assessors office no later than February 10, if filing Form 5076 and February 20, if filing Form L-4175. If we are preparing your personal property tax return, please return the information to our office at your earliest availability. However, if we are only preparing your business or individual tax return, we still ask that you return this information along with your year end documents to our office no later than January 20, 2020, to allow us adequate time to prepare and review your return in a timely manner.

Attachment: Fixed Asset Update form
Rental Property form
Other Property form
Leasing Information form
Projected Fixed Asset Schedule (if applicable)

Fixed Asset Update Form

(Note: You may duplicate this schedule as needed to identify all asset additions and disposals)

Additions

- 1) Date of Acquisition _____
Description of Asset _____
Total Cost of Asset _____
Property Location, if applicable _____

- 2) Date of Acquisition _____
Description of Asset _____
Total Cost of Asset _____
Property Location, if applicable _____

- 3) Date of Acquisition _____
Description of Asset _____
Total Cost of Asset _____
Property Location, if applicable _____

Disposals

- 1) Date of Disposal _____
Disposal Method - sold, scrapped, traded, or
abandoned _____
Amount Received _____
Asset Number & Cost on Fixed Asset Schedule _____

- 2) Date of Disposal _____
Disposal Method - sold, scrapped, traded, or
abandoned _____
Amount Received _____
Asset Number & Cost on Fixed Asset Schedule _____

- 3) Date of Disposal _____
Disposal Method - sold, scrapped, traded, or
abandoned _____
Amount Received _____
Asset Number & Cost on Fixed Asset Schedule _____

Other Property

Property in your possession but not owned

Please provide additional information on **ALL OTHER PROPERTY** not owned by your company but in your possession on December 31, 2019, under arrangements other than a leasing agreement.

Name & Address of Owner	Description of Equipment	Age of Equipment	Selling Price

Improvements to place of business

Please provide as much detail as possible on any leasehold improvements you have made during the current year at your place of business. Provide as much as possible so that the assessor can determine whether an assessment should be made. You may attach additional documentation or explanations if necessary.

Description (Describe in Detail)	Description of Equipment	Year Installed	Total Cost Incurred

Rental and Other Property Sheets

(Please make Additional copies for multiple rentals)

Rental Property (Required)

Address of property rented:

Date lease signed:

Leased for how many years? (Write "NA" if month to month)

What is the monthly rent?

Are there options to renew the lease?

What expenses (taxes, electric, gas, etc.) does tenant pay?

Square footage of area rented:

If you are the Tenant (Required)

Name and address of landlord:

Is landlord the owner of the property?

YES

NO

If no, are you subletting property?

YES

NO

If subletting, name and address of property owner:

If you are the Landlord (Required)

Name and address of tenant:

Are you the owner of the property?

YES

NO