



**MONTGOMERY COUNTY**  
**COMMISSIONER OF THE REVENUE**  
**HELEN P. ROYAL, MASTER COMMISSIONER OF THE REVENUE**

755 ROANOKE STREET, SUITE 1A, CHRISTIANSBURG, VIRGINIA 24073-3170

**BUSINESS PERSONAL PROPERTY TAX INFORMATION**

**What is business personal property tax?**

Business personal property tax is a tax on the business furniture & fixtures, heavy equipment, programmable computer equipment, merchant's capital (inventory) and machinery & tools used in a business, trade, or profession. All tangible business personal property is taxable for the physical life of the asset regardless of the age (1 day or 100 years old). Taxable assets include items that have been received free of charge, as a gift, or personal items that have been brought from home to use in the business. Taxable property also includes items that have been partially or fully depreciated for income tax purposes. This tax is assessed annually and is based on all assets owned, or in the possession of, the business on January 1<sup>st</sup> of each year. Please reference Virginia Code 58.1-3503.

**How is business personal property assessed?**

Assessed values are based on a percentage of the original cost and the year of acquisition of the asset.

**Who is required to file the business personal property return?**

Every established business, trade, or profession that is in operation on January 1<sup>st</sup> of each year is required to file a business personal property return with the Commissioner of the Revenue office.

**What is the deadline for filing business personal property returns?**

On or before May 1<sup>st</sup> of each year. A postmark of May 1<sup>st</sup> is accepted as a timely filing. Forms filed after May 1<sup>st</sup> without an extension will be assessed a 5% or \$10 penalty whichever is higher.

**What is a detailed fixed asset list?**

A detailed fixed asset list is a list of all furniture & fixtures, heavy equipment, programmable computer equipment and machinery & tools used in a business, trade, or profession. The list should include the item/asset description, the year acquired or placed into business use, and the original cost. Merchant's capital (inventory) in the business as of January 1<sup>st</sup> must also be listed with original purchase price.

**What should be included on the asset list?**

Business personal property tax includes all items that have or will be used in the business. Taxable assets include items that have been received free of charge, as a gift, or personal items that have been brought from home to use in the business. Taxpayer property includes items that have been fully depreciated for income tax purposes regardless of age. The fixed asset list should include **every** item used in the business-not just new purchases or items recently received. Taxable items include but are not limited to equipment, vacuum cleaners, sanders, hand tools, saws, gasoline tanks, signs, walk-in coolers, freezers, electric tools, ladders, yard tools, lawn mowers, pressure washers, air compressors, tripods, cameras, film developing equipment, hair styling equipment, massage tables, tanning beds, movable shelving and racks, baby cribs, play pens, toys, kitchen appliances, filing cabinets, desks, chairs, telephone systems, cell phones, security equipment, lamps, all furniture (i.e. beds, tables, chairs, etc.), heaters, fans, copiers, fax machines, calculators, POS equipment, all computer equipment excluding all software.

**Is there a minimum dollar amount that does not have to be reported?**

**NO!** All items used in the business to earn the business an income is subject to personal property taxation for the physical life of the item.

**Is leased equipment taxable?**

Yes. The tax liability is determined by the lease agreement between the lessee and lessor. If the lessor is required to file and pay the tax, the lessee should list the leased equipment on the back of the business personal property filing form.

**What should I do if my business has an address change, moves, or closes?**

It is the responsibility of the business owner to notify the Montgomery County Commissioner of the Revenue office within 60 days of the change. (540) 382-5710.