

# Personal Property Assessment and Taxation



[www.oregon.gov/dor](http://www.oregon.gov/dor)

All personal property is valued at 100 percent of its real market value unless exempt by statutes. Personal property is taxable in the county where it is located as of the assessment date, January 1 at 1 a.m.

## Taxable personal property

Taxable personal property includes machinery, equipment, furniture, etc., used previously or presently in a business, including any property not currently used, placed in storage, or held for sale.

Statutes state that if the item of property is “affixed to” or “erected upon” land or buildings and isn’t “moveable,” it’s real property. Conversely, if it’s not “affixed to” or “erected upon” land or buildings and is “moveable,” it’s personal property. (ORS 307.010, 307.020, OAR 150-307-0010).

Moveable. Items of property that can be and are readily moved are personal property. A desk, though heavy, is generally considered moveable. A chair with casters is obviously moveable. Freestanding appliances may be heavy but are generally classed as personal property. (OAR 150-307-0010).

## Tax-exempt personal property

These items are exempt from property tax:

- **Intangible personal property.** Money at interest, bonds, notes, shares of stock, business records, computer software, surveys and designs, and the materials on which the data are recorded (paper, tape, film, etc.) (ORS 307.020).
- **All items held exclusively for personal use.** Household goods, furniture, clothing, tools, and equipment used exclusively for personal use in and around your home (ORS 307.190).
- **Farm animals.** Livestock, poultry, fur-bearing animals, and bees (ORS 307.394).
- **Inventory.** Items of tangible personal property which are or will be sold in the ordinary course of business (materials, containers, goods in process, and finished goods) (ORS 307.400).
- **Farm machinery and equipment** (ORS 307.394).
- **Environmentally sensitive logging equipment** (ORS 307.827).
- **Licensed vehicles other than fixed load/mobile equipment** (ORS 801.285).

## Filing your personal property tax return

Each individual, partnership, firm, or corporation that has taxable personal property must file a return by March 15.

Major industrial properties appraised by the Oregon Department of Revenue will report on an industrial property return furnished by the department.

For all other accounts appraised by the county assessor, a return form may be mailed to you by the county assessor before January 1 if you were assessed the previous year. You must report property you own or had in your possession as of January 1 at 1 a.m. If you don’t receive a form from the assessor, you’re still obligated to obtain and file a personal property tax return. There is a penalty for late filing. If you need help completing the form, contact your county assessor’s office.

If you sell your business, notify the county assessor to avoid future liability on the personal property.

## Penalty for late filing

If you report taxable personal property on a Confidential Personal Property Return, the penalty charge increases periodically. If your return is filed after March 15 but on or before June 1, a penalty of 5 percent of the tax will be charged. If the return is filed after June 1 but on or before August 1, the penalty increases to 25 percent of the tax. After August 1, the penalty increases to 50 percent of the tax.

If you report taxable personal property along with real property on an industrial property return sent to us and your return is filed late, a penalty for late filing will be \$10 for each \$1,000 (or fraction) of total assessed value. This penalty won’t be less than \$10 or more than \$5,000 (ORS 308.295).

## Paying your tax

Property tax statements are mailed to taxpayers in late October. You must pay at least one-third of your tax bill by November 15 to avoid interest charges. You receive a 3 percent discount if you pay the full amount due by November 15. If you pay two-thirds of the full amount by November 15, you receive a 2 percent discount. If you choose to pay in thirds, the second payment is due by February 15 and the third by May 15.

Personal property taxes become a lien on July 1 against any and all of the assessed property, as well as on personal property assessed in the same category. The taxes may become a lien against all personal property owned or in the possession of the person in whose name the property is assessed. The taxes are a debt due and owing from the owner of the personal property.

## **Appeals**

If you feel the county assessor has estimated the value of your property incorrectly, you have the right to appeal, but your appeal must be based on the property's value, not on the amount of taxes owed. To receive a change in your assessment, you must convince your county board of property tax appeals that your property is incorrectly valued. You must support your belief with evidence such as appraisal

reports and comparable sales. You also have the right to appeal if you believe you were charged a late filing penalty in error.

If you report your personal property on a combined industrial property return to us, you must appeal to the Magistrate Division of the Oregon Tax Court instead of your county board of property tax appeals.

For more information on property value appeals, see *How to Appeal Your Property Value*, 150-303-668.

## **Do you have questions or need help?**

[www.oregon.gov/dor](http://www.oregon.gov/dor)  
[questions.dor@dor.oregon.gov](mailto:questions.dor@dor.oregon.gov)

Contact us for ADA accommodations or assistance in other languages.