

2017 BUSINESS PERSONAL PROPERTY RENDITION OF TAXABLE PROPERTY

McLennan County Appraisal District

Mail Address: PO Box 2297, Waco, TX 76703-2297 **Physical Address:** 315 South 26th Street, Waco, TX 76710-7400
Telephone No: (254) 752-9864 **Website:** www.mclennanCAD.org

GEO NUMBER		RETURN COMPLETED RENDITION BY APRIL 17, 2017
VALUE CODE	PROPERTY ID #	
NAME OF BUSINESS (DBA): _____		
PHYSICAL LOCATION ADDRESS: _____ _____ _____		
MULTICODES, APPRAISER		SIC CODE

INSTRUCTIONS: TEXAS PROPERTY TAX LAWS REQUIRE YOU TO RENDER ALL TANGIBLE PROPERTY USED OR HELD FOR THE PRODUCTION OF INCOME AS OF JANUARY 1, 2017. *To render means: To list all property used or held for the production of income.* Property owners may protest appraised values before the Appraisal Review Board. (Tex. Property Tax Code, Section 25.19) Complete, sign, and return this form to the Personal Property Division, McLennan County Appraisal District, PO Box 2297, Waco, TX 76703-2297. You may call (254)-752-9864 for questions.

Business Name and Mailing Address:

Electronic Submission of the BPP Rendition is encouraged. Email the Rendition Document in an Excel Spreadsheet to the MCAD
 E-mail address: pp@mclennanCAD.org

Or, you may submit your EXCEL spreadsheet data on a READABLE CD that is attached to your Rendition document.

Daytime Telephone: _____

Email Address: _____

This document must be filed with the appraisal district office in the county in which your property is taxable. It must not be filed with the office of the Comptroller of Public Accounts. Location and address information for appraisal district offices may be found at www.window.state.tx.us/propertytax/referencestdirectory/cad.

GENERAL INSTRUCTIONS: This form is for use in rendering, pursuant to Tax Code, Section 22.01, tangible personal property used for the production of income that you own or manage and control as a fiduciary on January 1 of this year.

FILING AND DEADLINES: Rendition statements and property reports must be delivered to the chief appraiser after January 1 and not later than April 15, except as provided by Tax Code, Section 22.02. On written request by the property owner, the chief appraiser shall extend a deadline for filing a rendition statement or property report to May 15. The chief appraiser may further extend the deadline an additional 15 days upon good cause shown in writing by the property owner. Pursuant to Tax Code, Section 22.02, if an exemption applicable to a property on January 1 terminates during the tax year, the person who owns or acquires the property on the date applicability of the exemption terminates shall render the property for taxation within 30 days after the date of termination. If the chief appraiser denies an application for an exemption for property subject to rendition pursuant to Tax Code, Section 22.01(a), the person who owns the property on the date the application is denied shall render the property for taxation in the required manner within 30 days after the date of denial.

INSPECTION OF PROPERTY: Pursuant to Tax Code, Section 22.07, the chief appraiser or his authorized representative may enter the premises of a business, trade, or profession and inspect the property to determine the existence and market value of tangible personal property used for the production of income and having a taxable situs in the district.

REQUEST FOR STATEMENT REGARDING VALUE: Pursuant to Tax Code, Section 22.07, the chief appraiser may request, either in writing or by electronic means, that the property owner provide a statement containing supporting information indicating how value rendered was determined. The property owner must deliver the statement to the chief appraiser, either in writing or by electronic means, not later than the 21st day after the date the chief appraiser's request is received. The statement must:

- (1) Summarize information sufficient to identify the property, including:
 - (A) the physical and economic characteristics relevant to the opinion of value, if appropriate; and
 - (B) the source of the information used;
- (2) State the effective date of the opinion of value; and
- (3) Explain the basis of the value rendered.

If the property owner is a business with 50 employees or less, the property owner may base the estimate of value on the depreciation schedules used for federal income tax purposes. Failure to comply in a timely manner is considered to be a failure to timely render and the Tax Code requires that penalties be applied by the chief appraiser.

PENALTIES: The chief appraiser must impose a penalty on a person who fails to timely file a required rendition statement or property report in an amount equal to 10 percent of the total amount of taxes imposed on the property for that year by taxing units participating in the appraisal district. The chief appraiser must impose an additional penalty on the person equal to 50 percent of the total amount of taxes imposed on the property for the tax year of the statement or report by the taxing units participating in the appraisal district if it is finally determined by a court that:

- (1) the person filed a false statement or report with the intent to commit fraud or to evade the tax; or
- (2) the person alters, destroys, or conceals any record, document, or thing, or presents to the chief appraiser any altered or fraudulent record, document, or thing, or otherwise engages in fraudulent conduct, for the purpose of affecting the course or outcome of an inspection, investigation, determination, or other proceeding before the appraisal district.

SPECIAL INSTRUCTIONS: Effective January 1, 2014, certain dealers of motor vehicle inventory may elect to file renditions under Tax Code, Chapter 22, rather than file declarations and tax statements under Tax Code, Chapter 23. Tax Code, Section 23.121(a)(3) allows a dealer to make this election if it (1) does not sell motor vehicles that are self-propelled and designed to transport persons or property on a public highway; (2) meets either of the following two requirements: (a) the total annual sales from the inventory, less sales to dealers, fleet transactions, and subsequent sales, for the preceding tax year are 25% or less of the dealer's total revenue from all sources during that period, or (b) the dealer did not sell a motor vehicle to a person other than another dealer during the preceding tax year and the dealer estimates that the dealer's total annual sales from the dealer's motor vehicle inventory, less sales to dealers, fleet transactions, and subsequent sales, for the 12-month period corresponding to the current tax year will be 25% or less of the dealer's total revenue from all sources during that period; (3) files with the chief appraiser and the tax collector by August 31 of the tax year preceding January 1 on a form prescribed by the comptroller a declaration that the dealer elects not to be treated as a dealer under Tax Code, Section 23.121 in the current tax year; AND (4) renders the dealer's motor vehicle inventory in the current tax year by filing a rendition with the chief appraiser in the manner provided by Tax Code, Chapter 22. A dealer who makes this election must file the declaration annually with the chief appraiser and the tax collector by August 31 of the preceding tax year, so long as the dealer meets the eligibility requirements of law.

Effective January 1, 2014, a dealer of heavy equipment inventory may render its inventory by filing a rendition statement or property report as provided by Tax Code, Chapter 22. If the dealer files a rendition, the dealer is not considered to be a dealer as defined by Tax Code, Section 23.1241(a)(1). A heavy equipment inventory dealer has the option to render or to file declarations and tax statements, without filing additional declarations with the chief appraiser or tax collector.

Check the total market value of your property: Under \$20,000 \$20,000 or more

If you check under \$20,000 please complete: Section "1", Section "2", Section "3" and Section "S" (Signature Page). Otherwise, please complete all Sections.

When required by the chief appraiser, you must render any taxable property that you own or manage and control as fiduciary on January 1. [Tax Code Section 22.01(b)]. ► For this type property complete ALL sections that are applicable ◀

When required by the chief appraiser, you must file a report listing the name and address of each owner of property that is in your possession or under your management on January 1 by bailment, lease, consignment, or other arrangement. [Tax Code Section 22.04(a)]. ► For this type of property complete Section 4. ◀

Please Answer The Following Questions:

1. Are you the property owner, an employee of the property owner, or an employee of a property owner on behalf of an affiliated entity of the property owner? Yes No
2. Are you a secured party with a security interest in the property subject to this rendition and with a historical cost new of more than \$50,000, as defined and required by Tax Code, Section 22.01(c-1) and (c-2)?..... Yes No

(If you checked 'Yes' to this question, you must attach a document signed by the property owner indicating consent for you to file the rendition. Without the authorization, the rendition is not valid and cannot be processed.)

IMPORTANT NOTE: If you checked YES to either question, your signature on the signature page will not need to be notarized. However, if you checked NO to the first question, then your signature must be notarized.

Continue to Section 1 of this Application
And complete the remainder of the Application

SECTION 1. OWNER & AGENT PROPERTY INFORMATION

PLEASE INDICATE IF YOU ARE FILLING OUT THIS FORM AS: AUTHORIZED AGENT FIDUCIARY SECURED PARTY

1. NAME OF BUSINESS:	DAYTIME PHONE
2. OWNER, OFFICER, PARTNER:	DAYTIME PHONE
3. MAILING ADDRESS OR PO BOX:	EMAIL (OPTIONAL)
4. CITY, STATE & ZIP:	
5. BUSINESS (PHYSICAL) LOCATION: (OPTIONAL)	

IF APPLICABLE, AUTHORIZED AGENT NAME:	DAYTIME PHONE
AGENT MAILING ADDRESS:	EMAIL (OPTIONAL)
AGENT CITY, STATE & ZIP:	
(Optional) TYPE OF OWNERSHIP: <input type="checkbox"/> INDIVIDUAL <input type="checkbox"/> PARTNERSHIP <input type="checkbox"/> CORPORATION <input type="checkbox"/> OTHER _____	

By checking this box, I affirm that the information contained in the most recent rendition statement filed for a prior tax year (the _____ tax year) continues to be complete and accurate for the current tax year.

SECTION 2. SUMMARY (Optional only if multiple entry details not needed in Section 5)

DESCRIPTION OF PROPERTY	*Good Faith Estimate of Market Value (Optional)	OR	Historical Cost When New**	AND	Year Acquired	<u>APPRAISAL OFFICE USE ONLY</u>	
MERCHANDISE / INVENTORY						Prior Year Value \$	Current Year Value \$
SUPPLIES					INV		
FURNITURE FIXTURES & EQUIPMENT					SUP		
COMPUTERS					FFE		
MACHINERY						Date Entered	Initial
AUTOMOBILES, TRUCKS & TRAILERS					COMP		
LEASEHOLD IMPROVEMENTS					MACH		
OTHER PERSONAL PROPERTY							
YOUR ESTIMATE OF TOTAL MARKET VALUE*							
OTHER INFORMATION: (Estimated) Square Footage (Optional) = _____ Number of Employees (Optional) = _____ If your business has 50 or less employees, you may base the value estimate on the depreciation schedules used for federal income tax purposes.						NOTES:	

*If you provide an amount in the "good faith estimate of market value" column, you need not complete a 'historical cost when new' and 'year acquired'. "Good faith estimate of market value" is not admissible in subsequent protest, hearing, appeal, suit or other proceeding involving the property except for: (1) proceedings to determine whether a person complied with rendition requirement; (2) proceedings for determination of fraud or intent to evade tax; or (3) a protest under Tax Code Section 41.41.

**If you provide an amount in "historical cost when new" and "year acquired", you need not complete "good faith estimate of market value".

PLEASE NOTE: IF MULTIPLE ENTRIES ARE NEEDED IN SECTION 2, COMPLETE SECTION 6 OR SECTION 7 AS APPLICABLE.

SECTION 3: Personal Property Valued at Less Than \$20,000

***List all taxable property by type/category of property (See "Definitions"). If you manage or control property as a fiduciary on January 1 list the names and addresses of each property owner. You may attach a copy of a computer generated listing of the information below. If needed, attach additional pages to complete this section.**

GENERAL PROPERTY DESCRIPTION BY TYPE / CATEGORY ASSET NUMBER (OPTIONAL)	PROPERTY ADDRESS OR ADDRESS WHERE TAXABLE	**GOOD FAITH ESTIMATE OF MARKET VALUE (Optional)	PROPERTY OWNER NAME/ADDRESS IF YOU MANAGE OR CONTROL PROPERTY AS A FIDUCIARY
		\$	

*** "Good faith estimate of market value" is not admissible in subsequent protest, hearing, appeal, suit, or other proceeding involving the property except for: (1) proceedings to determine whether a person complied with rendition requirement; (2) proceedings for determination of fraud or intent to evade tax; or (3) a protest under Tax Code Section 41.41.*

NOTE: If you are a dealer/retailer of inventory that is subject to S Tax Code Sections 23.121, 23.124, 23.1241, or 23.127, , (alternate methods of appraising vehicles, vessels, outboard motors, and trailers, manufactured housing, and heavy equipment, list this type of property on the appropriate Dealer's Inventory Declaration rather than this schedule.

SECTION 4: EQUIPMENT LEASED OR LOANED TO YOU

PROPERTY UNDER BAILMENT, LEASE, CONSIGNMENT OR OTHER ARRANGEMENT

List the name and address of each property owner of taxable property that is in your possession or under your management as of January 1 by Bailment, Lease, Consignment or Other Arrangement. You may attach a copy of a computer generated listing of the information below. If needed, attach additional pages to complete this section.

Date Installed (Optional)	Owner's Name & Address	General Property Description	Selling Price (Optional)	Annual Rent (Optional)	**Good Faith Estimate of Market Value (Optional)	Appraisal District Use Only
	DBA/Owner's Name _____ Mail Addr: _____ City, State & Zip: _____ Property Taxes Paid by <input type="checkbox"/> US <input type="checkbox"/> THEM		\$	\$	\$	\$
	DBA/Owner's Name _____ Mail Addr: _____ City, State & Zip: _____ Property Taxes Paid by <input type="checkbox"/> US <input type="checkbox"/> THEM					
TOTALS					\$	\$

**If you provide an amount in the "good faith estimate of market value" column, you need not complete a 'historical cost when new' and 'year acquired'. "Good faith estimate of market value" is not admissible in subsequent protest, hearing, appeal, suit or other proceeding involving the property except for: (1) proceedings to determine whether a person complied with rendition requirement; (2) proceedings for determination of fraud or intent to evade tax; or (3) a protest under Tax Code Section 41.41.*

***If you provide an amount in "historical cost when new" and "year acquired", you need not complete "good faith estimate of market value".*

STEP S. SIGNATURE PAGE

This form must be signed and dated. By signing this document, you attest that the information contained on it is true and correct to the best of your knowledge and belief.

If you checked "Yes" to either question on the second page, sign and date on the first signature line below. No notarization is required.

PRINT HERE ► _____ SIGN HERE ► _____

DATE ► _____

If you checked 'NO' to the first question on the second page, you must complete the following in front of a Notary Public.

"I swear or affirm that the information provided on this form is true and accurate to the best of my knowledge and belief."

PRINT HERE ► _____ SIGN HERE ► _____

DATE ► _____

_____ Day of _____, 20_____

(SEAL)

Signature of Notary Public

Tax Code, Section 22.26 states:

- (a) Each rendition statement or property report required or authorized by this chapter must be signed by an individual who is required to file the statement or report.
- (b) When a corporation is required to file a statement or report, an officer of the corporation or an employee or agent who has been designated in writing by the board of directors or by an authorized officer to sign in behalf of the corporation must sign the statement or report.

Tax Code, Section 22.01(c-1) states:

- (1) "Secured party" has the meaning assigned by Business & Commerce Code, Section 9.102.
- (2) "Security interest" has the meaning assigned by Business & Commerce Code Section 1.201.

Tax Code, Section 22.01(c-2) states:

With the consent of the property owner, a secured party may render for taxation any property of the property owner in which the secured party has a security interest on January 1, although the secured party is not required to render the property by Subsection (a) or (b). This subsection applies only to property that has a historical cost when new of more than \$50,000.

Tax Code, Section 22.01(d-1) states:

A secured party is not liable for inaccurate information included on the rendition statement if the property owner supplied the information or for failure to timely file the rendition statement if the property owner failed to promptly cooperate with the secured party. A secured party may rely on information provided by the property owner with respect to:

- (1) The accuracy of information in the rendition statement;
- (2) The appraisal district in which the rendition statement must be filed; and
- (3) Compliance with any provisions of this chapter that require the property owner to supply additional information.

Guide to Business Personal Property Rendition of Taxable Property

Texas Property Tax Laws require you to render all tangible property used or held for the production of income as of January 1, of each year. To render means: To list all property used or held for the production of income. Property owners may protest appraised values before the appraisal review board (Reference: Tax Code, Section 25.19); and Tax Code Section 22.26 states: (a) Each rendition statement or property report required or authorized by this chapter must be signed by an individual who is required to file the statement or report. (b) When a corporation is required to file a statement or report, an officer of the corporation or an employee or agent who has been designated in writing by the board of directors or by an authorized officer to sign in behalf of the corporation must sign the statement or report.

Enclosed is a rendition form to make it easier to report your taxable assets. Section 5 of the form lists the assets previously rendered that we currently have on record. **If an item is no longer in your business, draw a line through it and state the reason (sold, scrapped, traded, etc).** If the line item contains multiple assets and one or more of the items has been disposed of, list the cost of the remaining items in Section 5. If you are a new owner, show all ownership changes on Section 1. This rendition form is also available online for download at the Appraisal District website: www.mclennanCAD.org

Confidential Information

Information contained in a rendition cannot be disclosed to third parties except in very limited circumstances. In addition, the tax code specifically provides that any "Good Faith Estimate" of value you provide is not admissible in proceedings other than a protest to the ARB or court proceedings related to penalties for failure to render. The final value we place on your property is public information, but your rendition document is not.

The mailing address for the general rendition forms is: **McLennan County Appraisal District**
PO Box 2297 Waco TX 76703-2297

The street address for onsite or courier deliveries to the Appraisal District is: **315 South 26th Street**
Waco TX 76710-7400

The e-mail address for electronic filing of rendition information is: **pp@mclennanCAD.org**

Penalties For Failure To File The Rendition Or The Explanatory Statement

There are two levels of penalty for failure to comply. If you fail to file your rendition before the deadline or you do not file it at all, the penalty is equal to 10% of the amount of taxes ultimately imposed on the property. To appeal late penalties for renditions you mailed and MCAD did not receive, there must be documented proof from a mailing service. If a court determines that you have committed fraud or have committed other acts with the intent of evading taxes on the property, a penalty equal to 50% of the taxes ultimately imposed on the property may be levied. (Reference: Tax Code Sections 22.28 and 22.29.)

COMPTROLLER DEFINITIONS

- **ADDRESS WHERE TAXABLE:** In some instances, personal property that is only temporarily at its current address may be taxable at another location (taxable situs). If you know that this is the case, please list the address where taxable.
- **CONSIGNED GOODS:** Personal Property owned by another person that you are selling by arrangement with that person. If you have consigned goods, report the name and address of the owner in the appropriate blank.
- **ESTIMATE OF QUANTITY:** For each type or category listed, the number of items, or other relevant measure of quality (example: gallons, bushels, tons, pounds, board feet).
- **FIDUCIARY:** A person or institution who manages property for another and who must exercise a standard of care in such management activity imposed by law or contract.
- **GOOD FAITH ESTIMATE OF MARKET VALUE:** Your best estimate of what the property would have sold for in U.S. dollars on January 1 of the current tax year if it had been on the market for a reasonable length of time and neither you nor the purchaser was forced to buy or sell. For inventory, it is the price for which the property would have sold as a unit to a purchaser who would continue the business.
- **HISTORICAL COST WHEN NEW:** What you paid for the property when it was new, or if you bought the property used, what the original buyer paid when it was new. If you bought the property used, and do not know what the original buyer paid, state what you paid with a note that you purchased it used.
- **.INVENTORY:** Personal Property that is held for sale to the public by a commercial enterprise.

- **PERSONAL PROPERTY**: Every kind of property that is not real property; generally, property that is movable without damage to itself or the associated real property.
- **PROPERTY ADDRESS**: The physical address of the personal property on January 1 of the current tax year. Normally the property is taxable by a taxing unit where the property is located.
- **SECURED PARTY**: A person in whose favor a security interest is created or provided for under a security agreement, whether or not any obligation to be secured is outstanding; a person that holds an agricultural lien; a consignor; a person to which accounts, chattel paper, payment intangibles, or promissory notes have been sold; a trustee, indenture trustee, agent, collateral agent, or other representative in whose favor a security interest or agricultural lien is created or provided for; or a person that holds a security interest arising under Sections 2.401, 2.505, 2.711(c), 2A.508(e), 4.210, or 5.118.
- **SECURITY INTEREST**: An interest in personal property or fixtures which secured payment or performance of an obligation. "Security interest" includes any interest of a consignor and a buyer of accounts, chattel paper, a payment intangible, or a promissory note in a transaction that is subject to Chapter 9, "Security interest" does not include the special property interest of a buyer of goods on identification of those goods to a contract for sale under Section 2.401, but a buyer may also acquire a "security interest" by complying with Chapter 9. Except as otherwise provided in Section 2.505, the right of a seller or lessor of goods under Chapter 2 or 2A to retain or acquire possession of the goods is not a "security interest," but a seller or lessor may also acquire a "security interest" by complying with Chapter 9. The retention or reservation of title by a seller of goods notwithstanding shipment or delivery to the buyer under Section 2.401 is limited in effect to a reservation of a "security interest." Whether a transaction in the form of a lease creates a security interest is determined pursuant to Section 1.203.
- **TYPE / CATEGORY**: Functionally similar personal property groups. Examples are: furniture, fixtures, machinery, equipment, vehicles, and supplies. Narrower groupings such as personal computers, milling equipment, freezer cases, and forklifts should be used, if possible.
- **YEAR ACQUIRED**: The year you purchased the property.

OTHER INFORMATION

What Are My Rights If A Penalty Is Assessed Against Me?

If a penalty is assessed against you, you can file a request for a waiver of the penalty. You must file the request in writing with the chief appraiser within 30 days after you receive the notice that the penalty has been imposed. Your request must include documentation showing that either you substantially complied with the rendition law or that you made a good faith effort to do so. The documentation should also address:

- | | |
|--------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| (1) Your compliance history with respect to paying taxes and filing statements or reports; | (5) Your reliance on advice provided by the appraisal district that may have contributed to your failure to comply and the imposition of the penalty; |
| (2) The type, nature, and taxability of the specific property involved; | (6) Any change in appraisal district policy during the current or preceding tax year that may affect how property is rendered; and |
| (3) The type, nature, size, and sophistication of your business; | (7) Any other factors that may have caused you to fail to timely file a statement or report. |
| (4) The completeness of your records; | |

The Chief Appraiser is required by law to consider these factors and notify you in writing. If the chief appraiser declines to waive a penalty and you have made a timely request for waiver, you may protest the imposition of the penalty to the appraisal review board. The board may waive the penalty if it finds that you substantially complied with the rendition law or made a good faith effort to do so.

FREEPORT EXEMPTION – If you have not already applied, attach application to this rendition (optional). Your January 1 (September 1) inventory total above must match Step 4, Line C of the Freeport application.

DEALERS RETAIL INVENTORY (VEHICLES, BOATS, HEAVY EQUIPMENT AND MOBILE HOMES) – Use Section 1 to report only that part of your inventory which is excluded by the Dealer Inventory laws. For example, all of your parts must be reported on this rendition. You must also complete the sections for furniture, fixtures, machinery, equipment and vehicles.