

**ASSESSORS' OFFICE
TOWN OF DOVER-FOXCROFT
Town Office
48 Morton Avenue, Suite A
Dover-Foxcroft, Maine 04426
Telephone 207-564-04426**

April 5, 2016

Re: Information Request from business property owner.

Dear Business Owner:

This letter serves two purposes.

One. Possible Tax Exemption (Business Equipment Tax Exemption)

Business equipment that was installed or in place on or before April 1, 2007 is taxable. Certain, but not all, business equipment installed after April 1, 2007 with proper application is exempt from taxation. This exemption is not automatic. The business has to apply for the exemption.

Office furniture and fixtures are taxable. Retail property is taxable. Retail property is defined quite broadly and includes beauty and barber shops, restaurants, auto repair shops, gas stations, dry cleaners, laundromats, hotels and motels, bowling lanes, movie theaters, and health clubs. Business equipment owned by a public utility, a radio paging service, mobile telecommunications services, a cable television company, satellite based tv broadcast services, and gambling equipment remain taxable. Equipment used in energy plants producing energy primarily for sale remain taxable.

Other new business equipment placed in service after April 1, 2007 is exempt from taxation. Equipment qualifying for the exemption would include manufacturing equipment, farm or timber harvesting equipment, unexcised construction equipment, non-retail office machines and computer processing equipment.

If you think that you have equipment that qualifies for this exemption, we have enclosed the State of Maine application form. Directions for the application are on the back of the form. Please copy the form if you need additional lines to report equipment that you think qualifies for this exemption. Please complete and return this exemption application by May 1, 2016. The directions on the back of the application (number 2, 3, 4, and 5) give guidance on what equipment does and does not qualify for the exemption. There is some additional guidance available on line at [http://www.state.me.us/revenue/property tax/homepage.html](http://www.state.me.us/revenue/property%20tax/homepage.html). Click on Business Equipment Tax Exemption Program (BETE).

Two. Request for business equipment listing pursuant to Title 36 Section 706.

Maine law provides that certain personal property associated with a business is subject to property taxation. Maine law also provides that the assessors may request a list from taxpayers listing the property that is subject to taxation.

We are requesting a listing from you of personal property associated with your business that is subject to taxation. You are required to report annually, a complete itemized listing of all business equipment owned on April 1 used in the operation of your business. Costs reported on this list should include all relevant costs to make this equipment operational in your business including transportation and installation and should not be reduced by depreciation. All items physically present should be reported even though they may be fully depreciated for IRS and business accounting purposes. If there are items which are present, but not functional, please note this on the report.

To assist you in accurately reporting this list, we have listed examples of the types of personal property that are subject to taxation in the State of Maine at the bottom of this letter. On the enclosed form, please indicate whether the item was purchased as a new item or if it was used. Please list the date of purchase, a brief description of the item, a model number if readily available and appropriate, the actual or approximate year of manufacture, and the purchase price. The purchase price should include any necessary installation cost to make the item operable in your place of business. On the back of the list, please list any leased equipment located at your place of business.

Also to assist you, if you are an existing an account, we have enclosed a list of the equipment that you were taxed for in 2015. If it is more convenient for you, you may start with this listing in completing this request. Please draw a line though all items removed from the enclosed list and use the blank form to report any additions to your business equipment.

Your cooperation in providing this information will assure a fair and equitable assessment of your business equipment. Please return the list to the Assessors' Office at the address on this letterhead by May 1, 2016. This request is made in accordance to Maine law, Title 36, Section 706, which provides that failure to provide a listing of property to the assessor shall bar the taxpayer's right to appeal his or her valuation.

Yours truly,

William Van Tuinen
Assistant to Assessors

EXAMPLES OF PERSONAL PROPERTY SUBJECT TO PERSONAL PROPERTY TAXATION IN THE STATE OF MAINE. This is not an exhaustive listing of the kinds of personal property, associated with a business in the State of Maine, that are subject to property taxation. These examples are meant to be illustrative of the types of properties that are taxed.

Office furniture, such as tables, chairs, desks, file cabinets, etc.

Office equipment, such as telephones, printers, computers, copiers, fax machines, etc.

Motel furniture and fixtures such as beds, chairs, stands, televisions, etc.

Store furniture and fixtures, such as shelving, displays, cash registers, coolers, freezers, racks, check out stands, etc.

Bank equipment such as teller equipment, vault doors, safes, automatic teller machines, etc.

Medical and dental equipment, such as examination tables, dental chairs, x-ray machines, lab equipment, etc.

Manufacturing equipment used in the manufacture of a product.

Service Station equipment such as lifts or hoists, compressors, diagnostic equipment, tire changers, etc.

Restaurant furniture and equipment such as tables, chairs, stoves, ovens, coolers, hoods, freezers, food preparation tables, etc.

Rental Equipment, such as specific pieces of equipment that are rented out to customers in a business that rents to customers. This includes VCR tapes rented to customers.

Vehicles that the owner does not pay an excise tax on, such as tractors, forklifts, backhoes, bulldozers, trailers, etc.

Vending equipment, such as beverage machines, candy machines, change machines, etc.

Games or Game Machines used in a business, such as a coin operated video machine, a pinball machine, pool table, etc.

Professional Libraries.

Equipment used by contractors, masons, or landscapers, such as; power tools, staging, etc

Signs.

Maine Revenue Services - Property Tax Division
Business Equipment Tax Exemption Application
 (Title 36 § 691 - 700B)

This application must be filed every year with the municipal assessor no later than May 1st

Name of Business: _____
 Business Address: _____
 Name of Owner: _____
 Type of Business: _____
 Account #: _____

(See instructions on reverse page)

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20	Description of the Exempt Equipment (please be specific)	Purchased / Placed in Service in Maine (Month / Year)	Current Age	Cost or Value New	Estimate of Current Value	Physical Address of Equipment (Leased Equipment Only)	To be Completed by the		
							TIF (Y / N)	Assessor BETE Eligible (Y / N)	Assessed Value

Applicant (or property owner) signature: Under penalties of perjury, I declare that I have examined this application and accompanying schedules and, to the best of my knowledge and belief, they are true, correct and complete. Declaration of preparer (other than applicant) is based on all the information of which the preparer has knowledge.

Assessor (or agent of the assessor) signature: Under penalties of perjury, I declare that I have examined this application and accompanying schedules and, to the best of my knowledge and belief, they are true, correct and complete.

Applicant _____ Date _____
 Preparer _____ Date _____
 Assessor (or Agent of the Assessor) Signature _____ Date _____

Business Equipment Tax Exemption Application

What is BETE (Business Equipment Tax Exemption)?

BETE is a 100% property tax exemption program for eligible property that would have been first subject to tax in Maine on or after 4/1/08. BETE does not replace the BETR program (Business Equipment Tax Reimbursement). The BETR program remains in place for qualified property placed in service after April 1, 1995 and on or before April 1, 2007 and for retail/service property placed in service after April 1, 1995. (See <http://www.maine.gov/revenue/taxrelief/homepage.html> for more BETR information).

- 1. When and where to file application?** This application is to be filed by April 1st of each year with the local assessor even if no changes in property status has occurred from the prior year. An automatic extension to May 1st is granted if the April 1st deadline is not met. An assessor may extend beyond May 1st upon receipt of written request.
- 2. What property is BETE eligible business equipment?** Eligible business equipment is qualified property that would have been first subject to tax in Maine on or after 4/1/2008 and includes repair parts, replacement parts, replacement equipment, additions, accessions and accessories to other business property and inventory parts.
- 3. What property does not qualify for BETE?** Property that does not qualify includes office furniture, lamps and lighting fixtures used primarily for general office or worker lighting, property owned or used by an excluded person, telecommunications personal property, gambling machines or devices and property located at a retail sales facility and used primarily in a retail sales activity. (See 5 Below)
- 4. Who does not qualify for BETE?** Property owned or used by an "excluded person" does not qualify. Excluded persons include: public utilities, persons providing radio paging service, persons providing mobile telecommunications services, cable television companies, persons providing satellite based direct television broadcast services and persons providing multichannel multipoint television services.

5. What is excluded from BETE? BETE does not apply to property located at a retail sales facility and used primarily in a retail sales activity. Such property may qualify for reimbursement under the BETR program. A retail sales facility is a structure used to serve customers who are present at the facility for the purpose of selecting and purchasing goods or services at retail or for renting tangible personal property. A warehouse or call center facility is not considered a retail sales facility. Retail sales activity is associated with the selection and purchase of goods or services or the rental of tangible personal property. Manufacturing or processing is not considered retail sales activity.

TAXPAYER INSTRUCTIONS

Description of the Exempt Equipment: Description should be specific enough to be able to identify the property: (i.e. 2009 Bobcat model 236D skid steer loader, 2012 Ditch Witch trencher model RT30).

Date First Purchased/Placed in Service in Maine: list date equipment first put into service in Maine. Only equipment placed in service after April 1, 2007 is eligible for BETE.

Cost of Value New: The value of the equipment when it was new or what it would cost to purchase new. Include all installation costs.

Estimate of Current Value: Estimate of the current value of this piece of equipment.

Current Age: (for depreciation purposes) The total number of years this equipment has existed.

ASSESSOR INSTRUCTIONS

Located in a TIF District: Is the equipment located within a Tax Increment Financing District

Assessed Value: assessed value = depreciated value X certified ratio

