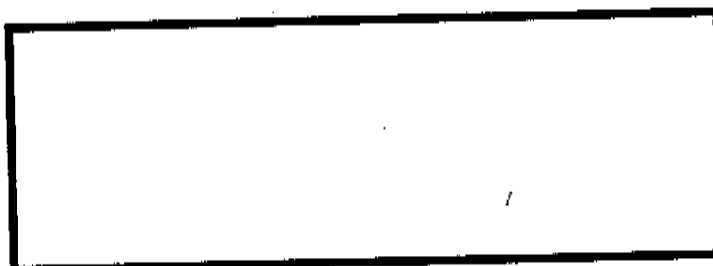


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2007
STATE OF OHIO
COUNTY RETURN
OF
TAXABLE BUSINESS PROPERTY
TAX FORM 920

Filing Requirement - File this return in duplicate with your county auditor, with check attached for at least one-half of the tax, made payable to your county treasurer, between Feb. 15 and April 30, unless extended. There is no filing requirement if the listed value is \$10,000 or less. No payment is required if the total tax due is less than \$2.

Penalty for Late Filing - To be considered filed timely the return must be received by the county auditor on or before the due date. **The mailing of a return, except by certified mail, does not constitute timely filing.** To ensure timely delivery to and receipt by the county auditor, certified mail should be used, or the return may be filed in person with the county auditor.

If the return is filed late, the assessor will add a penalty of up to 50% of the remaining listed value after the full \$10,000 exemption is applied.

Taxing Districts - You must list your property in the taxing district where it is located and show the complete name and number of the taxing district. Taxing district names normally consist of a township, city or village and school district. Cities may have more than one school district. Taxing district numbers vary by county and from county to state. **If you do not know your taxing district name or number, check your real property tax bill or contact your county auditor.**

What's New for 2007

As part of Ohio's tax reform initiative, the state's recently passed budget bill, Am. Sub. H.B. 66 (126th General Assembly), phases out the personal property tax on general business machinery and equipment, inventory, and furniture and fixtures over four years. The list percentages for the phase-out period can be found in Ohio Revised Code (R.C.) 5711.22 and are as follows:

<u>Return Year</u>	<u>List Percentage</u>
2007	12.50%
2008	6.25%
2009	0.00%

Additionally, all manufacturing equipment first placed in service in Ohio by a manufacturer on or after Jan. 1, 2005, is immediately exempt. "Manufacturing equipment" includes machinery, equipment, tools, implements and patterns, jigs, dies and drawings used at a manufacturing facility by a manufacturer. A "manufacturing facility" is a facility or portion of a facility used for manufacturing, mining, refining, rectifying or combining different materials with a view to profit. In addition to supplying new definitions for "manufacturing equipment" and "manufacturing facility," R.C. 5711.16, as amended by Am. Sub. H.B. 66, provides definitions for "manufacturer" and "manufacturing inventory." New manufacturing equipment meeting this definition should be listed at 0% of its true value beginning with the 2006 return (R.C. 5711.22).

"Schedule 5" has been added to this form to report only that manufacturing equipment that is exempt as a result of this change. All manufacturing equipment first used in business before Jan. 1, 2005 is required to be listed and assessed in Schedule 2.

Note that the new manufacturing definitions apply to property required to be listed in Schedule 2. Only taxpayers meeting the new manufacturing definitions should report the value of manufacturing equipment, placed in service prior to Jan. 1, 2005, in Schedule 2. All other equipment should be reported in Schedule 4.

Am. Sub. H.B. 66 also phases out the grain handling tax. Effective for the 2007 tax return year form 925, Return of Grains Handled, and Schedule 6 – Grains are no longer required to be completed or filed.

Am. Sub. H.B. 66 changed the method used to calculate the interest rate applied to personal property tax underpayments and overpayments, effective July 1, 2005. Previously, the interest rate was equal to the federal short-term rate plus 3%. Under revised law, the interest rate will be equal to the federal short-term rate without any adjustment.

Telephone and inter-exchange telecommunications companies – previously classified as public utility taxpayers – have been redefined as general business taxpayers under R.C. 5711, effective with the 2007 return. Even if a telephone or inter-exchange telecommunications company has property in only one Ohio county, form 945LT, 945IX, (Long Distance) or 945IX (Other) must be filed so that the value of the property reported can be accurately apportioned. These forms are required to be filed between Feb. 15 and April 30 (June 15 as extended) every year.

Reminders When Filing Form 920

- Within Ohio's 88 counties there are more than 4,000 possible taxing jurisdiction combinations. They are composed of unique combinations of cities, townships, villages, school districts, safety districts, etc. **Each district is identified by a unique number within each county and also at the state level for the inter-county return.** As a local source of revenue, the personal property tax rates are also unique for each jurisdiction. To ensure that your personal property is listed in the correct taxing district and your tax liability is computed based upon the correct tax rate, you should **1)** contact your local county auditor to verify – by address – the correct taxing district in which your property is located; or **2)** refer to last year's personal property preliminary or amended assessment certificate or real estate bills for the correct taxing district name and number.
- A personal property tax return (form 920 or form 945) is no longer required to be filed if the listed value **before** exemption is \$10,000 or less.
- For those using a software package to create your personal property tax return, remember to incorporate into your existing data any amended assessments showing taxing district changes made subsequent to filing your original 2006 personal property tax return.
- Taxpayers having tangible personal property used in business and located in only **one** Ohio county must file form 920 with the appropriate county auditor. Taxpayers having personal property used in business and located in **more than one** Ohio county must file form 945 with the tax commissioner. An inter-county tax return filed with the tax commissioner reporting personal property values in only one county will be forwarded to the appropriate county auditor for assessment. The taxpayer will be notified immediately of this action since at least one-half of the total tax due will need to be submitted to that county within 10 days of the county's receipt of the reported values to avoid a late-filing penalty.
- By Ohio law, all assessments and bills must be sent to the taxpayer. In every case, the taxpayer's mailing address of record must be recorded on the face of the inter-county return.
- ✓ Commonly used **2007** tax forms and schedules are available on the Department of Taxation's Web site at **tax.ohio.gov**, most in both downloadable and fill-in formats.
- ✓ Please check with your local county auditor's office for the preferred method for submitting an application for an extension of time to file form 920. Please note that all form 920 extension requests **must be received** by the appropriate county auditor on or before April 30 to be considered. The U.S. postmark date will **not** be accepted as the date of receipt. However, as with the tax return itself, if the extension application is sent by certified mail or an authorized delivery service the date of mailing (postmark) will be accepted as the date received by the appropriate county auditor and/or tax commissioner.
- ✓ The 2007 Tax Rate Booklet and Guidelines Book will not be available as printed publications. However, both publications will be available on the Department of Taxation's Web site by March 2007. Again, the Tax Rate Booklet will contain both the county version and the corresponding state taxing district numbers.