810-4-1-.26 Valuation and Assessment of Business Personal Property Using Form ADV-40S (Short Form). **(NEW RULE)**

(1) In order to achieve uniformity throughout the State of Alabama, the following procedures must be followed for any taxpayer choosing to file Form ADV-40S (Short Form) in accordance with Act 2014-415 for assessment of business personal property.

(a) A taxpayer who meets the following qualifications has the option to file Form ADV-40S as an alternative to filing the itemized return (Form ADV-40).

1. To initially qualify for filing Form ADV-40S (Short Form), the taxpayer must have filed an itemized return (Form ADV-40) with the local assessing official for the immediately preceding year and the total acquisition cost of all taxable tangible personal property must have been $10,000 or less. For subsequent years, Form ADV-40S (Short Form) must have been filed for the previous year.

2. The taxpayer must have $10,000 or less in total acquisition cost of all tangible taxable personal property assets for the current year.

(2) The taxpayer upon filing Form ADV-40S (Short Form) agrees that his/her market value for the business personal property assessment will be $10,000 and taxes will be due based upon this market value.

(a) No refund of taxes overpaid by agreeing to the market value of $10,000 will be allowed.

(b) If a taxpayer knowingly submits a false or incorrect short form, the return shall be subject to a 50 percent penalty on all additional taxes found to be owed.

(c) All other penalties, fines and fees associated with the filing of a business personal property return remain in effect even if a taxpayer chooses to file Form ADV-40S (Short Form).

(3) If on any October 1 lien date a taxpayer's total acquisition cost of all taxable tangible personal property assets exceeds $10,000, the taxpayer is required to file an itemized return (Form ADV-40) with the local assessing official in the taxing jurisdiction in which the property is located.

Author: Jennifer Byrd
Authority: Section 40-2A-7(a)(5), Code of Alabama 1975 and Act 2014-415.
History: