COMMERCIAL PERSONAL PROPERTY APPRAISAL MANUAL

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Introduction

This Commercial Personal Property Appraisal Manual has been prepared by the Assessment Coordination Division of the Department of Finance and Administration to help achieve equity in the assessment of the commercial personal property of commercial and industrial establishments in Arkansas through the uniform application of valuation guidelines. It is the mandate of the Constitution of Arkansas and the goal of ACD that equity be realized within and among all classes of property throughout all taxing jurisdictions in Arkansas.

None of the content of this manual is intended, in any way, to relieve property owners or assessing officials of their obligation by law to report, value or assess personal property at its true and full market value. Application of the valuation guidelines, procedures and rates contained in this publication, together with sound judgment on the part of assessment officials, will help determine the validity of values received from a variety of commercial operations. Methodologies contained herein are intended only to provide the user with an approximation of value for the personal property of a business "typical" for that class. Others, such as the indexed depreciation schedules, are provided to determine estimated market value based on adjustments to information obtained from property owners.

Accurate application of the several portions of this guide will be difficult without a thorough familiarity with its content. To this end, each section is accompanied by descriptive text to provide such information. Before using any section, **please read the instructions!** To facilitate use of the manual, ACD will conduct workshops and other training sessions as needed.

This manual will be published in an updated form periodically, not only to maintain accuracy of existing rates and values, but also to include new classes of businesses, equipment values, valuation methods and any other information deemed to be useful to assessing officials as it becomes available. This Fifteenth Edition of the Commercial Personal Property Appraisal Manual supersedes any previous editions. Questions regarding this edition, or suggestions for future editions, may be directed to:

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STATUTES

SELECTED ARKANSAS STATUTES

This section contains legislation enacted in the state of Arkansas and pertinent to the assessment of personal property in general and commercial personal property in particular.

26-1-101. Definitions. As used in this act, unless the context otherwise requires:
"Oath" means oath or affirmation.
"Person" means firm, company, or corporation.
"Personal Property" means: Every tangible thing being the subject of ownership, whether animate or inanimate, other than money and not forming a part of any parcel of real property as defined; (Note*: The portions of this statue referring to Real Property and intangible Personal Property are not quoted herein*.)

26-2-104. Violations in assessments or equalization generally. Whoever shall violate any provision of law intended to secure the assessment or equalization of property, for which a penalty has not otherwise been provided, or neglects or refuses to obey any lawful requirement or order made by the county equalization board, shall be deemed guilty of a misdemeanor and, upon conviction, shall be fined not less than ten dollars ($10.00) nor more than one hundred dollars ($100).

26-2-107. Disposition of property to avoid assessment. If any person, for the purpose of avoiding listing for the payment of taxes any property subject to taxation, shall sell, give away, or otherwise dispose of the property, under or subject to any agreement expressed or implied or any understanding with the purchaser, done, or recipient of the property that the property is to be reconveyed, restored, or redelivered to the person so disposing of the property, he or she shall be guilty of a violation and upon conviction be fined not less than five hundred dollars ($500) nor more than one thousand dollars ($1000).

26-3-201. Property subject to taxes generally. All property, whether real or personal, in this state… shall be subject to taxation. Such property …shall be entered on the list of taxable property for that purpose. (Note: *The deleted portion of this statute refers to intangible Personal Property, which has since been exempted under A.C.A. § 26-3-302).*

26-3-302. Intangible Personalty. All intangible personal property in this state is exempt from all ad valorem tax levies of counties, cities, and school districts in the state.

Intangible personal property includes without limitation a permit or license required to place, operate, or maintain at a specific location one (1) or more structures or fixtures and the value associated with the permit or license to place, operate, or maintain at a specific location the structures or fixtures.

The exemption provided in this section applies with respect to the assessment and taxation of intangible personal property on and after January 1, 1976, and ad valorem taxes shall not be assessed or collected on intangible personal property for any period after January 1, 1976.

26-24-102. Power and authority generally. The Arkansas Public Service Commission shall have the full power and authority in the administration of the tax laws of this state to have and exercise general and complete supervision over:

The valuation, assessment, and equalization of all property, privileges, and franchises; and

The several county assessors, county boards of equalization, and other officers charged with the assessment or equalization of property taxes throughout the state, to the end that all assessments on property, privileges and franchises in this state shall be made in relative proportion to the just and true value of the property privileges, and franchises, in substantial compliance with the law.

26-26-201. Delinquent assessments. There shall be a penalty of ten percent (10%) of all taxes due on all persons and property delinquent in assessment.

Where the penalty of ten percent (10%) of the amount of all taxes due shall amount to less than one dollar ($1.00), the penalty shall be arbitrarily fixed at one dollar ($1.00).

All persons and property not listed for assessment with the county assessor on or before May 31 of the year in which the assessment is required, as provided by this chapter, shall be deemed to be delinquent in assessment, and the county assessor shall so designate it on his or her records that the county clerk may know each item of property and all persons so delinquent.

It shall be the duty of the county officer designated by the county quorum court under § 26-28-102 to affix and extend the penalty provided in this section against each item of property and all person's delinquent in assessment.

The penalty shall be collected by the county collector and shall be paid into the county general fund.

Between January 1 and June 5 of each year, each county assessor shall file with the Treasurer of State a sworn statement that he or she will comply with subsection (a) of this section. If a county assessor fails to file the statement by June 5, then the Treasurer of State shall withhold county turnback to that county until the statement is received by the Treasurer of State.

If the neglect is willful, the delinquent shall be deemed guilty of a misdemeanor and shall be fined in any sum not more than one thousand dollars ($1,000).

In addition to the penalties for not assessing, delinquent persons shall be required to pay an additional fifty cents ($.50) for each list, which shall be utilized by the county assessor to help pay for the expense of assessing property, subject to appropriation by the quorum court.

This additional sum shall be collected by the county collector in the usual manner and paid into the assessor's late assessment fee fund established on the books of the county treasurer.

Moneys in the assessor's late assessment fee fund shall be allowed to accumulate and the fees collected shall not be used in the final tax settlement proration for the costs of operating the assessor's office.

26-26-303. Percentage of value to be used in appraisal. The appraisal and assessment shall be according to value as required by Arkansas Constitution, Article 16, Section 5.

The percentage of true and full market or actual value to be used in the appraisal and assessment shall be fixed and certified by the Arkansas Public Service Commission as provided by 26-24-104. Until and unless a budget system is adopted with provisions for eliminating excessive and illegal tax rates and expenditures, the commission shall not fix and certify a percentage of true and full market or actual value more than twenty percent (20%).

26-26-901. Furnishing of forms. Upon the application of the property owner or other person required to file an assessment list, the county assessor shall furnish appropriate blanks upon which to list and report the property required to be listed.

26-26-903. Owner to list property. Every person of full age and sound mind shall list the Real Property of which he is the owner, situated in the county in which he resides, the Personal Property of which he is the owner.

26-26-910. Valuations in listings not conclusive. The valuations as set out in any assessment list required under the provisions of this subchapter to be delivered to the county assessor by the property owner shall not be held to be conclusive as to the value of the property so listed, and the county assessor may make such assessment of the property as he or she may deem just and equitable.

The county assessor, in each instance where he or she raises the valuation of any property which has been listed with him or her as by law required, shall deliver to the property owner or his or her agent a duplicate copy of the adjusted assessment list, or he or she shall notify the property owner or his or her agent by first class mail, which notice shall state separately the total valuation of real and personal property as listed by the property owner and as fixed by the county assessor, and shall advise that the owner may, by petition or letter, apply to the county equalization board for the adjustment of the assessment as fixed by the county assessor.

All applications shall be made to the county equalization board on or before the third Monday in August.

For the purpose of enabling the county assessor to determine just and equitable values of property, he or she is authorized, and it shall be his or her duty, to enter upon and make such personal inspection thereof as he or she shall deem necessary.

Any person shall, when called upon by the county assessor, be required to answer upon oath and furnish proof demanded as to purchases, sales, transfers, improvements, accounts, notes, stocks, bonds, bank notes, bank deposits, invoices, insurance carried, or any and all other information requested and pertaining to the location, amount, kind, and value of his or her own property or that of another person.

26-26-911. Inquiries to makers of lists. The Arkansas Public Service Commission, the county assessor, or any one of them who may be required under the law to make assessment rolls shall, in addition to their duties as required by law, specifically inquire of the maker of each list the following:

The number, kind, and value of each automobile he or she owns;

The cash or funds on hand, and money on time deposit or otherwise in any depository, in or out of the state;

The taxable securities of every kind and their value, in or out of the state, he or she may own;

What stock, bonds, or mortgages owned and their value, in or out of the state;

What leases or mineral deeds are owned and the value of them that are contemplated in §§ 26-26-1109 and 26-26-1110;

What timber, deeds, or contracts contemplated by § 26-3-205 he or she owns and the value of them; and

Any other property of any kind whatsoever that has a value about which questions have not been asked.

The taxpayer shall then be required to assess the properties disclosed by investigation.

26-26-1102. Place of assessment. All real estate and tangible Personal Property shall be assessed for taxation in the taxing district in which the property is located and kept for use.

Tangible Personal Property in transit for a destination within this state shall be assessed only in the taxing district of its destination.

Tangible Personal Property in transit through this state including raw materials from within or outside this state used in the manufacturing process and tangible Personal Property manufactured, processed, or refined in this state and stored for shipment outside the state shall, for purposes of ad valorem taxation, acquire no situs in this state and shall not be assessed for taxation in this state.

The owner of tangible Personal Property in transit through this state and of tangible Personal Property in transit for a destination within this state may be required by the appropriate assessor, to submit documentary proof of the in-transit character and the destination of the property.

"**Tangible Personal Property in transit through this state**" means, for the purposes of this section, tangible Personal Property:

Which is moving in interstate commerce through or over the territory of this state; or Which is consigned to or stored in or on a warehouse, dock, or wharf, public or private, within this state for storage in transit to a destination outside this state, whether the destinations specified when transportation begins or afterward, except where the consignment or storage is for purposes other than those incidental to transportation of the property; or

Which is manufactured, processed, or refined within this state and which is in transit and consigned to, or stored in or on, a warehouse, dock, or wharf, public or private, within this state for shipment to a destination outside this state.

26-26-1114. Assessment of personal property taxes by mail or by telephone. For any assessment of personal property taxes after December 31, 1993, a taxpayer may assess the personal property taxes by mail, by telephone, or in person.

The county assessor shall permit assessment of real and personal property of individuals by telephone without a signature verification under oath.

The assessment by telephone shall not apply to business, commercial, and industrial real and personal property assessments.

The county assessor shall mail to individuals assessing personal property by telephone, within five (5) working days from the date of assessment by telephone, an assessment containing a certification, which shall be provided by the county collector, indicating whether all required personal property taxes have been paid.

The county assessor shall provide, if requested, proof of assessment for each motor vehicle assessed and proof of said payment information appropriate for motor vehicle registration renewal by mail.

The Director of the Assessment Coordination Division shall promulgate regulations for the administration of this section. The forms and regulations promulgated by the director shall apply to all counties in the state.

26-26-1201. Date of valuation. All property in this state shall be assessed by the authorized authorities according to its value on January 1. However, stocks of merchants and manufacturers shall be assessed at the value of the average stock in possession or under control during the year immediately preceding January 1 of the year in which assessment is required.

26-26-1202. Valuation procedures. Personal Property of any description shall be valued at the usual selling price of similar property at the time of listing. If any Personal Property shall have no well-fixed or determined value in that locality at the time, then it shall be appraised at such price as in the opinion of the assessor could be obtained at that time and place.

(T*he beginning and ending portions of this Statute refer to Real Property and intangible Personal Property respectively and are not quoted herein.*)

26-26-1203. Merchants. Any person owning or having in his possession or under his control, within this state, with authority to sell it, any Personal Property purchased with a view to its being sold at a profit, or which has been consigned to him from any place out of this state, to be sold within this state, shall be held to be a merchant for the purpose of this valuation.

The property shall be listed for taxation and in estimating the value the merchant shall take the average value of the property in his possession or under his control during the year immediately preceding January 1 of the year in which the assessment is made.

If the merchant has not been engaged in the business for one (1) year, then he shall take the average valuation during such time as he shall have been so engaged.

If the merchant is commencing business, he shall take the value of the property at the time of assessment.

26-26-1205. Manufacturers. Every person who shall purchase, receive, or hold Personal Property of any description for the purpose of adding to the value thereof by process of manufacturing, refining, rectifying, or by combination of different materials with a view of making a gain or profit by so doing, shall be held to be a manufacturer. He shall make out and deliver to the assessor a sworn statement of the amount of his other Personal Property subject to taxation, also including in his statement the average value, estimated as provided in 26-26-1203, of all articles purchased, received, or otherwise held for the purpose of being used, in whole or in part, in any process or operation of manufacturing, combining, rectifying, or refining which from time to time he shall have on hand during the year next previous to the time of making the statement, if so long he shall have been engaged in such manufacturing business, and, if not, then during the time he shall have been so engaged.

Every person owning a manufacturing establishment of any kind and every manufacturer shall list as a part of his or her manufacturer**'**s stock the value of all engines and machinery of every description, used or designed to be used for the indicated purpose.

26-26-1407. Procedure and forms. The Arkansas Assessment Coordination Division shall prescribe the forms to be used for the assessment and collection of tangible Personal Property pursuant to the provisions of this subchapter. The Division of Legislative Audit shall assist and guide the various county officials in establishing an appropriate procedure to be followed in assessing and collecting tangible Personal Property taxes and other matters necessary to effectively carry out the purposes of this subchapter.

26-26-1408. Time for assessment and payment. A taxpayer shall annually assess his or her tangible Personal Property for ad valorem taxes during the period from January 1 through May 31.

Taxable tangible Personal Property of a new resident and a new business established between January 1 and May 31 and taxable tangible Personal Property acquired by a resident during the period from January 1 through May 31, except tangible Personal Property acquired during the period of May 2 through May 31, shall be assessable without delinquency within thirty (30) days following the date of its acquisition.

All taxable tangible Personal Property assessable during this period shall be assessed according to its market value as of: January 1 of the year of the assessment; or the date of acquisition if the

tangible Personal Property was acquired during the period of January 2 through May 31 of the year of assessment.

The ten percent (10%) penalty for delinquent assessment shall not apply to tangible Personal Property becoming eligible for assessment through May 31, except that: if May 31 falls on a Saturday, Sunday or postal holiday, then the last day to assess without incurring a penalty shall be the following business day; and tangible Personal Property acquired during the period of May 2 through May 31 shall be assessable without penalty within thirty (30) days following the date of its acquisition.

Taxable tangible Personal Property of a person moving his or her residence from Arkansas, and taxable tangible Personal Property disposed of by a resident and a business, during the period between January 1 and May 31, if assessed for that year, shall be removed from the assessment rolls, and if not assessed, shall not be deemed assessable for that year.

Before removal of the tangible Personal Property from the assessment rolls, it shall be the responsibility of the property owner to provide the county assessor with notification, and, upon request from the county assessor, proof of the disposal.

The tangible Personal Property referred to in subdivisions (a)(1)(4) of this section shall not include the inventory of commercial establishments because specific provisions for the assessment of the inventory of a commercial establishment is provided elsewhere in this Arkansas Code.

The county assessor may list, value, and assess tangible Personal Property for a period extending through July 31 of each year of assessment. Assessment of tangible Personal Property after July 31 shall be according to provision of existing law.

Personal Property taxes are payable each year between the first business day in March and October 15 inclusive.

26-27-315. Equalization of assessments. Immediately after the county assessor files his or her report of the assessment of real and Personal Property in the office of the clerk of the county court as required by law, the clerk of the county court shall present the report of the assessment to the county equalization board, and the county equalization board shall proceed to equalize the assessed valuation of the properties.

For this purpose, the county equalization board shall observe the following rules:

It shall raise or lower the valuation of any property to bring about a complete equalization of property at the proper value under § 26-26-407 or § 26-26-1202 or in accordance with a value otherwise prescribed by law.

It shall not raise or lower the valuation of any property without documenting the reason for raising or lowering the valuation of the property to achieve the proper value under § 26-26-407 or § 26-26-1202 or in accordance with a value otherwise prescribed by law, and the documentation shall be attached to the appropriate property record card or cards.

It shall not raise or lower the value of any property without reviewing values of similarly situated properties.

If the same reason for raising or lowering the value of the property exists for those similarly situated properties, the values for those properties shall also be raised or lowered, and the changes shall be documented.

It shall not materially change the records of the county assessor's office, but may only direct that the assessed value of property be raised or lowered in keeping with its documented findings;

In each instance in which the county equalization board shall raise the valuation of any property, it shall immediately notify the owner or his or her agent by first class mail of the increase. However, all persons present before the county equalization board in person or by agent at the time the increase is ordered are there so notified and shall not be entitled to further notice. The

notice shall state the valuation returned by the county assessor and the valuation fixed by the county equalization board and shall advise the owner or his or her agent that he or she may in person, by agent, petition, or equalization board if the application shall be made on or before the first Saturday next preceding the third Monday in September if in regular session for equalization or before the first Saturday next preceding the third Monday of November if meeting in special sessions; and

In each instance in which an assessment is raised and the owner or his or her agent has applied for consideration or hearing for an adjustment of his or her assessment, if the county equalization board has failed to take action on his or her application before adjourning its regular session or if it fails to convene in special session to consider the application, then the county equalization board shall reduce all such increases to the assessed levels of the previous year. **26-34-101. Preference of tax liens.** Taxes assessed upon real and Personal Property shall bind them and be entitled to preference over all judgments, executions, encumbrances, or liens whatsoever created.

All taxes assessed shall be a lien upon and bind the property assessed from the first Monday of January of the year in which the assessment shall be made and shall continue until the taxes, with any penalty which may accrue thereon, shall be paid. However, as between grantor and grantee, the lien shall not attach until the last date fixed by law for the county clerk to deliver the tax books to the collector in each year after the tax lien attaches.

Failure to satisfy a Personal Property tax lien following a purchase of a business or a business's assets, goods, chattels, inventory, or equipment not in the ordinary course of business shall result in the assessment of an additional penalty under §26-36-201(c) except with respect to a purchase of the following:

(A) A vehicle subject to registration; or

(B) A manufactured home or a mobile home.

(2) A purchase of a business or a business's assets, goods, chattels, inventory, or equipment not in the ordinary course of business does not include the deed of property in lieu of foreclosure or the acquisition of title to property following a foreclosure sale.

26-36-201. Dates taxes due and payable. All taxes levied on real estate and personal property for the county courts of this state, when assembled for the purpose of levying taxes, are due and payable at the county collector's office between the first business day of March and October 15 inclusive.

All taxes unpaid after October 15 are delinquent.

The county collector shall extend a penalty of ten percent (10%) against all delinquent taxpayers that have not paid their taxes within the time limit specified.

The county collector shall collect the penalty provided in subdivision (b)(1) of this section.

The county collector shall extend an additional penalty of ten percent (10%) upon all delinquent taxpayers if the taxpayers' delinquent personal property taxes are not satisfied or paid in full by October 15 following the purchase of a business or the assets, goods, chattels, inventory, or equipment of a business not in the ordinary course of business.

A penalty shall not be assessed against a taxpayer who is a member of the United States armed forces, reserve component of the armed forces, or the National Guard during the taxpayer's deployment plus one (1) tax year after the deployment ends. When October 15 falls on a Saturday, Sunday, or a holiday observed by the United States Postal Service, the taxes shall become due and payable the following business day that is not a holiday observed by the United States Postal Service.

GENERAL INFORMATION

THE ASSESSMENT OF COMMERCIAL PERSONAL PROPERTY

The business community of any area consists primarily of retail sales and service-oriented businesses. A retail business, or merchant, buys products from a supplier and resells them for a profit. A service-oriented business profits by performance of actions or duties for a fee. The same community may also contain manufacturers who process raw materials into finished goods and wholesalers who purchase products in bulk and resell them in smaller quantities to other businesses. The valuation guidelines contained in this manual apply primarily to retail and service businesses. Since no guidelines are available for wholesalers and manufacturers, some alternate method (such as audited renditions utilizing the cost approach) must be used for these businesses.

The personal property of most commercial enterprises consists of three basic groups: automobiles, inventory, and such fixed assets as furniture, fixtures, machinery, and equipment. The first group, automobiles, is not addressed in this manual as automobiles may be considered separately from the other property owned by a business. Vehicles must be assessed in order to be licensed, thus presenting little problem for assessors. The Assessment Coordination Division furnishes automobile values annually.

Inventory, the second type of business personal property, is the merchant's stockin-trade of any retail business consisting of goods held for sale. The same characteristics of retail inventory will generally be true for wholesalers and distributors. The inventory of manufacturers, however, is quite different, consisting of raw materials, work-in-process, and finished goods. Some or the entire inventory of a manufacturer may not be assessable if it qualifies as transient property under provisions of A.C.A. § 26-26-1102.

Inventory should be assessed according to the prior year average inventory of the business. All tangible personal property is to be valued at the "usual selling price of similar property at the time of listing," and should be construed in the case of inventory to mean the price for which it last sold. Thus, the most practical measure of value of inventory is generally the owner's total cost.

The third type of business personal property consists of furniture, fixtures, machinery, and equipment, generally referred to in this manual as fixed assets or FF&E. FF&E constitutes the principal source of taxable personal property in a service-oriented business, though some FF&E will generally be found in any type of business. Manufacturers, for example, will possess greater amounts of machinery and equipment than, say, retailers, who in turn will own more furniture and fixtures.

With the exception of automobiles (as previously discussed), fixed assets should be valued by subtracting the proper amount of depreciation from the owner's total acquisition cost, ***including any ancillary costs necessary to bring the asset to a productive state***. This may be accomplished by application of the appropriate Remaining Economic Life Percent factor, as described later in this manual.

METHODS OF COMMERCIAL PERSONAL PROPERTY ASSESSMENT

There are several approaches to determining what property a business owns and the value of that property. Some are practical in use, others are not. As indicated in a previous section, the valuation of inventory and fixed assets will be the concern of this manual.

Perhaps the most accurate method for valuation of both inventory and fixed assets is an audit involving on-site inspection of property and the owner's records. Study of a purchases journal, for instance, together with inspection, listing and depreciated valuation of furniture, fixtures, and equipment, obviously would provide detailed and accurate information. This method is often impractical for use in mass appraisal because of the time and expense involved. However, it is quite appropriate for use in valuation of single businesses, either in the instance of sample audits or determination of value of a problem property. Ideally, this methodology will be used in conjunction with the most practical method of business personal property assessment, the rendition, whereby the owner of the property lists and values his property with an assessing official (as required by law). Again, there is a tradeoff. In this case little expenditure is required but the data obtained may be inaccurate or incomplete. The rendition method can achieve satisfactory results with effort by the assessor. When the owner of business property assesses, the assessor or deputy needs to ask the proper questions to obtain all possible information. If the assessment is made by mail and is incomplete, it must be followed by inquiries regarding any missing data. Assessment personnel are duly authorized to require information such as sales volumes and breakdowns of inventory and FF&E. Property owners should be expected to provide an explanation of how inventory figures were determined. Furniture, fixtures, and equipment should be listed at cost new, installed and operational, and depreciated at the proper rate. This will likely not be the same rate as that used for income tax purposes. Appropriate depreciation schedules are included later in this manual.

Another method of valuation included in this manual is the square foot rate, also known as unit cost. The method involves application of a selected rate to some standard of comparison within a given business class. The square foot rate is so-called because the normal standard of comparison is the area, expressed in square feet, of building space occupied by the business in question. Some types of businesses are best compared using standards other than square footage. Barber and beauty shops, for instance are valued at a rate per chair; motels and hotels per room, hospitals and nursing homes per bed for which they are licensed.

The tables of square foot rates in most cases contain nine rates—three levels of quality (Fair, Average, Good) by three levels of density (Low, Average, High). This range of rates, given for both inventory and fixed assets, allows the assessor to account for differences among businesses within the same classification. As valuation of a building calls for judgment regarding the quality and type of construction, condition, and age, the use of the square foot tables requires similar estimations.

Judgments of quality and density are not especially difficult and are made somewhat easier by the information contained in the descriptive portion of each property class. This information provides a description and/or examples of each quality rating along with any other information pertinent to that business class. If a business being assessed is unfamiliar to the assessor, as most often might be the case in metropolitan areas, a visit to the business site for a quick walkthrough will be necessary.

This same procedure may be used for valuation of furniture, fixtures, and equipment (FF&E), but with one major difference – the rates given for FF&E must be adjusted to allow for depreciation. This is done by obtaining, either from the business owner or via inspection, an estimate of a single overall effective age of the FF&E throughout the store. Immediately below the rate section of the FF&E table is a depreciation schedule headed "Remaining Economic Life". The age of a store's FF&E is located on the scale and its corresponding remaining economic life ("REL") percentage is noted. This percentage is then applied to the FF&E rate per square foot previously selected, resulting in an adjusted FF&E rate. The adjusted rate can then be multiplied by the square footage of the business to get a depreciated value for furniture, fixtures, and equipment. Overall, the square foot rate should prove effective due to its ease of use, accuracy, and low cost to apply. The method allows the assessor to make an equitable assessment from the information either already on hand or easily obtained, relying on little or no input from the property owner. Perhaps the greatest attribute of this method is that it provides an estimate of value based on comparable businesses because the rates are developed through analysis of many assessments of a given occupancy type, considering their respective attributes of quality and density.

SUGGESTED GUIDELINES AND PROCEDURES

While equitable assessments should be the goal of any assessor, efforts to achieve this may be hampered by low quality information, lack of cooperation from property owners, limited staff and funds, or by a variety of other issues. It is the purpose of this section, as well as this manual in general, to allow the assessor to more efficiently and effectively determine the proper value of commercial personal property. Uniform assessments promote equity.

The assessor should consider taxpayer education as a tool that can be utilized to improve assessment operations. Through local newspaper articles, posted notices or letters accompanying mail-out assessment forms, etc., the assessor should remind the business community of its obligation to assess all personal property used in a business.

A simple in-office audit procedure is comparison of the assessments of like businesses. If, for example, the assessments of five similar businesses are compared, and allowance is made for differences in size, quality, and other factors, it should become apparent to the assessor whether each business is properly assessed in relation to the others. One might safely assume that no business is going to purposely overstate the value of the personal property belonging to the business, at least for the purpose of property taxation. Excel (or other spreadsheet software) is a great tool for conducting such a comparison. All or part of the business database is uploaded into the spreadsheet, the individual businesses grouped by occupancy type, and their values compared. If personnel are familiar with the assessments in a certain occupancy type, it should quickly become obvious whether assessments are in or out of line with the group.

Application of the valuation methods contained in this manual can prove to be valuable for auditing because the basis of the methodology is comparison. The process of valuing the five stores mentioned above should indicate whether there was any appreciable difference in size, age or quality. If so, the rate-calculated assessments should support those already taken by rendition. However, if one assessment was noticeably lower by its owner's rendition, then the business would appear to be under-assessed.

Another audit procedure of sorts involves examining lists of businesses in a particular jurisdiction. These might include sales tax lists obtained from the Department of Finance and Administration (DF&A), a telephone directory, the local chamber of commerce membership list, etc. A master list can be prepared and compared with the assessments on file. As simple as it sounds, there might well be businesses found on the various lists that did not assess. Many will maintain websites or Facebook pages. These businesses should be contacted and, if they were in operation prior to May 31, assessments prepared.

A relatively quick and easy application of the DF&A Sales Tax Permit Lists is to take the report for the most recent quarter of one year, in spreadsheet form, and merge it with the same quarter from the previous year. Work through the respective columns to insert

"blank" cells in order to get businesses that appear on both lists to align. The result is that blank cells in the current year column indicate businesses that no longer hold sales tax permits and thus are likely out of business. Those that appear in both years are likely still in business and should be assessed. Those that appear in the current year but not in the previous are likely new businesses and should be contacted with assessment information. Internet searches may be utilized to both further investigate businesses that may have closed and as a tool to identify new businesses.

Another audit procedure is the field audit or inspection. Though somewhat expensive and time-consuming, inspections can be quite revealing. A random sampling of businesses might be selected for on-site inspection to see whether their assessments properly represent the personal property found. This method could prove practical to apply during "slack" times of the year when other activities in the assessor's office would not be greatly affected. The businesses to be visited for an in-depth audit might be chosen randomly or might simply be those with assessments that appear to be inconsistent with other properties of similar class. It is always a good idea to review all businesses of a given type like hardware stores or laundromats. A few classifications might be selected for review each year.

DISCOVERY OF PERSONAL PROPERTY – SOURCES OF INFORMATION

1. Yellow and white pages of telephone books
2. Field inspection
3. Newspapers, TV ads, and other forms of advertising
4. Internet searches
5. DF&A active sales tax list
6. Building permits
7. Shopping mall and building lobby directories
8. Airport lists
9. Marina Lists

DESK AUDITS

The first step in doing a desk audit is to check the assessment for all relevant information by simply reviewing the owner information section of the Commercial Personal Property Assessment form. Missing information should be obtained from the property owner or other source.

Make sure there are no “zero values”. Check to see that the purchase price was utilized and not the depreciated value used by the business. Check the rendition to see if the list of equipment matches the type of business, for example: a restaurant conceivably should have a range/oven, freezer, booths, tables and chairs, display counter, cash register, oven and grill, dishes, cutlery, etc., along with inventory. A doctor’s office should have medical equipment, along with its office furniture and equipment. A good common-sense approach to reviewing assessments is an assessor’s best tool.

The second step is to review the assessment for any discrepancies, compare the previous year assessment for any major changes in value, high or low, and determine cause. Did the business purchase new equipment or dispose of equipment to account for the difference in value? If a business disposed of a large amount of equipment and did not compensate with new purchases, contact the business and ask for information that would account for the change. Check to see if some of the equipment is leased, which could account for the differences. Did they render an inventory amount? Do not hesitate to ask the owner, manager or CPA for information. You also have statutory authority to enter the business and do an on-site inspection.

The Assessment Coordination Division has available on our website a listing of numerous business classifications. These in turn provide lists of individual assets that are likely to be found in each type of business. These can be used to verify the content of owner-rendered information or shared with property owners.

If possible, develop your own opinion of value using the square foot rate tables found in this manual. Read the descriptive information for the appropriate business classification to ensure that you are selecting the correct rate based on quality and quantity of inventory or fixed assets. Compare this value estimate to that rendered by the owner to see if they are compatible. Notable differences may result from reporting book values instead of cost, failing to list all assets, or other reasons.

Finally, compare like-business assessments for equality in value. As discussed previously, a spreadsheet is an excellent tool for this. Simply list all the assessments for a given occupancy type along with identifying information and size. Discrepancies should be readily apparent. Do not forget leased equipment when comparing values. If the indicated listings of similar businesses show discrepancy, the square foot rates discussed later in this narrative might be used to determine an appropriate amount for that particular business.

VALUATION GUIDELINES

Instructions on Use of Square Foot Rate Tables

The rate table for a particular business classification may be located using the Business Classification Index. Inventory rates as well as furniture, fixtures, and equipment rates are delineated in three-by-three column/row tables. Quality of either property type is rated by column representing Fair, Average and Good Quality. Density is indicated by row to represent Low, Average and High Density. If the quality or density of a subject business' property is estimated to differ from the figures in the table, those indicated may be used as a range to select an appropriate rate.

While the tables for both inventory and fixed assets are similar in format, it should be remembered that fixed assets depreciate. To account for this, a schedule of remaining economic life percentages appears immediately below the rate table for fixed assets. Once a rate is selected to represent the proper quality and density of fixed assets, an overall effective age for those assets should be estimated. The age is then located on the remaining economic life schedule and the appropriate REL% noted. The previously selected fixed asset rate is then multiplied by the REL% to determine an adjusted rate for fixed assets. Both the inventory rate and the adjusted fixed rate are then multiplied by the square footage (or other appropriate unit of measure) for the business and an estimate of value results.

As an example, assume that department stores A and B are to be assessed. Store A is judged to be of Fair quality and Store B of Average quality. Both stores appear to be of Average density. Further, both stores exhibit an effective age of 5 years and each is 20,000 square feet in area. Using the rate table for Department Stores, an inventory value of $8.50 and a fixed asset rate of $10.00 per square foot is assigned to Store A. The inventory and FF&E rates for Store B, of average quality and density, are $19.00 and $27.50 respectively. Calculation of an indicated value for each store is as follows:

Inventory:	Store A	Store B
Rate:	$ 8.50	$ 19.00
Area (sq. ft.):	X 20,000	X 20,000
Indicated Value:	$170,000	$380,000
Fixed Assets:		
Rate:	$ 10.00	$ 27.50
REL%:	X .67	X .67
Adjusted Rate:	$ 6.70	$ 18.43
Area (sq. ft.):	X 20,000	X 20,000
Indicated Value:	$134,000	$368,500

The total indicated values of Store A and B are thus:

	Store A	Store B
Inventory:	$170,000	$380,000
Fixed Assets:	134,000	368,500
Total:	$304,000	$748,500

This example serves to indicate how two department stores of the same size and age may have considerably different values because of the quality of their personal property. If both stores had reported values approximately the same, testing those values with a square foot application would easily show that Store B was seriously under-reporting. These rates are not only be used to determine a value when a business fails to file a rendition of their property but may also prove useful in determining the quality of information reported.

Some types of businesses may require special consideration. For example, the pumps, metering equipment, and even the gasoline in a convenience store may not belong to the same owner as the store itself. Equipment may be leased and should be assessed to the appropriate company. Gasoline may belong to the supplier and the retailer pays a fee for dispensing the product. The store may even own some equipment that is listed on its real property assessment. To this end, the base rates for convenience stores will not contain these items. Instead, an add-on rate will be provided in the event that the property is indeed a part of the business and not separately owned.

PLEASE MAKE AN EFFORT TO CAREFULLY READ THE DESCRIPTIVE INFORMATION FOR EACH OCCUPANCY TYPE BEFORE APPLICATION TO ENSURE PROPER VALUATION.

It should always be remembered that square foot rates are intended to determine a value typical of a particular business class, based on certain characteristics**.** Theoretically**,** any given business may simply not fit the characteristics of a typical member of that class. The rates are useful as a supplement to, and a measure of accuracy of owner renditions. They can be used as the actual basis for assessment, but only when satisfactory information cannot be obtained from the owner. Before rejecting an owner rendition because of a lack of comparability, determine through review that every effort was made to ensure that the guideline-calculated value was determined correctly.

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APARTMENT FURNISHINGS

Definition: Apartments are multi-residential properties constructed to provide living space for more than one household in a common structure or group of buildings. While the term “apartment” is commonly used, the same definition applies to duplexes, triplexes, etc.

Valuation: The personal property included in apartments and assessable to the building owner generally consists of appliances. While it is possible for property to be rented with no appliances, generally there will exist a minimum amount of property to be assessed, or the apartment may be rented fully furnished. Descriptions of various properties are included below.

Square Foot Rate Method: The following tables contain rates to be applied PER APARTMENT. Quality should be judged by the brand name as well as the size of the appliance. Density relates best to the number of appliances. For example:

Fair Quality: compact, off brand refrigerator and range
Average Quality: typical brand and size
Good Quality: large capacity, top name brand

Low Density refrigerator and range
Average Density refrigerator/freezer, range/oven with a vent-a-hood, disposal, dishwasher
High Density: fully furnished

These descriptions are typical, as with most property types, there will be exceptions. In the event an apartment is rented fully furnished, select the proper quality rating and add an appropriate amount to the high-density figure.

Rates per Apartment

Fair	Average	Good
600	1600	4500

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10+
REL%	.89	.82	.75	.68	.61	.53	.46	.39	.32	.25

Note: If the real estate is valued by the income approach, then personal property is included with the real estate. **Always check the property record card for a parcel to insure that personal property items are not already assessed. If so, do not include them in the personal property assessment**.

AUTO PARTS

Definition: Establishments primarily engaged in the retail sale of automobile tires, batteries, parts and accessories. These stores sometimes carry limited lines of unrelated merchandise such as sporting goods, furniture, appliances, etc.

Valuation: The personal property found in auto parts stores includes both inventory and fixed assets. These stores may provide installation or repair service. If so, ADD $5.00 PER SQUARE FOOT OF SHOP AREA ONLY to account for tools and equipment.

Square Foot Rate Method: Quality may be judged by the variety of name brands carried and by the ownership of the business itself. For example:

Fair Quality: locally owned and operated
Average Quality: better quality local, discount franchised, or name brand stores
Good Quality: better quality franchised or chain stores carrying wide variety of brands

Square Foot Rates

Inventory Density	Fair	Average	Good
Low	5.00	28.50	42.50
Average	10.00	32.00	55.00
High	20.00	40.00	75.00

Fixed Asset Density	Fair	Average	Good
Low	1.50	6.00	18.00
Average	4.00	8.00	24.00
High	6.00	10.00	40.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

AUTO SERVICE

Definition: Establishments primarily engaged in routine maintenance of vehicles, primarily changes of oil and minor parts and possible sale of gasoline and diesel fuels.

Valuation: The personal property in auto service shops includes both inventory and fixed assets. The inventory value of locally owned operations may be slight compared to FF&E. In this situation, the primary value will lie in tools and equipment.

Square Foot Rate Method: Quality should be judged by the range of services offered and by the ownership of the business itself. For Example:

Fair Quality: locally owned and operated
Average Quality: better quality local or discount franchised or name brand stores
Good Quality: better quality franchised or chain stores providing specialty services.

If present, pumps and metering equipment should be added according to values listed in Marshall & Swift. This equipment should be depreciated along with other fixed assets.

Square Foot Rates

Inventory	Fair	Average	Good
	3.00	5.00	10.00

Fixed Asset Density	Fair	Average	Good
Low	3.00	8.00	21.50
Average	5.00	12.00	32.00
High	9.00	16.00	44.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10+
REL%	.89	.82	.75	.68	.61	.53	.46	.39	.32	.25

AUTOMOTIVE REPAIR

Definition: Establishments primarily engaged in the installation and repair of automobile parts and accessories, these stores range from locally owned body shops and garages to chain-owned and operated muffler and transmission shops.

Valuation: The personal property in auto repair shops includes primarily fixed assets. The inventory value will likely be negligible. The primary value will lie in specialized tools and equipment.

Square Foot Rate Method: Quality should be judged by the range of services offered and by the ownership of the business itself. For Example:

Fair Quality: locally owned and operated
Average Quality: better quality local or discount franchised or name brand store
Good Quality: better quality franchised or chain stores providing specialty services.

Square Foot Rates

Fixed Asset Density	Fair	Average	Good
Low	3.00	8.00	15.00
Average	5.50	10.00	18.00
High	8.00	14.00	25.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10+
REL%	.89	.82	.75	.68	.61	.53	.46	.39	.32	.25

BAR / NIGHTCLUB

Definition: Establishments primarily engaged in the retail sales of beer, wine, liquor and other beverages along with limited food service and entertainment. Bars differ from liquor stores in that consumption is required on premises, inventory values are lower and fixed asset values higher.

Valuation: The personal property included in bars and nightclubs will include both inventory and FF&E. These stores may provide extensive food service, but the sale of alcoholic beverages is the main product line. Businesses with greater food than beverage sales should be valued as restaurants.

Square Foot Rate Method: Quality should be judged by the variety of products carried. Quality will be compatible with interior finish or design.

Fair Quality: locally owned and operated with a limited line of beer and other beverages.
Average Quality: better quality bars with a larger selection of food and drinks
Good Quality: full line of beverages, greater food selection, entertainment, lighting and sound systems, etc.

Square Foot Rates

Inventory Density	Fair	Average	Good
Low	2.00	3.00	5.00
Average	2.50	3.50	7.50
High	3.00	5.00	9.00

Fixed Asset Density	Fair	Average	Good
Low	4.00	14.00	32.00
Average	6.00	18.00	48.00
High	10.00	23.00	54.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

BARBER / BEAUTY SHOP

Definition: Establishments primarily engaged in the cutting, styling, or other treatment of hair. These vary from small, one-person shops to large salons with several stylists, beauticians, etc.

Valuation: The personal property included in barber and beauty shops consists primarily of fixed assets. If present at all, inventory values will be slight.

Square Foot Rate Method: Rates are per chair (operator) and not per square foot. Quality should be judged by the variety of services offered.

Fair Quality: locally owned and operated with a limited line of services
Average Quality: better quality furnishings with a larger selection of services
Good Quality: full line of hair and beauty treatments, best quality furnishings, equipment, etc.

Based on per Operator Chair

Fixed Asset Density	Fair	Average	Good
Low	1100	2000	3600
Average	1600	2500	4500
High	2000	3000	6300

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10+
REL%	.89	.82	.75	.68	.61	.53	.46	.39	.32	.25

BEAUTY SUPPLY

Definition: Establishments primarily engaged in the retail sales of personal care products.

Valuation: The personal property will primarily consist of inventory with typical fixtures for a retail establishment. Quality may be determined by the variety of merchandise offered with name brand stores comprising the higher end of the range. Cosmetic stores may be valued in this category as Average to Good Quality.

Square Foot Rate Method: Quality should be judged by the variety of products carried. Quality of fixtures will be compatible with interior finish or design.

Fair Quality: locally owned and operated with a limited line hair and skin care items.
Average Quality: better quality and selection
Good Quality: full line of personal care products and accessories, name brand stores.

Square Foot Rates

Inventory Density	Fair	Average	Good
Low	10.00	25.00	47.00
Average	18.00	38.00	55.00
High	24.00	41.00	110.00

Fixed Asset Density	Fair	Average	Good
Low	5.00	12.00	19.00
Average	7.00	15.00	24.00
High	10.00	18.00	28.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

BOOKSTORE

Definition: Establishments primarily engaged in the sale of books, periodicals, and may carry limited lines of other merchandise. Most stores of this type carry either new or used merchandise, but few carry both. Some will also carry stationery, gifts, etc.

Valuation: The value of personal property included in these stores will consist primarily of inventory. FF&E will generally consist only of shelving and office equipment.

Square Foot Rate Method: Quality should be judged by the variety of merchandise and by the ownership of the business itself. College bookstores will tend to run Good quality due to the price of merchandise with density measured normally.

Fair Quality: locally owned and operated, used books (swap shops) containing large quantities of low value merchandise
Average Quality: better quality local or average quality chain-operated book stores
Good Quality: better quality franchised or national chain stores carrying a wide variety of titles

NOTE: When estimating density, be sure to compare only stores with the same merchandise line. For example, a bookstore may have a greater density but less value than a music store.

Square Foot Rates

Inventory Density	Fair	Average	Good
Low	9.00	36.00	76.00
Average	24.00	45.00	90.00
High	33.00	62.00	125.00

Fixed Asset Density	Fair	Average	Good
Low	2.00	12.00	47.00
Average	5.00	22.00	55.00
High	7.50	32.00	72.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

BOWLING ALLEY

Definition: Establishments primarily engaged in recreational bowling, but often featuring pool tables, video games and other amusements as well as food and drink.

Valuation: The personal property included in bowling alleys will consist of bowling balls, shoes, equipment, and may include limited food service equipment, tables, etc., as well as other recreational equipment like video games. Real estate records should be checked to verify that pin-setting equipment is assessed. Better quality establishments may have bars. While some inventory may be maintained, it is not standard.

Square Foot Rate Method: RATES ARE PER LANE in addition to the value already applied to real estate.

Fair Quality: basic equipment, balls, shoes, etc.
Average Quality: as above but with addition of game room, pool tables, snack bar, etc.
Good Quality: full line amusements, better quality food service facilities, pro shop etc.

Per Lane Rates

	Fair	Average	Good
Inventory	100.00	150.00	200.00
Fixed Asset	8000	14000	25000

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10+
REL%	.89	.82	.75	.68	.61	.53	.46	.39	.32	.25

CARPET & FLOOR COVERING

Definition: Establishments primarily engaged in the sale and installation of such floor coverings as rugs and carpets, vinyl, tile, etc. Sales of related products such as wallpaper or draperies are common but should not constitute a major portion of sales.

Valuation: The personal property included in floor covering stores will include primarily inventory with little FF&E.

Square Foot Rate Method: Quality should be judged by the variety of merchandise carried. Fair quality should be used to value the stock in stores with limited merchandise lines. Average quality stores will carry a better line of carpets and vinyl floor coverings. Good quality floor covering stores will offer a complete selection of quality tiles, carpets, floor coverings, and high-quality area rugs and may stock vacuums and shampooers. Delivery and installation services are typical in average to good quality stores but may also be offered in fair quality stores.

Fair Quality: small local stores, limited line
Average Quality: better quality merchandise, larger selection, installation service
Good Quality: wide selection of tile, carpet, floor coverings, accessories, etc. and services such as installation and cleaning

Square Foot Rates

Inventory Density	Fair	Average	Good
Low	2.50	9.00	21.00
Average	5.50	12.00	44.00
High	8.00	18.00	67.00

Fixed Asset Density	Fair	Average	Good
Low	1.00	3.00	8.00
Average	2.00	5.00	13.00
High	3.00	7.00	25.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

CLINIC / URGENT CARE FACILITY

Definition: Establishments primarily engaged in treatment of medical needs including emergency care. The degree of services offered may range from treatment of minor issues up to full surgical applications. This category also includes laboratories.

Valuation: The personal property included in this category will be more oriented toward specialty equipment than that of medical offices. More extensive laboratory equipment, advanced therapy such as dialysis, magnetic resonance imaging (MRI), and operating facilities will be present as higher quality ratings occur. Inventory values will consist primarily of supplies and should be owner reported.

Square Foot Rate Method: Quality will be commensurate with the level or intensity of care.

Fair Quality: basic equipment for examination like medical offices
Average Quality: like above but with the addition of x-ray and other diagnostic and treatment equipment, limited laboratory facilities
Good Quality: more specialized equipment such as MRI, dialysis, or surgical facilities

Square Foot Rates

Fixed Asset Density	Fair	Average	Good
Low	15.00	37.00	57.00
Average	20.00	47.50	82.00
High	27.50	52.00	168.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10+
REL%	.89	.82	.75	.68	.61	.53	.46	.39	.32	.25

CLOTHING CHILDREN

Definition: Establishments primarily engaged in the retail sale of clothes and accessories for boys, girls, infants or a combination of these groups.

Valuation: The personal property included in children's clothing stores will include both inventory and FF&E. Inventory will consist of not only clothing but also such accessories as shoes. FF&E will be represented by shelving, display counters, office equipment, etc.

Square Foot Rate Method: Quality should be carefully judged by the variety of name brands carried. Due to the lack of franchised stores in this line, most ownership will be of a local nature. If substantial store area is devoted to the sale of shoes, select the appropriate rate of value from the Shoe Store section of this manual.

Note: If several stores are available for comparison, the differences between ranges of selling prices may be a good indicator of the respective quality ratings.

Fair Quality: locally owned and operated, small selection
Average Quality: better quality brands, larger selection
Good Quality: best quality and selection, more likely to specialize in one group such as boys', girls' or infants' clothing

Square Foot Rates

Inventory Density	Fair	Average	Good
Low	6.00	20.50	42.00
Average	8.00	27.00	47.50
High	15.00	32.50	68.00

Fixed Asset Density	Fair	Average	Good
Low	4.00	12.00	24.00
Average	7.00	15.00	45.00
High	9.50	21.00	85.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

CLOTHING FAMILY

Definition: Establishments engaged in the retail sale of clothing, shoes, and other accessories for men, women and children without specializing in any one line.

Valuation: The value of personal property included in these stores will consist primarily of inventory including a wide line of clothing types, accessories, etc. FF&E will generally consist of shelving, display counters, clothing racks and office equipment.

Square Foot Rate Method: Quality should be judged by the variety of merchandise. Due to the diversity of individual stores and a lack of franchised or chain stores in this classification, careful judgment as to the quality of merchandise should be exercised. Any store area devoted to shoe sales should be evaluated using the appropriate rate of values for the Shoe Store section of this manual.

NOTE: If several stores are available for comparison, the differences between ranges of selling prices may be a good indicator of the respective quality ratings.

Fair Quality: locally owned and operated, small selection
Average Quality: better quality brands, larger selection
Good Quality: best quality and selection

Square Foot Rates

Inventory Density	Fair	Average	Good
Low	16.00	30.50	47.50
Average	21.00	37.50	72.50
High	26.00	42.00	100.00

Fixed Asset Density	Fair	Average	Good
Low	4.00	12.00	24.00
Average	7.00	15.00	45.00
High	9.50	21.00	85.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

CLOTHING MEN

Definition: Establishments primarily selling men's and ready-to-wear clothing and accessories.

Valuation: The value of personal property included in these stores will consist primarily of inventory, including a wide line of clothing styles, accessories, etc. FF&E will generally consist of shelving, display counters, clothing racks and office equipment.

Square Foot Rate Method: Quality should be judged by the variety of merchandise. Due to the diversity of individual stores and a lack of franchised stores in this classification, careful judgment as to the quality of merchandise should be exercised. Any store area devoted to shoe sales should be evaluated using the Shoe Store section of this manual. Good quality stores should offer alterations and custom tailoring.

NOTE: If several stores are available for comparison, the differences between ranges of selling prices may be a good indicator of the respective quality ratings.

Fair Quality: locally owned and operated, small selection
Average Quality: better quality brands, larger selection **Good Quality**: best quality and selection

Square Foot Rates

Inventory Density	Fair	Average	Good
Low	9.00	27.50	60.00
Average	12.00	39.50	71.00
High	22.00	46.00	100.00

Fixed Asset Density	Fair	Average	Good
Low	4.00	12.00	24.00
Average	7.00	15.00	45.00
High	9.50	21.00	85.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

CLOTHING SPECIALTY

Definition: Establishments engaged in the sale of non-standard clothing items such as Tee-shirt shops, sports clothing, uniforms, and work clothes.

Valuation: The value of personal property included in these stores will consist primarily of inventory, including a limited line of clothing types. Higher quality stores may also carry a line of footwear and accessories. FF&E will generally consist of shelving, display counters, clothing racks and office equipment.

Square Foot Rate Method: Quality should be judged by the type of merchandise and its relative prices. For example, a Tee-short shop will have lower cost inventory than a store that sells "official" jerseys and apparel licensed by sports teams. Shops specializing in uniforms like scrubs or work clothes will likely fall in the mid-range of prices. Western stores will range from average to good quality.

NOTE: If several stores are available for comparison, the differences between ranges of selling prices may be a good indicator of the respective quality ratings.

Fair Quality: locally owned and operated, small selection, likely Tee Shirt shops
Average Quality: better quality brands, larger selection, uniform and western stores
Good Quality: best quality and selection, better uniform and western stores

Square Foot Rates

Inventory Density	Fair	Average	Good
Low	7.50	29.00	59.00
Average	13.00	49.00	80.00
High	23.00	54.00	120.00

Fixed Asset Density	Fair	Average	Good
Low	4.00	12.00	24.00
Average	7.00	15.00	45.00
High	9.50	21.00	85.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

CLOTHING WOMEN

Definition: Establishments engaged in retail sales of women's ready-to-wear apparel and accessories.

Valuation: The personal property included in these stores will consist primarily of inventory including a wide line of clothing styles, accessories, etc. Fixed assets will generally consist of shelving, display counters, clothing racks, and office equipment.

Square Foot Rate Method: Due to the diversity in local shops, careful attention to the quality of merchandise should be exercised. A locally owned shop may be of Good quality depending on the merchandise. Store area devoted to the sale of shoes and accessories should be evaluated from the Shoe Store section of this manual or at a higher rate than other inventory using the square foot rate table provided. Good quality stores should offer alterations and/or custom tailoring.

NOTE: If several stores are available for comparison, the differences between ranges of selling prices may be a good indicator of the respective quality ratings.

Fair Quality: locally owned and operated, small selection
Average Quality: better quality brands, larger selection **Good Quality:** best quality and selection

Square Foot Rates

Inventory Density	Fair	Average	Good
Low	9.00	24.00	45.00
Average	13.00	27.50	60.00
High	17.00	38.00	66.00

Fixed Asset Density	Fair	Average	Good
Low	4.00	12.00	24.00
Average	7.00	15.00	45.00
High	9.50	21.00	85.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

CONVENIENCE STORE

Definition: Stores selling a limited line of food and consumer products but with the majority of sales derived from gasoline. These stores often feature limited lines of inhouse prepared fast foods and/or deli service.

Valuation: Convenience store inventories consist of items as described above. The FF&E of a convenience store is similar to that of a supermarket, on a smaller scale. **Determination should be made whether the gas pumps, tanks and electronic metering equipment are owned or leased. The real property record card should be checked to see whether pumps and POS equipment have been valued as real property. Rates below do not include these types of equipment, but an addition can be made if the equipment belongs to the business.** If leased, assessment should be made to the proper owner either as personal property or real estate. Truck stops and travel centers may include full restaurants, showers, amusements, and a larger line of non-food merchandise. Any restaurant add-ons should be valued separately by area.

Square Foot Rate Method: Quality should be judged by the variety of name brands carried and by the ownership of the business.

Note: Reduce inventory rates by 1.00 to 3.00 for stores that do not sell alcoholic beverages. Fuel is not included in inventory rates. Add ½ of the total fuel storage tank capacity in gallons at 90% of the average displayed pump price per gallon. Pumps and metering equipment prices can be obtained from Marshal Valuation Services. This equipment should be depreciated at the same rate as other fixed assets.

Fair Quality: locally owned and operated
Average Quality: better quality local, franchised or chain-operated stores
Good Quality: best quality franchised or chain stores carrying a wider variety of brands, more extensive food service and possibly some seating.
Use Good Quality/High Density rates for travel centers/truck stops

Square Foot Rates

Inventory Density	Fair	Average	Good
Low	5.00	20.00	42.50
Average	13.00	28.50	55.00
High	18.00	35.00	61.50

Fixed Asset Density	Fair	Average	Good
Low	6.00	40.00	71.00
Average	13.50	49.00	106.00
High	18.50	77.00	132.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

DAY SPA / MASSAGE

Definition: These are businesses specializing in spa treatments and related services as well as therapeutic massage.

Valuation: The personal property included in spas and massage centers consists almost entirely of FF&E. Quality will generally be consistent with the degree of services offered. Massage facilities will typically be lower cost since little equipment is required.

Square Foot Rate Method: Square foot rates include reception, treatment, and office areas. If inventory is found its cost will be negligible and should be reported by the business.

Fair Quality: primarily offering massage
Average Quality: better quality locally owned and operated, greater variety of services
Good Quality: best quality and widest variety of services

Square Foot Rates

	Fair	Average	Good
Inventory	1.00	2.00	4.00
Fixed Assets	4.75	21.50	76.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10+
REL%	.89	.82	.75	.68	.61	.53	.46	.39	.32	.25

DAYCARE CENTER

Definition: Daycare centers provide supervision and sometimes educational services for children. They may be local proprietorships, franchised or chain operated.

Valuation: The personal property included in daycare centers consists almost entirely of FF&E. Quality will generally be consistent with the degree of services offered.

Square Foot Rate Method: Square foot rates include kitchen, living and office furnishings, sleeping equipment and food inventories. The small inventory of food and supplies is not held for sale and is thus included in the FF&E rates. **Additional consideration must be made for playground equipment, if not valued as real estate**.

Fair Quality: locally owned and operated daycare and learning academies
Average Quality: better quality locally owned and operated, lower quality franchised daycare
Good Quality: better quality franchised or chain centers offering a variety of services typically including educational services

Square Foot Rates

Fixed Asset Density	Fair	Average	Good
Average	4.00	8.00	18.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10+
REL%	.89	.82	.75	.68	.61	.53	.46	.39	.32	.25

DEALERSHIP AUTO NEW

Definition: Auto dealerships are businesses primarily engaged in the sale of new and used automobiles. Franchised dealers of various makes of new automobiles generally maintain repair departments, stocks of parts, accessories, etc. Non-franchised and used automobile dealers typically do not unless engaged in rather sizeable operations.

Valuation: The valuation of automobile dealerships must be approached with care. As retail businesses, they are engaged in the sale of inventory as well as providing repair service. There is difficulty in valuing new and used parts due to the different types of inventories and the variance in values. Several methods are used in arriving at these values. Many dealers also provide repair service which causes the equipment to be of a somewhat different nature than many retail businesses.

Square Foot Rate Method: A partial value may be obtained by applying a square foot rate to the amount of area in the agency used for each of several purposes (Inventory rate for parts area, FF&E rate for shop, etc.). This procedure will provide an indication of value for all the personal property of the agency other than automobiles. THE VALUE OF AUTOMOBILES IS NOT INCLUDED IN THE SQUARE FOOT RATES! The value of automobiles as inventory must be added to the inventory figure otherwise obtained and may be determined by taking the average number of vehicles sold on a monthly basis times a typical value per vehicle for the brand or brands held for sale by that agency. Reference to this can be found in Arkansas Code Annotated 26-26-1207. A list of suggested values for various vehicle types by manufacturer, both new and used, follows.

Separate counts of new and used vehicles sold should be obtained from dealers and pertinent values applied. This total value for a typical number of vehicles sold may then be added to that obtained for parts and FF&E through the Square Foot Rate Method or as reported by the dealer, resulting in the total value of personal property for the agency.

To determine the market value of automobile dealer inventory, Arkansas law requires that an auto dealer report to the assessor the average number of units sold PER MONTH throughout the year. Ideally, this average will be broken down into autos, trucks, and SUVs.

The charts on the following pages represent the average dealer cost for each classification of vehicle by manufacturer for new models. For used cars on franchised dealer lots and on lots dealing strictly in used vehicles, a range of average values within age groups for all manufacturers combined is provided.

DEALERSHIP AUTO NEW
(Continued)

Following is an example of a new auto dealer's inventory.

Say a Chevrolet dealer sells 84 cars in a year, together with 132 trucks and 120 sport utility vehicles. The first step is to determine the average number of units sold monthly for each type of vehicle:

Cars:	84 units / 12 months = 7 units
Trucks:	132 units / 12 months = 11 units
SUVs:	120 units / 12 months = 10 units

Recommended dealer cost for Chevrolet models is $34,600, $34,400, and $37,000 for cars, trucks and SUVs, respectively. To calculate the inventory value:

Cars:	7 units X $34,600 =	$242,200
Trucks:	11 units X $34,400 =	$378,400
SUVs:	10 units X $37,000 =	$370,000
Total:	31 units	$990,600

This dealership owned a total of 336 units during the year, but the average inventory value based on the number of units sold per month, the vehicle type, and the manufacturer is $990,600.

Below is a listing of the various automobile manufacturers together with a typical value for each brand. This value represents estimated dealer cost for that manufacturer's various models of automobiles, vans, light trucks and utility vehicles.

DEALERSHIP AUTO NEW

Typical New Car Values by Manufacturer

MANUFACTURER	CAR	TRUCK	SUV
ACURA	38,700		42,100
ALFA ROMEO	40,400		42,340
AUDI	50,100		53,700
BMW	61,500		55,000
BUICK	29,600		30,500
CADILLAC	44,600		57,500
CHEVROLET	34,900	34,700	36,500
CHRYSLER	30,800	33,500	
DODGE	35,200	38,200	32,400
FIAT	20,700		22,600
FORD	30,400	39,200	36,300
FREIGHTLINER LT		41,600	
GENESIS	44,600		50,600
GMC		36,200	40,200
HONDA	22,100	32,400	28,800
HYUNDAI	21,700		26,700
INFINITI	41,100		33,600
JAGUAR	59,100		40,700
JEEP		35,900	28,800
KIA	26,700		27,300
LAND ROVER			71,200
LEXUS	48,400		38,600
LINCOLN	41,800		48,000
MAZDA	23,800		26,200
MERCEDES	67,600	38,600	53,600
MINI COOPER	25,400		
MITSUBISHI	13,700		22,000
NISSAN	37,200	35,300	29,700
PORSCHE	100,800		76.200
SMART	22,600		
SUBARU	23,900		27,200
TESLA	59,700		78.000
TOYOTA	24,100	31,400	35,200
VOLKSWAGON	26,200		32,600
VOLVO	43,600		44,400

DEALERSHIP AUTO NEW
(Continued)

Typical Used Car Values

Franchise Dealers

Used cars taken in trade by franchised dealers of new cars are typically newer and of higher value than vehicles found on the lots of other dealers. Following is a range of average values for all makes and models of automobiles, light trucks and utility vehicles. It is recommended that a typical value per unit be selected and applied to the average number of units sold per month as reported by the dealer. Note that smaller passenger vans are included with automobiles while delivery and cargo vans are included with light trucks.

Type	Age Range	Unit Cost Range
Cars	1 to 9 years	8,000 to 30,000
Light Trucks	1 to 9 years	14,000 to 33,000
SUVs	1 to 9 years	10,000 to 35,000

Used Car Dealers

Used Car Dealers are dealerships that deal solely in used vehicles and typically sell older, less expensive models than do franchised dealers. Within the business category of used car dealers, one may deal in highly maintained and more expensive vehicles, while another may deal in low-cost vehicles. Following the above-noted guidelines, the most accurate average inventory value for Used Car Dealerships is through the dealership rendering the average amount of units sold per month and multiplying the number of units by an estimated average cost per unit. The cost per unit may be selected from the following range.

Type	Age Range	Unit Cost Range
Cars	10 years & older	3,000 to 7,000
Light Trucks	10 years & older	3,500 to 12,000
SUVs	10 years & older	3,000 to 9,000

DEALERSHIPS BOATS AND WATERCRAFT

Definition: Boat dealerships are businesses primarily engaged in the sale of new and/or used boats and personal watercraft, aka jet skis. New boat dealers of various makes may maintain limited repair departments and stocks of parts, accessories, etc. Used dealers generally do not. Like RVs, used boats are often offered for sale in conjunction with used autos.

Valuation: The valuation of boat dealerships must be approached with care. As retail businesses, they are engaged in the sale of an inventory as well as the possible provision of a repair service. Consequently, the problem exists of valuing different types of boats, motors, trailers, accessories, and limited parts - different types of inventories which may vary a great deal in value. Also, since many dealers provide a repair service, their equipment will be of a somewhat different nature than that of many types of retail businesses. One unusual item of equipment typically found will be a small tractor, utility vehicle, or some other type of "yard mule" that can be used to easily move boats and trailers on the dealers' lots.

Square Foot Rate Method: A partial value may be obtained by applying a square foot rate to the amount of area in the agency used for each of several various purposes (inventory rate for parts area, FF&E rate for shop, etc.). This procedure will provide an indication of value for all the personal property of the agency other than watercraft stock. **THE VALUE OF WATERCRAFT AND ACCESSORIES IS NOT INCLUDED IN THE SQUARE FOOT RATES!** This value must be added to the inventory figure otherwise obtained and may be determined by taking the average number of units sold on a monthly basis times a typical value per unit for the brand or brands held for sale by that dealer. A list of suggested values for new boats follows. The figures represent an average of all models available from that manufacturer and may or may not include outboards and trailers. For used boats, the average monthly number of units sold may be listed and their values located from the *NADA* values provided by ACD, reduced by 15% to equate dealer cost.

Separate counts of new and used boats held for sale should be obtained from dealers or through visual inspection and pertinent values applied. This total value for a typical number of units may then be added to that obtained for parts and FF&E through the Square Foot Rate Method, resulting in the total value of personal property for the agency.

Below is a listing of the various manufacturers, together with a typical value for each brand. This value represents a weighted average for that manufacturer's various models of both boat and personal watercraft. If you have a dealer carrying makes not listed, please contact ACD and we will try to help you locate the information you need.

DEALERSHIPS BOATS AND WATERCRAFT

Typical New Values by Manufacturer

MANUFACTURER	ATV	WATERCRAFT	UTILITY	MOTORCYCLE
AQUAJET		2400		
ARCTIC CAT	6270		10300	
BAD BOY OFF ROAD	6240			
BENNECHE	5600			
BMS MOTORSPORTS	1360			
BMW				7200
BOSS HOSS				34900
BUELL				3100
CAN-AM	7100			11300
DUCATI				10000
HARLEY-DAVIDSON				11800
HONDA	3280	4300	10200	4800
HUSQVARNA				4500
HYOSUNG MOTORS	4000			
KAWASAKI	2530	11200	9500	4300
MIDWEST MOTOR	1200			
POLARIS	6750	5200	6600	17800
ROKON	4490			
SEA DOO / BRP		4400		
SURFJET ENTRPRS		700		
SUZUKI	2300			6700
TRIUMPH				5900
URAL				8100
WILDTHING WTRCFT		800		
XTREME	1780			
VESPA				2400
YAMAHA	5390	27500	9000	4000

DEALERSHIP FARM IMPLEMENT

Definition: Establishments primarily engaged in the retail sale of farm tractors, combines and other harvesting equipment. Included in this class are dealers of industrial and forestry models of tractors as well as loaders, backhoes, forklifts, crawlers, skidders, etc. Dealers may also offer a line of replacement parts and accessories and repair service.

Valuation: The personal property of implement dealers will include new and used equipment, parts, and accessories, as well as FF&E.

Square Foot Rate Method: A partial value may be obtained by applying a square foot rate to the amount of area in the agency used for each of several purposes (Inventory rate for parts area, FF&E rate for shop, etc.). This procedure will provide an indication of value for all the personal property of the agency other than equipment. THE VALUE OF TRACTORS AND IMPLEMENTS IS NOT INCLUDED IN THE SQUARE FOOT RATES! The value of equipment as inventory must be added to the inventory figure otherwise obtained and may be determined by taking the average number of units held for sale. A typical value per unit may be determined by using late model equipment values from the ACD personal property manual and reducing those values by 15% to adjust for the dealer trade level.

Fair Quality: locally owned, typically used equipment
Average Quality: better quality local or franchised, limited-service facilities
Good Quality: best quality franchised, full line of equipment and services

DEALERSHIP MOBILE HOME

Dealers in pre-manufactured housing, the personal property of mobile home or manufactured housing dealers will consist primarily of homes held for sale. Application of a square foot rate for this type of inventory is virtually impossible. Therefore, the most appropriate check of inventory value is a period inventory count of the number of units held for sale, as is recommended for auto and farm equipment dealers.

A periodic count should be made, together with application of values for units counted. Values per unit may be obtained from the ACD Mobile Home Manual. Manual values should be reduced by 20% to account for the proper level of trade.

Dealerships that provide moving and set-up services will also possess fixed assets used for those purposes, together with personal property needed to furnish and operate a sales office if one is located at the dealership.

Note: You may find that some dealerships have “floor planned” inventory like auto dealerships. In this case be sure the average inventory reflects that value.

DEALERSHIPS MOTORCYCLE AND POWER SPORTS

Definition: Motorcycle dealerships are businesses primarily engaged in the sale of new and/or used motorcycles and all-terrain vehicles. Franchised dealers of various makes of motorcycles may maintain repair departments, stocks of parts, accessories, etc. Nonfranchise, used dealers, except those engaged in rather sizable operations, generally do not.

Valuation: The valuation of motorcycle dealerships must be approached with care. As retail businesses, they are engaged in the sale of an inventory as well as the provision of a repair service. Consequently, the problem exists of valuing new and used motorcycles and parts, different types of inventories which may vary a great deal in value and must be appraised in different ways. Also, since many dealers provide a repair service, their equipment will be of a somewhat different nature than that of many types of retail businesses.

Square Foot Rate Method: A partial value may be obtained by applying a square foot rate to the amount of area in the agency used for each of several various purposes (inventory rate for parts area, FF&E rate for shop, etc.). This procedure will provide an indication of value for all the personal property of the agency other than motorcycle stock. **THE VALUE OF MOTORCYCLES IS NOT INCLUDED IN THE SQUARE FOOT RATES!** This value must be added to the inventory figure otherwise obtained and may be determined by taking the average number of units sold on a monthly basis times a typical value per motorcycle for the brand or brands held for sale by that agency. A list of suggested values for new motorcycles follows. For used bikes, the average monthly number of units sold may be listed and their values located from the *Price Digest* values provided by ACD, reduced by 15% to equate dealer cost.

Separate counts of new and used motorcycles sold should be obtained from dealers and pertinent values applied. This total value for a typical number of units sold may then be added to that obtained for parts and FF&E through the Square Foot Rate Method, resulting in the total value of personal property for the agency.

Below is a listing of the various motorcycles manufacturers, together with a typical value for each brand. This value represents a weighted average for that manufacturer's various models of both motorcycles and all-terrain vehicles.

DEALERSHIPS MOTORCYCLE AND POWER SPORTS

Typical New Motorcycle Values by Manufacturer

MANUFACTURER	ATV	WATERCRAFT	UTILITY	MOTORCYCLE
AQUAJET		2400		
ARCTIC CAT	6270		10300	
BAD BOY OFF ROAD	6240			
BENNECHE	5600			
BMS MOTORSPORTS	1360			
BMW				7200
BOSS HOSS				34900
BUELL				3100
CAN-AM	7100			11300
DUCATI				10000
HARLEY-DAVIDSON				11800
HONDA	3280	4300	10200	4800
HUSQVARNA				4500
HYOSUNG MOTORS	4000			
KAWASAKI	2530	11200	9500	4300
MIDWEST MOTOR	1200			
POLARIS	6750	5200	6600	17800
ROKON	4490			
SEA DOO / BRP		4400		
SURFJET ENTRPRS		700		
SUZUKI	2300			6700
TRIUMPH				5900
URAL				8100
WILDTHING WTRCFT		800		
XTREME	1780			
VESPA				2400
YAMAHA	5390	27500	9000	4000

DEALERSHIP RECREATIONAL VEHICLE

Definition: Businesses engaged in the sale and/or service of recreational vehicles, including truck campers, camping trailers, travel trailers and motor homes.

Valuation: Motor homes are considered motor vehicles under Arkansas Law and thus the inventory of recreational vehicle dealerships should be assessed according to the average number of units sold on a monthly basis. The average number of units sold should be obtained from the dealer or by periodic count. Average values per manufacturer are included below and should be applied to the appropriate number of units for each category of recreational vehicle sold at a given dealership.

Other Personal Property: If other non-vehicle personal property is owned by a recreational vehicle dealer, it should be assessed in the appropriate manner. Accessories and other inventory items should be assessed according to the prior year average under Arkansas Law. If the dealership has a repair or other shop type service, the application of an appropriate square foot rate from the Auto Repair and Commercial Office sections of this manual will result in an acceptable value.

Typical Values Per Manufacturer: Below are listings of the various manufacturers, together with a typical value for each brand, for the four types of recreational vehicle. This value represents a weighted average for each manufacturer's various models.

DEALERSHIP RECREATIONAL VEHICLE
Typical Values by Manufacturer

MANUFACTURER	MOTOR HOME	TRAVEL TRAILER	TRUCK CAMPER
AIRSTREAM	98000	37000	
ALLEGRO	153000		
AMERICAN EAGLE	405400		
ARCTIC FOX		29100	20200
BOUNDER	107000		
CARDINAL / FOREST RIVER		38000	
CAMP LITE			14100
CEDAR CREEK		51200	
CHEROKEE / FOREST RIVER		18600	
COACH HOUSE	120000		
COACHMEN / FOREST RIVER	67900	14200	
CROSSROADS		29100	14900
DISCOVERY / FLEETWOOD	169000		
FLAGSTAFF TRAVEL		15000	
FLAIR / FLEETWOOD	63500		
FOREST RIVER		18800	
GEORGETOWN	68600		
GULF STREAM	44000	12900	
HEARTLAND		25100	
HOLIDAY RAMBLER	115100		
HOST CAMPER			33700
JAMBOREE	68200		
JAYCO	75500	20200	
KEYSTONE		23000	
LANCE			16900
LAZY DAYS	64000		
MONACO	231400		
NASH		16700	
NORTHERN LITE			21600
PACE ARROW	141800		
PALOMINO		10900	
PLEASURE-WAY	72000		
RIVERSIDE		13500	
ROADTREK	68300		
ROCKWOOD		14500	
SALEM / FOREST RIVER		21200	
SANDPIPER / FOREST RIVER		28100	
SIERRA		33300	
SOUTHWIND	100300		
SPORTSMEN		21000	
STARCRAFT		19100	
WILDCAT		22800	
WILDWOOD		17300	

DEALERSHIP TRUCK

Definition: Truck dealerships are businesses primarily engaged in the sale of medium and heavy-duty trucks and tractors. Franchised dealers of various makes of trucks may maintain repair departments, stocks of parts, accessories, etc. Non-franchised, used dealers, except those engaged in rather sizable operations, generally do not. Truck dealerships should not be confused with automobile dealerships, although their assessment requirements are similar. **IF A DEALERSHIP SELLS BOTH AUTOMBILE AND MEDIUM/HEAVY TRUCK INVENTORY LINES VALUE THEM PROPORTIONATELY USING THE APPROPRIATE SECTIONS OF THIS MANUAL!**

Valuation: The valuation of truck dealerships must be approached with care. As retail businesses, they are engaged in the sale of an inventory as well as the possible provision of a repair service. Consequently, there exists the problem of valuing new and used trucks and parts – different types of inventories which vary a great deal in value and must be appraised in different ways. Also, since many dealers provide a repair service, their equipment will be of a somewhat different nature than that of many types of retail businesses.

Square Foot Rate Method: A value for parts inventories and furniture, fixtures and equipment may be obtained by applying a square foot rate to the amount of area in the agency used for each of these various purposes, using rates from the Automobile Dealership section of this manual (inventory rate for parts area, FF&E rate for shop, etc). This procedure will provide an indication of value for all the personal property of the agency other than trucks. **THE VALUE OF TRUCKS IS NOT INCLUDED IN THE SQUARE FOOT RATES!** This value must be added to the inventory figure otherwise obtained and may be determined according to Arkansas Law by taking the average number of units sold on a monthly basis times a typical value per truck, according to the number of medium or heavy-duty units sold, for the brand or brands held for sale by that agency. A list of suggested values for new medium and heavy-duty trucks follows. For used trucks, an appropriate rate may be selected from the values rendered by *Price Digest* converted from assessed to market value and reduced by 15% to equate dealer cost.

Separate counts of new and used trucks sold should be obtained from dealers and pertinent values applied. This total value for a typical number of units sold may then be added to that obtained for parts and FF&E through the Square Foot Rate Method, resulting in the total value of personal property for the dealership.

DEALERSHIP TRUCK
(Continued)

Below, is a listing of the various truck manufacturers, together with a typical dealer cost for each brand. This value represents the average for that manufacturer's Medium- or Heavy-duty models. Note that 2020 model values marked with an asterisk (*) were unavailable.

Typical New Truck Values by Manufacturer

MANUFACTURER	MEDIUM/HEAVY	HEAVY
AUTOCAR		*68000
CHEVROLET	38700	
DODGE	30000	
FORD	29650	*32500
FREIGHTLINER	39800	*57500
GMC	30700	*44500
HINO	61500	
INTERNATIONAL	104100	181200
ISUZU	*40000	
KENWORTH	*48000	*67500
MACK		*64000
MERCEDES BENZ	38600	
MITSUBISHI FUSO		*40000
PETERBILT	109600	160000
POLESTAR		104800
STERLING		*65000
UD TRUCKS	38000	
UTILIMASTER	23000	
VOLVO	129100	134200
WESTERN STAR	138900	163900
WORKHORSE		*28500

Used Truck Values

Refer to the values rendered via *the National Automobile Dealers Association* as provided by ACD for values by individual model. These values should be reduced by 15% to convert to dealer cost.

DEPARTMENT STORE

Definition: Establishments engaged in the retail sale of furniture, home furnishings, appliances, radio and television sets, a general line of apparel for the family and household linens and dry goods. Sales in any one of these areas should not exceed 80% of total sales. Better quality stores will also offer such services as delivery and/or installation.

Valuation: The personal property included in department stores will include both inventory and fixed assets. A department store may offer extensive services in support of the merchandise carried. Such services may include delivery, installation, repair, financing, and tailoring.

Square Foot Rate Method: Quality should be judged according to diversity of merchandise and variety of brands as well as the nature of store ownership. Fair quality department stores often have high density rates. These rates may also be used for catalog stores which have little display area but retail an inventory not kept on the premises. Average to good quality stores tend to be larger in size featuring attractive floor and window displays and a wider range of merchandise in each department. Good quality stores feature more exclusive name brands and better-quality FF&E such as glass display cases etc.

Fair Quality: most locally owned and operated, some low-cost chain stores
Average Quality: better quality local or chain
Good Quality: best quality franchised or chain stores carrying a wide variety of brands. Usually serve as “anchors” for malls or shopping centers.

Square Foot Rates

Inventory Density	Fair	Average	Good
Low	9.00	15.00	26.00
Average	10.50	20.00	29.00
High	12.00	25.00	35.00

Fixed Asset Density	Fair	Average	Good
Low	4.00	13.50	30.00
Average	7.00	20.00	32.00
High	9.50	27.00	53.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

DISCOUNT STORE

Definition: Establishments engaged in the retail sale of a general merchandise line similar to that of department stores but somewhat more limited in the areas of clothing and furniture and offering a more extensive line of other consumer goods, including food products and groceries.

Valuation: The personal property included in discount stores will include both inventory and FF&E. In-store installation of some automotive products may be available. Note that other businesses such as fast food, pharmacies, optometrists, barber / beauty shops etc. may operate within discount stores. These should each be valued separately from the host store using the appropriate rates and square footage for that occupancy, but **gross area of the discount store should be used for its valuation**. **If an otherwise average quality store includes an in-house pharmacy, the good quality rate should be used for the entire store.**

Square Foot Rate Method: Quality should be judged by the variety and quality of name brands carried. The fair category should be used to value stores with limited lines of merchandise. Average rates can be applied to typical discount stores carrying most name brands as well as non-name brand products with a store label. Good category stores carry a larger volume and greater variety of merchandise.

Fair Quality: local owned with limited merchandise lines, usually small stores
Average Quality: medium sized chain or franchised with name brands and in-store labels
Good Quality: larger national chains, 40,000 to 100,000 square foot stores. Wide variety of merchandise, numerous departments.

Square Foot Rates

Inventory Density	Fair	Average	Good
Low	7.00	15.00	23.50
Average	9.00	20.00	28.50
High	11.00	28.50	32.00

Fixed Asset Density	Fair	Average	Good
Low	4.50	8.00	25.00
Average	6.50	13.00	41.50
High	9.00	18.00	58.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

DRUGSTORE

Definitions: Establishments engaged in only retail sales of prescription drugs and patent medicines are considered pharmacies. Drug stores usually also carry other lines of merchandise such as health products, cosmetics, toiletries, novelties, and limited lines of food service.

Valuation: The personal property included in drug stores will include both inventory and FF&E. Modern stores may carry a wide variety of merchandise in addition to drugs and medical supplies. Stores offering an extensive inventory of non-drug items will also have a greater variety of fixed assets. Pharmacies will offer little non-drug merchandise.

Square Foot Rate Method: Quality should be judged by the variety of name brands carried. The range of this merchandise is key to the proper quality selection. Fair quality stores will carry a limited line of products. Average or good quality drug stores stock many personal, home, garden and food products. Some locally owned stores may be of similar quality. **Stores offering primarily pharmaceuticals should be graded as good quality/high density** due to the higher concentration of drugs.

Fair Quality: locally owned and operated
Average Quality: better quality local, discount franchised, or name brand stores
Good Quality: best quality franchised or chain stores carrying a wide variety of brands and an extensive line of non-drug items. Good quality also applies to true pharmacies.

Square Foot Rates

Inventory Density	Fair	Average	Good
Low	15.50	41.00	87.00
Average	28.00	62.50	122.00
High	37.50	75.50	232.00

Fixed Asset Density	Fair	Average	Good
Low	4.50	16.00	25.00
Average	9.50	20.50	40.50
High	13.00	28.00	63.50

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

DRY CLEANERS / LAUNDRY

Definition: Dry cleaners are facilities providing chemical (non-laundering) cleaning of clothing and other fabric articles. Laundries provide the same basic cleaning service, but through the more conventional method of laundering. A single establishment may offer both services.

Valuation: The personal property included in dry cleaners and/or laundries will include only FF&E consisting primarily of equipment. The only inventory found will likely be in the form of supplies and should be owner-rendered.

Square Foot Rate Method: Quality should be judged by the variety of services offered. Fair quality rates apply to shops limited to drop-off and pick-up of clothing. Average cleaners will provide in-house dry chemical cleaning, pressing or laundry services. Good Quality refers to a full-service operation which includes the most modern equipment, alterations or tailoring, etc. Motorized clothing racks are indicative of average to high density rates for FF&E. In the instance of name brand companies having several locations in the same city, actual cleaning may be done at a central location. Due to range of services offered, such companies are usually good in quality.

Fair Quality: small laundries or cleaners
Average Quality: better quality cleaners and laundries
Good Quality: full service which includes cleaning, mending, pick-up, etc.

Square Foot Rates

Fixed Asset Density	Fair	Average	Good
Low	5.00	21.00	36.00
Average	9.50	31.00	55.00
High	12.00	36.00	69.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10+
REL%	.89	.82	.75	.68	.61	.53	.46	.39	.32	.25

FABRIC & DRAPERY

Definition: Establishments primarily engaged in the retail sale of sewing supplies, fabric, patterns and other needlework accessories. These stores may also offer a line of sewing machines and may do custom tailoring or alterations.

Valuation: The personal property included in fabric and drapery stores will consist primarily of inventory. There will be limited FF&E. Stores offering more extensive services such as mending, custom tailoring, home decoration or cleaning, etc. will usually have larger equipment requirements.

Square Foot Rate Method: Quality should be judged by the variety of merchandise carried and by the ownership of the business itself. Fair quality applies to stores carrying fabric and sewing accessories only. Average stores will stock a larger variety of fabrics, patterns, buttons etc. and may offer custom tailoring. Good quality fabric shops may offer sewing machine sales and service. While there are no large chain operations in this class, some may have multiple locations.

Fair Quality: locally owned and operated usually offering basic fabrics only **Average Quality:** better quality local or name brand stores, larger selection of merchandise
Good Quality: best quality selection and service

Square foot Rates

Inventory Density	Fair	Average	Good
Low	6.00	20.00	62.00
Average	10.00	24.50	70.00
High	14.00	32.00	79.00

Fixed Asset Density	Fair	Average	Good
Low	3.00	12.00	18.00
Average	5.00	15.00	25.00
High	7.00	18.00	40.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

FARM SUPPLY AND FEED STORE

Definition: Establishments primarily engaged in the sale of farm products such as feeds, fertilizer, seed, pesticides and herbicides, etc. Such establishments may also sell garden supplies, tires, tools, and other miscellaneous farm related products. Larger stores may carry a limited line of tractors and other equipment which should constitute a minority of total sales.

Valuation: The personal property included in farm supply or feed stores will include a wide variety of both inventory and supporting FF&E. Yard equipment such as mowers is included in Good Quality rates but larger equipment such as tractors should be listed additionally.

Square Foot Rate Method: Quality should be judged by the variety of merchandise carried and by services offered. A fair quality store will primarily carry animal feeds and supplies. The average quality operation, often a CO-OP type store, will carry a larger line of non-feed merchandise such as veterinary supplies, farm chemicals, bulk seed, etc. Good quality applies to all-purpose centers with a complete line of products. These products may include hardware, clothing, hunting supplies, farm equipment, etc.

Fair Quality: limited line of feed and supplies
Average Quality: larger line of feed, seed, chemicals, veterinary supplies, etc.
Good Quality: full line of feeds, supplies, other farm products and services; may also carry a limited line of yard equipment. Tractors should be valued as additional inventory

Square Foot Rates

Inventory Density	Fair	Average	Good
Low	4.00	23.00	39.00
Average	6.00	30.00	60.00
High	13.00	35.00	75.00

Fixed Asset Density	Fair	Average	Good
Low	3.00	7.00	18.00
Average	6.00	13.00	23.00
High	7.00	15.00	57.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

FINANCIAL INSTITUTION

Definition: Financial institutions handle money and securities either through savings, loans, or the processing of money as through checking accounts. Other services provided are collection, financial management and advisement.

Valuation: The personal property included in financial institutions will only include furniture, fixtures, and equipment.

Square Foot Rate Method: Since no inventory other than supplies is held for sale, square foot rates for this business class apply to FF&E only. Fair and average quality financial institutions are primarily offices lacking the equipment and security systems of full-service banks. Depending on quality, production credit associations, federal land banks, and mortgage companies will be in the fair or average quality categories. Most credit unions offering full banking services are priced as average to good. These rates do not include vaults, etc. which should be considered real estate. Basic computer equipment is included in these rates. Most financial institutions contain a high percentage of electronic assets, thus an eight-year economic life is recommended. For central banks and larger branch banks use a ten-year life for depreciation due to proportionately increased furniture and fixtures in relation to electronics.

Fair Quality: non-bank financial offices
Average Quality: better quality credit unions, average banks with limited services
Good Quality: full service banks either branch or central

Square Foot Rates

Fixed Asset Density	Fair	Average	Good
Low	14.00	25.50	71.50
Average	19.50	41.00	84.00
High	25.00	53.00	123.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8
REL%	.87	.71	.59	.50	.42	.33	.24	.15

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10+
REL%	.89	.82	.75	.68	.61	.53	.46	.39	.32	.25

Note: Watch for double assessment on vault doors, safety deposit boxes, and security systems. Typically, they are assessed as real estate but reported as personal property by owners. It is recommended that when reviewing the rendition of a financial institution the Property Record Card be reviewed.

FITNESS CENTER

Definition: Establishments primarily engaged in providing facilities and assistance in exercise, training, and physical conditioning.

Valuation: Personal property will predominately be FF&E although inventory may be offered. Inventory rendition should be obtained from the property owner. All quality classifications should include office FF&E.

Square Foot Rate Method: Quality should be judged by the variety of machines and workout stations offered. Fair quality should be used to value the FF&E in stores with limited availability. Average quality stores will carry a larger selection and number of equipment types. Good quality fitness centers will offer a wide variety of exercise equipment and free weights together with training and instructional options and may offer a selection of inventory.

Fair Quality: small local stores, limited line
Average Quality: better quality equipment, larger selection, either locally owned or chain/franchise
Good Quality: wide variety and number of equipment types, individual services. Most likely large, chain or franchised operations

Square Foot Rates

Fixed Asset Density	Fair	Average	Good
Low	5.50	22.00	50.00
Average	11.00	27.00	62.00
High	14.50	34.50	90.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10+
REL%	.89	.82	.75	.68	.61	.53	.46	.39	.32	.25

FLORIST

Definition: Establishments engaged in the retail sale of cut flowers and growing plants. Greenhouses and nurseries are included if sales consist primarily of products not grown on the premises.

Valuation: The personal property included in florists will include both inventory and FF&E. Due to the high perishability of products carried, a certain amount of wastage is allowed as a reduction in inventory value. Nearly all florists offer delivery service, so vehicles should be accounted for separately.

Square Foot Rate Method: Quality should be judged by the variety of merchandise carried and by ownership of the business itself. Fair quality refers to shops with primarily flower and plant sales. Average to good quality florist are generally franchised operations and a part of a network allowing nationwide delivery. Good quality shops may also offer a line of gift items. FF&E should be commensurate with inventory quality.

Fair Quality: locally owned and operated
Average Quality: better quality local or franchise, larger selection of flowers and some merchandise
Good Quality: best quality local or franchised, wide variety of merchandise

Square Foot Rates

Inventory Density	Fair	Average	Good
Low	2.50	11.50	25.50
Average	5.00	14.00	33.00
High	10.00	17.50	45.00

Fixed Asset Density	Fair	Average	Good
Low	1.50	6.00	14.00
Average	3.00	10.00	17.00
High	4.00	13.00	25.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

FUNERAL HOME / MORTUARY

Definition: Funeral homes and mortuaries provide burial services as well as related services and products.

Valuation: The personal property included in funeral homes or mortuaries will include some inventory but will consist primarily of FF&E. Nearly all business in this class will own automobiles such as hearses or limousines which should be valued separately. In some small towns, this type of business may also provide limited ambulance service. Some funeral homes maintain a selection of caskets while others only have “floor models” and are ordered as needed.

Square Foot Rate Method: Quality should be judged by the variety of services provided. The fair quality classification may be used for small funeral homes lacking the amenities of larger operations. Average rates may be used for larger funeral homes or mortuaries offering one or more viewing rooms, chapel, embalming facilities, etc., with a selection of caskets. The good quality mortuary will offer a larger line of merchandise, one or more viewing rooms, one or more chapels and may additionally offer a crematorium, flowers, etc.

Fair Quality: locally owned and operated
Average Quality: better quality local with larger line of services
Good Quality: best selection of services, larger line of inventory

Square Foot Rates

Inventory	Fair	Average	Good
Average	2.00	4.00	6.50

Fixed Asset Density	Fair	Average	Good
Low	1.50	5.00	26.00
Average	3.00	9.00	32.00
High	7.50	16.00	56.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

NOTE: If the facility does not maintain a casket inventory check to see if their supplier keeps inventory in the facility.

FURNITURE STORE

Definition: Establishments engaged in the retail sale of household furniture, beds and bedding as well as lines of larger household appliances, stereo and television sets, etc. These stores may also carry a line of floor coverings or other products and may be valued in this class if sales from these products do not exceed furniture sales.

Valuation: The personal property included in furniture and appliance stores primarily include inventory with relatively little FF&E.

Square Foot Rate Method: Quality should be judged by the variety of merchandise carried. Fair quality stores carry used merchandise or lower quality new merchandise at discount prices. Average quality stores carry a typical line of new appliances and furniture. Good quality stores will be better quality local or chain stores carrying top brand names or stores exclusively featuring antiques.

Fair Quality: local, used or discount merchandise
Average Quality: better quality local or discount merchandise, larger line of inventory
Good Quality: best quality merchandise or antiques

Square Foot Rates

Inventory Density	Fair	Average	**Good**
Low	3.00	9.00	12.00
Average	5.00	14.00	25.00
High	6.00	16.00	43.00

Fixed Asset Density	Fair	Average	Good
Low	0.75	2.00	4.50
Average	1.00	2.50	5.50
High	1.25	3.50	11.50

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

GIFT SHOP

Definition: Establishments engaged in the retail sale of gift items and greeting cards. Better quality stores may also offer items used in home décor such as artificial flowers, fabrics, etc.

Valuation: The personal property included in gift shops will include both inventory and FF&E. Variety and quality of merchandise will be the key in determining the appropriate rates.

Square Foot Rate Method: Quality should be judged by the variety of merchandise carried and by ownership of the business itself. Fair quality refers to shops with basic gift items and "knick-knacks". Average to good quality will offer greater variety and will have an extensive selection of greeting cards. Good quality shops will offer more "high end" gift items such as wedding gifts, glassware, statuary, collectible ornaments, etc., along with an extensive selection of cards and decorations. FF&E should be commensurate with inventory quality.

Fair Quality: locally owned and operated
Average Quality: better quality local or franchise, larger selection of cards and gifts
Good Quality: best quality local or franchised, wide variety of merchandise and collectibles

Square Foot Rates

Inventory Density	Fair	Average	Good
Low	5.00	16.00	33.00
Average	10.00	21.50	50.00
High	14.50	27.00	65.00

Fixed Asset Density	Fair	Average	Good
Low	2.00	8.00	45.00
Average	3.50	14.50	65.00
High	6.00	61.50	75.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

HARDWARE

Definition: Establishments engaged in the sale of basic hardware products such as tools, builders' hardware, paint, glass. Better quality stores will also offer a limited line housewares and lawn and garden products and equipment. None of these products should account for more than 50% of total sales for the establishment. Members of this occupancy type will not carry lumber and building materials.

Valuation: The personal property included in hardware stores will primarily include inventory and some FF&E.

Square Foot Rate Method: Quality should be judged by the variety of merchandise carried. Fair quality should be used to value small, local hardware stores with a limited merchandise line. Average stores may be franchised and carry a larger line of products and more name brands as well as store brands. Better chain operations should be priced as good.

Fair Quality: locally owned and operated with limited merchandise line
Average Quality: better quality local or franchised, wider variety of merchandise **Good Quality:** best quality local or national chain, wide variety of brands

Square Foot Rates

Inventory Density	Fair	Average	Good
Low	4.00	15.00	27.00
Average	6.50	20.00	30.00
High	9.00	25.00	44.00

Fixed Asset Density	Fair	Average	Good
Low	1.50	5.00	15.00
Average	2.50	9.00	20.00
High	4.00	13.50	25.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

HARDWARE AND BUILDING MATERIALS

Definition: Establishments engaged in the sale of a full line of hardware products together with building materials such as roofing materials, lumber, and other building products. None of these products should account for more than 50% of total sales for the establishment. Home Centers will include furniture and appliances.

Valuation: The personal property included in hardware and building material stores will primarily include inventory and some FF&E. It is not necessary to include lumber sheds in the square footage so long as the area used for lumber storage appears commensurate with the quality of the store.

Square Foot Rate Method: Quality should be judged by the variety of merchandise carried. Fair quality should be used to value small, local hardware stores with a limited materials line. Average stores may be franchised and carry a larger line of products, that may include appliances. Better chain operations will qualify as home centers and should be priced as good.

Fair Quality: locally owned and operated with limited merchandise line
Average Quality: home centers, better quality local or franchised, wide variety of merchandise
Good Quality: best quality local or national chain, wide variety of brands

Square Foot Rates

Inventory Density	Fair	Average	Good
Low	6.50	27.50	62.50
Average	12.00	33.00	74.00
High	21.00	50.00	82.50

Fixed Asset Density	Fair	Average	Good
Low	1.50	12.00	28.50
Average	4.50	19.00	33.50
High	8.00	22.00	44.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

HEALTH / SUPPLEMENTS

Definition: Establishments engaged in the sale of various nutritional supplements including vitamins, minerals, herbs, meal supplements, sports nutrition products, and other related products used to boost the nutritional content of the diet.

Valuation: The personal property will include both inventory and FF&E. Inventory may vary greatly with quality while fixed assets will be standard for retail operations.

Square Foot Rate Method: The extent of merchandise offered for sale determines the proper quality rating for this classification. The greater the variety and selection of brands, the greater the subsequent cost and quality rating.

Fair Quality: limited line
Average Quality: larger line of merchandise
Good Quality: greatest variety and selection including more food items

Square Foot Rates

Inventory Density	Fair	Average	Good
Low	4.50	25.00	57.50
Average	15.00	38.00	65.00
High	20.50	41.00	77.00

Fixed Asset Density	Fair	Average	Good
Low	1.50	10.00	30.00
Average	3.50	20.00	36.00
High	8.00	24.00	43.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

HOBBY AND CRAFT SHOP

Definition: Establishments engaged in the sale of hobby items, craft kits and supplies, or finished products which may or may not be produced on the premises.

Valuation: The personal property will include both inventory and FF&E. Retail hobby shops will generally have more inventory than FF&E, while on-premises craft production shops will have more FF&E than inventory.

Square Foot Rate Method: The extent of merchandise offered for sale determines the proper quality rating for this classification. A craft shop specializing in a limited craft line would use a lower inventory rate but a higher FF&E rate. Do-it-yourself craft and hobby shops would be considered average quality. Good rates should be applied to shops offering a full hobby and craft merchandise line.

Fair Quality: limited line, on-premises production
Average Quality: larger line of merchandise, generally offering products for crafts or home use
Good Quality: full merchandise line, may offer classes or other instruction

Square Foot Rates

Inventory Density	Fair	Average	Good
Low	3.00	12.00	39.00
Average	5.50	26.00	45.00
High	11.00	34.00	54.00

Fixed Asset Density	Fair	Average	Good
Low	3.00	18.00	37.00
Average	5.00	23.00	52.00
High	10.00	28.00	63.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

HOSPITAL

Definition: Hospitals are institutions providing high degree health care including treatment, surgery and highly specialized forms of medical care depending on the quality of the institution. Hospitals provide longer term care than medical offices and clinics which are generally out-patient oriented. Some may specialize in treatment of certain disorders.

Valuation: The personal property values primarily in fixed assets and will include some inventory. Inventory consists of medical supplies and drugs which, while not sold as in drugstores, are billed separately as part of treatment received. FF&E includes a wide variety of furnishings, equipment, specialized treatment equipment, X-ray machinery, etc.

Square Foot Rate Method: Rates for inventory and FF&E are per bed capacity. Quality should be judged by the variety of treatment and services offered and by ownership of the business. Hospitals are licensed by patient capacity.

Fair Quality: small local hospitals, limited services
Average Quality: larger local or regional institutions, higher degree of care and specialized services such as physical therapy, alcohol treatment programs, etc.
Good Quality: larger regional medical centers

Rates are per Patient for which the Facility is licensed

Fixed Asset	Fair	Average	Good
Average	3600	9000	17500

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10+
REL%	.89	.82	.75	.68	.61	.53	.46	.39	.32	.25

Note: If a facility is determined to be exempt from assessment, the assessor should inspect the premises for leased property. Office equipment, high-tech machinery, and even hospital beds are frequently leased and should be assessed to the lessor.

HOTEL / MOTEL

Definition: Hotels and motels are businesses providing the service of temporary lodging for the traveler. Some may offer longer term boarding. Related services, such as dining, recreation, etc., are often provided by the same establishment.

Valuation: The personal property included in motels and hotels will include furniture, fixtures, linens and equipment, exercise equipment, and pool accessories. In better quality chains, vending machines have been replaced by "stores" located at the front desk. Light food preparation equipment is also typical. Inventory of related services, such as restaurants and gift shops, should be valued separately.

Square Foot Rate Method: Since no inventory is held for sale, the square foot rates for this business class are applicable to FF&E only. Most local motels are fair quality. The average quality category includes better quality local and typical chain or franchise operated motels and hotels. Good quality rates should be used to determine value for newer large, modern motels featuring recreational activities or resort type attractions. The same characteristics apply to hotels with most chain operations ranging from average to good in quality. RATES GIVEN ARE PER ROOM AND DO NOT INCLUDE RESTAURANT, LOUNGE, GIFT OR SPORTS SHOPS, ETC. Extra features should be valued with rates from the appropriate section of this manual according to the amount of area occupied.

Fair Quality: local owned and operated
Average Quality: better quality local or chain/franchised
Good Quality: best quality franchised or chain operations

Rates are per Room and do not include Restaurant, Lounge, Gift or Sport Shops, etc.

Fixed Asset Density	Fair	Average	Good
Low	900	3000	10000
Average	1800	6000	12000
High	3000	9000	14500

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10+
REL%	.89	.82	.75	.68	.61	.53	.46	.39	.32	.25

JEWELRY

Definition: Establishments primarily engaged in the retail sale of any combination of products such as diamonds and precious stones, jewelry items, watches, and clocks. Stores may also offer cleaning and repair of any of the above.

Valuation: The personal property included in jewelry stores will primarily be inventory with some fixed assets, including display counters and security systems, and should be commensurate with inventory quality

Square Foot Rate Method: Quality ratings should be judged by the variety of merchandise offered. Quality of merchandise should be examined to select the proper rate. Most brand name stores should be priced as average. Good quality stores will carry expensive watch brands, custom-made jewelry with larger stones, etc. **Some inventories may be held on consignment.**

Fair Quality: locally owned and operated
Average Quality: better quality local, discount, franchised, or national chain stores
Good Quality: best quality franchised, more expensive merchandise

Square Foot Rates

Inventory Density	Fair	Average	Good
Low	18.00	105.00	197.00
Average	50.00	127.00	245.00
High	69.00	153.00	425.00

Fixed Asset Density	Fair	Average	Good
Low	7.00	27.00	62.00
Average	11.00	39.00	87.00
High	22.00	46.50	111.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

LAUNDROMAT

Definition: Laundromats are self-service, coin-operated laundering facilities offering a limited line of services to the customer.

Valuation: The personal property included in laundromats will be limited to furniture, fixtures, and equipment. Some cleaning supplies may be vended on the premises, but the value is relatively insignificant in proportion to the business as a whole.

Square Foot Rate Method: Since no inventory is held for sale, square foot rates are applicable to FF&E only. Fair rates apply to the small "washateria" which is basically coin operated, self-service washers and dryers. Average quality laundromats generally include a few extra-large capacity washers and/or dryers, more folding tables, coin-vended laundry aids, and a better waiting area. Good quality laundromats are similar to those deemed to be average with the addition of coin-operated dry chemical machines (such as those used to clean rugs or drapes) along with amusements such as television or video games, a larger variety of vending machines, and frequently offer a drop-off service similar to conventional laundries.

Fair Quality: basic washers and dryers
Average Quality: better quality, better equipment variety
Good Quality: best selection of dry cleaning and laundry services

Square Foot Rates

Fixed Asset Density	Fair	Average	Good
Low	5.00	20.00	55.00
Average	9.00	33.00	70.00
High	15.00	45.00	80.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10+
REL%	.89	.82	.75	.68	.61	.53	.46	.39	.32	.25

LIQUOR STORE

Definition: Establishments primarily selling packaged alcoholic beverages such as beer, wine, ale, liquor and related products such as mixers. These goods are for off-premises consumption only, as required by law.

Valuation: The personal property included in liquor stores includes both inventory and fixed assets.

Square Foot Rate Method: Quality should be judged by the variety of name brands carried. Fair quality stores will carry a limited selection. Average stores will feature a selection of the most popular brands and will contain a walk-in cooler for higher volume sales. Good rates should be applied to stores offering a large brand selection, rare or expensive wines, etc. This type will normally be located in or near a relatively affluent neighborhood.

Fair Quality: primarily beer and wine, some liquor
Average Quality: most popular brands of various beverages
Good Quality: best quality stores, large selection including exclusive liquors and wines

Square Foot Rates

Inventory Density	Fair	Average	Good
Low	11.00	25.50	52.00
Average	13.50	34.50	58.00
High	17.00	48.00	70.00

Fixed Asset Density	Fair	Average	Good
Low	2.50	8.00	18.00
Average	4.00	10.00	28.00
High	7.00	13.00	41.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

MACHINE SHOP / TOOL & DIE

Definition: Machine shops are establishments engaged in production of metal and other products, usually on a custom basis. Frequently referred to as tool and die, these shops typically produce items as components for other maintenance or assembly operations.

Valuation: The personal property included in machine shops will include furniture, fixtures and equipment only, although a certain amount of metal stock and other types of raw materials will be maintained as supplies. This may vary a great deal according to the type of products produced.

Square Foot Rate Method: The square foot rates for this business class are applicable to FF&E only, as no standard inventory is held for sale. Fair quality rates normally apply to small shops with limited service. The average quality rate may be applied to larger machine shops with a greater variety of equipment. Good quality can be large in nature and contain complex equipment, especially computerized equipment.

Fair Quality: small shops
Average Quality: larger, more variety
Good Quality: more complex equipment including computerized

Square Foot Rates

Fixed Asset Density	Fair	Average	Good
Low	9.00	46.00	143.00
Average	19.00	59.00	161.00
High	37.00	81.00	196.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10+
REL%	.89	.82	.75	.68	.61	.53	.46	.39	.32	.25

MEDICAL MARIJUANA

DISPENSARY

Definition: The licensed facility may sell marijuana, edibles, creams, oils, and other products as approved by the Medical Marijuana Commission. This is outlined very well within the 2022 Operational Rules for Cultivators, Dispensaries and Processors provided by the DFA-Alcoholic Beverage Control Division.

Valuation: This will include BOTH Inventory and Furniture, Fixtures & Equipment (FF&E). The facility is required to conduct and report Inventory to ABC twice per year so an accurate Inventory amount should be provided to the Assessor as well.

FF&E should include, but not be limited to, furniture, office equipment, storage, packing supplies, computer equipment, telephone systems, security systems (if not assessed on Real Estate), counters, shelving. Since the dispensaries are allowed to deliver to patients, the vehicles they use should also be assessed to the business.

Since the dispensaries can do some processing as well, they should turn in the equipment used for that along with all of this, as in the case of the Cultivation Facilities, is regulated by ABC, so the facility should have good data to provide the Assessor.

Also, as in the case of the Cultivation Facilities, you cannot value these businesses using the Square Foot Method.

All the information on this page was taken from:

www.dfa.arkansas.gov/medical-mariiuana-commission

The 2022 Operational Rules for Cultivators, Dispensaries and Processors was found on the website listed above.

It is strongly recommended the Assessors familiarize themselves with the information on the DFA website.

MEDICAL MARIJUANA

CULTIVATION/GROW FACILITY

Definition: An entity that has been licensed by the Medical Marijuana Commission and cultivates, prepares, manufactures, processes, packages, sells to and delivers usable marijuana to a dispensary. This is found on page 2 of the 2022 Operational Rules for Cultivators, Dispensaries and Processors compiled by the Department of Finance and Administration-Alcoholic Beverage Control Division.

Valuation: This will include BOTH Inventory and Furniture, Fixtures and Equipment (FF&E). The facilities are required to report Inventory to the Alcoholic Beverage Control Division (ABC) twice per year so an accurate Inventory amount should be provided to the Assessor as well.

FF&E should include, but not be limited to, planting supplies and equipment, hand tools, watering equipment, air filtration equipment, packaging supplies and equipment, any vehicles used such as tractors, ATVs, RTVs (side by sides), wagons and so forth.

There may also be office supplies and equipment, scales, some computerized equipment, labeling equipment and other furniture and fixtures.

All of this is regulated by ABC, so the facility should have good data to provide the Assessor.

All information on this page was taken from:

www.dfa.arkansas.gov/medical-mariiuana-commission

There will be no square foot rates for this category as it is considered a Manufacturer and the Square Foot Method is not used to value Manufacturing facilities and the property within.

It is strongly recommended the Assessors familiarize themselves with the information on the DFA website.

MEDICAL OFFICE CHIROPRACTOR

Definition: Chiropractors are doctors who treat patients through muscle or other manipulation of body parts with limited application of drugs or other medications.

Valuation: The personal property included in chiropractors' offices will include primarily furniture, fixtures and equipment with limited supplies. The quality and quantity may vary a great deal according to the practice involved.

Square Foot Rate Method: The square foot rates for this business class are applicable to FF&E only, as no standard inventory is held for sale. Fair quality rates normally apply to a single doctor's practice. The average quality rate may be applied to one or more doctors sharing a practice as Professional Associates. Good quality chiropractors may offer x-ray and other electronic diagnostic services.

Fair Quality: single practice
Average Quality: larger single or associate practice **Good**
Quality: greatest quality and quantity

Square Foot Rates

Fixed Asset Density	Fair	Average	Good
Low	6.00	21.00	36.00
Average	10.00	28.00	56.00
High	16.00	34.00	73.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10+
REL%	.89	.82	.75	.68	.61	.53	.46	.39	.32	.25

MEDICAL OFFICE DENTIST

Definition: Dental offices generally require a greater amount of equipment and space for examination rooms, waiting rooms, records, etc. Dental office rates differ from those used for general medical offices.

Valuation: The personal property included in dental offices will include furniture, fixtures and equipment only. This may vary a great deal according to the size of practice involved. Larger practices with multiple doctors will offer more sophisticated equipment and individual examination rooms may offer separate x-ray and other diagnostic facilities. Most dental office will offer no inventory for sale but should have a variety of supplies.

Square Foot Rate Method: The square foot rates for this business class are applicable to FF&E only, as no inventory is held for sale. Fair quality rates normally apply to a single dental practice. The average quality rate may be applied to one or more doctors sharing a practice as Professional Associates. The combined practice usually allows the partners to own better quality and more complete equipment. **Specialists, such as orthodontists may require even more specialized equipment which should be valued accordingly.**

Fair Quality: single practice
Average Quality: two or more doctors (Professional Associates) **Good Quality:** larger practices including most specialists

Square Foot Rates

Fixed Asset Density	Fair	Average	Good
Low	15.00	50.00	125.00
Average	26.00	80.00	180.00
High	43.00	95.00	230.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10+
REL%	.89	.82	.75	.68	.61	.53	.46	.39	.32	.25

MEDICAL OFFICE GENERAL

Definition: General medical office practitioners are commonly referred to as Primary Care Physicians and see patients for the broadest range of diagnostics and treatment. They rarely require any specialized equipment beyond x-ray machinery, although sometimes larger practices may offer laboratory services.

Valuation: The personal property included in medical offices will include furniture and fixtures with limited equipment. This may vary a great deal according to the size and type of practice involved. Some general practice physicians may offer therapy or mental health services which in turn would affect the amount and type of FF&E involved in the practice.

Square Foot Rate Method: The square foot rates for this business class are applicable to FF&E only, as no inventory is held for sale. Fair quality rates normally apply to a single doctor's practice. The average quality rate may be applied to one or more doctors sharing a practice as Professional Associates. The combined practice usually allows the partners to own better quality and more complete equipment.

Fair Quality: single practice
Average Quality: two or more doctors (Professional Associates) **Good Quality:** Larger practices, may include lab services

Square Foot Rates

Fixed Asset Density	Fair	Average	Good
Low	10.00	35.00	60.00
Average	21.00	45.00	85.00
High	35.00	60.00	110.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10+
REL%	.89	.82	.75	.68	.61	.53	.46	.39	.32	.25

MEDICAL OFFICE OPTICAL

Definition: Doctors in the optical profession range from basic eye examination to advanced treatment and surgery. Optometrists perform eye examinations and may provide glasses and contacts. Ophthalmologists perform the same functions as optometrists but also provide more advanced diagnosis and treatment. Eye surgeons offer the highest level of optical care including surgery.

Valuation: The personal property included in optical offices will include furniture and fixtures with increasing degrees of specialized equipment.

Square Foot Rate Method: The square foot rates for this business class are applicable to FF&E only, as inventory levels are not consistent. Review of existing assessments in multiple counties indicated reported inventory levels as low as $1.00 per foot and as high as $20.00, with an overall mean of $6.50. The higher the quality rating, the greater the occurrence of more advanced equipment. Fair quality rates normally apply to optometrists. The average quality rate may be applied to optometrists, and good rates to advanced facilities. The latter most often will include a number of doctors in a shared practice.

Fair Quality: Optometrist
Average Quality: Ophthalmologists
Good Quality: Larger practices, including surgeries

Square Foot Rates

Fixed Asset Density	Fair	Average	Good
Low	10.00	40.00	60.00
Average	30.00	50.00	80.00
High	50.00	70.00	100.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10+
REL%	.89	.82	.75	.68	.61	.53	.46	.39	.32	.25

MEDICAL OFFICE VETERINARY

Definition: Veterinarians offer a complete spectrum of medical services for their animal patients. Some may specialize in small or large animal practice. The primary difference in the two appears to be the need for mobile equipment for a large animal practice.

Valuation: The personal property included in veterinary offices will include furniture, fixtures and equipment as well as a stock of medicines since they also serve as dispensaries for animal drugs. Nearly all vets will have x-ray equipment and multiple examination rooms even in single practice.

Square Foot Rate Method: The square foot rates for this business class include only FF&E. Inventory should be self-reported. Fair quality rates normally apply to a single doctor's practice. The average quality rate may be applied to one or more doctors sharing a practice or single vets in a large animal practice. Good quality veterinary offices offer full surgical suites and may carry a considerable line of merchandise.

Fair Quality: single practice
Average Quality: multiple doctors or large animal practice
Good Quality: more specialized equipment such as surgery

Square Foot Rates

Fixed Asset Density	Fair	Average	Good
Low	7.00	24.00	68.00
Average	13.00	38.00	102.00
High	17.50	51.50	128.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10+
REL%	.89	.82	.75	.68	.61	.53	.46	.39	.32	.25

NAIL SALON

Definition: Nail salons offer many services such as manicures and pedicures. Other services such as waxing and facials may be available.

Valuation: The personal property included in salons will include individual stations for customer service together with necessary equipment such as filing machinery and pedicure chairs. A limited line of inventory such as polishes and artificial nails may also be offered.

Square Foot Rate Method: The square foot rates for this business class provide for limited inventory and for fixed assets commensurate with quality. Rates for inventory will likely range from 1.00 to 9.00 per square foot.

Fair Quality: small owner-operated salons
Average Quality: larger, more services, some inventory
Good Quality: better quality, full service, greater inventory selection

Rates are per Station

Fixed Asset Density	Fair	Average	Good
Low	4.00	10.00	26.00
Average	6.00	14.00	37.00
High	9.00	20.00	48.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10+
REL%	.89	.82	.75	.68	.61	.53	.46	.39	.32	.25

NURSING AND CONVALESCENT HOMES

Definition: Nursing homes are medical facilities which provide a lesser degree of medical care than hospitals but do so over a longer period of time. They are licensed in Arkansas according to the degree of care offered. Residential Care facilities provide only slight medical care and are more boarding-oriented facilities. Skilled Care nursing homes offering a degree of medical care.

Valuation: The personal property included in long-term health care facilities will include only furniture, fixtures, and equipment. While they maintain stocks of foods and ancillary medical supplies, these are not retailed in the manner of true inventory items.

Square Foot Rate Method: The square foot rates for this business class are applicable to fixed assets only, as no inventory is held for sale. Nursing homes licensed as either Intermediate or Skilled Care should be priced as average quality or good quality, respectively. Convalescent nursing homes, boarding, or rest homes for the elderly do not meet the medical requirements of higher rated nursing homes and should be priced as fair quality. Licensing procedures are per patient and are referred to as "per bed**". RATES GIVEN ARE PER BED ACCORDING TO THE NUMBER OF BEDS FOR WHICH THE FACILITY IS LICENSED.**

Fair Quality: boarding or rest homes
Average Quality: Intermediate Care nursing homes
Good Quality: Skilled Care nursing homes

Rates are per Patient for which the Facility is licensed

Fixed Asset	Fair	Average	Good
	1850	4500	8700

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10+
REL%	.89	.82	.75	.68	.61	.53	.46	.39	.32	.25

OFFICE COMMERCIAL

Definitions: A variety of service businesses are classified as commercial offices. These may serve many purposes so long as a great degree of specialized equipment is not required, as is the case with financial institutions or medical offices.

Valuation: The personal property included in commercial offices will include furniture, fixtures and equipment only. Some supplies may be on hand.

Square Foot Rate Method: The square foot rates for this business class are applicable to FF&E only as no inventory is held for sale. Due to the diversity of businesses occupying facilities in this class, consideration should be given to the quality of furnishings and equipment owned by a particular business. National "brand" insurance agents typically own only office furnishings so a lower quality rating would be appropriate. Their computer systems belong to the named company and should be reported by and assessed to them. Most small real estate or tax services will be located in fair to average quality offices. Most insurance sales or certified public accountants' offices should be average to good quality. Attorney's offices generally will be of good quality due to the added expense of law libraries and other reference materials. These rates include only standard equipment and furnishings

Fair Quality: general offices, bookkeeping offices, real estate sales, etc.
Average Quality: specialized offices such as CPA, insurance agencies, etc.
Good Quality: most attorney and other highly equipped or well-furnished offices

Square Foot Rates

Fixed Asset Density	Fair	Average	Good
Low	3.50	14.00	30.00
Average	6.50	18.50	55.00
High	10.00	25.50	79.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10+
REL%	.89	.82	.75	.68	.61	.53	.46	.39	.32	.25

Note: If an office reports a high percentage of electronic assets, use an economic life of 8 years overall. For example, name-brand insurance companies often provide computers and related equipment for agents while the latter own the office furniture and fixtures.

OFFICE SUPPLY STORE

Definition: Establishments engaged in the retail sale of paper and related products. These include artist supplies, secretarial and general office supplies and equipment including calculators, typewriters, computers, and accessories. Limited office furniture sales or services such as custom printing may also be included as long as they do not exceed 30% of total sales.

Valuation: The personal property included in office supply stores will consist primarily of inventory with some FF&E. Better quality stores may offer limited custom printing services and may be valued as office supply stores if at least 70% of total revenue is generated through the sale of office equipment and supplies.

Square Foot Rate Method: Fair quality rates apply to stores carrying basic office supplies. Average stores will offer a line of equipment such as calculators, etc. In addition to basic office supplies, good quality stores will carry more expensive equipment such as copiers, computers and accessories and may include office furnishings.

Fair Quality: limited line of office supplies
Average Quality: better line of merchandise, some equipment carried as inventory
Good Quality: best quality, franchised, national chain, full line of office products and equipment, may also carry office furnishings

Square Foot Rates

Inventory Density	Fair	Average	Good
Low	6.00	12.00	16.00
Average	9.00	16.00	25.00
High	12.00	18.00	35.00

Fixed Asset Density	Fair	Average	Good
Low	1.00	3.00	10.00
Average	2.00	5.00	12.00
High	3.00	8.00	18.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

PAINT STORE

Definition: Establishments engaged in the sale of a full line of paint together with interior finish products such as wallpaper, textures, brushes, and tools.

Valuation: The personal property included in paint stores will primarily include inventory and some FF&E.

Square Foot Rate Method: Quality should be judged by the variety of merchandise carried. Fair quality should be used to value small, local stores with a limited product line. Average stores may be franchised and carry a larger line of products. Better chain operations will carry a wider variety of paints and accessories.

Fair Quality: locally owned and operated with limited merchandise line
Average Quality: better quality local or franchised, wide variety of merchandise **Good Quality:** best quality local or national chain, wide variety of brands

Square Foot Rates

Inventory Density	Fair	Average	Good
Low	14.00	30.00	44.00
Average	20.00	36.00	63.00
High	24.00	40.00	87.00

Fixed Asset Density	Fair	Average	Good
Low	6.00	16.00	25.00
Average	9.00	21.00	32.00
High	12.50	28.00	56.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

PRINT SHOP

Definition: Print shops are businesses providing custom printing services and often carrying lines of related products such as office supplies. These two aspects of business are often combined.

Valuation: The personal property included in print shops will consist almost entirely of FF&E with a limited line of inventory and that primarily supplies of ink and paper.

Square Foot Rate Method: Fair quality rates should be applied to small locally owned print shops. Average quality applies to better quality printers with wider selection of materials and products/services offered. Good quality rates should be used for chain / name brand printing operations which typically also offer a line of office and other products.

Fair Quality: small papers or printers, little or no inventory
Average Quality: better quality printers, wider selection
Good Quality: print shops providing a wide variety of services with an extensive inventory of office supplies and equipment

Square Foot Rates

Inventory	Fair	Average	Good
Average	2.50	5.00	12.50

Fixed Asset Density	Fair	Average	Good
Low	4.50	18.00	48.50
Average	10.50	23.00	74.00
High	15.50	31.00	153.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

RENTAL STORES

Definition: Stores in the business of providing short or long term rental of a variety of property. Depending on the store, this may include formal wear, furniture, televisions and appliances, and miscellaneous or general rentals. Miscellaneous rentals may include anything from party supplies to power equipment. The personal property of these stores does not qualify as inventory. Rather, the property in these stores produces income over a period of time and, as such, should be valued as fixed assets. Businesses that sell furniture on a rent-to-own basis are not rental stores, they are furniture stores with items being used as payments are made.

Valuation: Personal property held for rent should be valued by depreciating the owner's acquisition cost using the appropriate schedules. The following schedules are recommended:

Clothing Rental:	Schedule 3
Television & Appliance:	Schedule 3
Furniture Rental:	Schedule 8
Miscellaneous Rentals:	Schedule 8
Heavy Equipment:	Schedule 10

Assessable property will include all that owned by the store, including property out on rental.

Note: The property out on rental should be assessed in the taxing unit where it is located. Request an itemized list of FF&E out on rental that contains the location of each asset so that the property can be assessed appropriately

RESTAURANT BAKERY

Definition: Bakeries are establishments engaged in serving baked goods such as breads, pastries, cookies, and pies. Bakeries most often are single owned and operated. Service is generally at a counter but tables may be available for on-site consumption. To this end, drinks and other limited menu items may be available.

Valuation: The personal property included in bakeries will include both inventory and fixed assets. Inventory values will be small compared to FF&E, as inventory consists of perishable goods.

Square Foot Rate Method: Quality should be judged by the variety of goods offered and by the degree of finish in exterior and interior design. Fair quality bakeries offer baked goods on a primarily "to-go" basis. Average quality should be applied to better quality bakeries that may offer in-house dining. Good quality establishments are those which have higher quality furnishings and limited menu service of non-baked goods such as sandwiches so long as baked goods constitute most sales.

Fair Quality: small bakeries, limited selection
Average Quality: better quality, broader selection
Good Quality: best quality bakeries with dining facilities

Square Foot rates

Inventory Density	Fair	Average	Good
Low	1.00	3.00	6.50
Average	1.50	5.50	7.00
High	2.50	7.00	8.50

Fixed Asset Density	Fair	Average	Good
Low	4.00	16.00	35.00
Average	6.00	22.50	45.50
High	11.50	28.00	63.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

RESTAURANT CHAIN

Definition: Chain restaurants are establishments engaged in serving prepared food and beverages selected by the patron from a full menu. Ownership and operation are either through a central company or franchised by the same. Multiple locations will be virtually identical and share a brand name. Service is generally at-table by a server, though the diner may select foods from a buffet line. Receipts from sale of alcoholic beverages should not exceed those from the sales of prepared foods.

Valuation: The personal property included in restaurants will include both inventory and fixed assets. Inventory values will be small compared to FF&E, as inventory consists of perishable goods.

Square Foot Rate Method: Quality should be judged by the variety of foods offered and by the degree of finish in exterior and interior design. Fair quality restaurants include most cafes, "luncheonettes", and coffee shops. Average quality should be applied to better quality cafes and typical restaurants. Good quality restaurants are those which have higher quality furnishings and interior design to add "atmosphere. **If the restaurant contains a bar or mixed drinks are available, add $0.50 per square foot to inventory rates.**

Fair Quality: cafes, coffee shops and lunch counters
Average Quality: better quality cafes, most restaurants
Good Quality: best quality restaurants, including country clubs and those with bars

Square Foot rates

Inventory Density	Fair	Average	Good
Low	1.50	3.50	5.00
Average	2.50	5.00	6.00
High	3.50	7.00	7.00

Fixed Asset Density	Fair	Average	Good
Low	10.00	37.00	75.00
Average	24.00	52.00	95.00
High	32.00	70.00	155.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

RESTAURANT DONUT

Definition: Donut shops are literally those which sell donuts and other pastries, although breakfast sandwiches may be available. Service is generally at a counter and most cooking is done by deep-frying with limited kitchen equipment. Coffee and prepared, refrigerated drinks are typical. Seating will be available in better shops.

Valuation: The personal property included in donut shops will include both inventory and fixed assets. Inventory values will be small compared to FF&E, as inventory consists of perishable goods.

Square Foot Rate Method: Quality should be judged by the variety of goods offered and by the degree of finish in exterior and interior design. Fair quality restaurants include most single-owned donut shops, often with only counter service and drive-through. Average quality should be applied to better quality stores with some in-store dining available. Good quality donut shops are those which have higher quality furnishings and more selection and are usually chain-owned or franchised.

Fair Quality: Small single owned
Average Quality: better quality with more selection
Good Quality: best quality often chain or franchised

Square Foot rates

Inventory Density	Fair	Average	Good
Low	0.50	1.50	4.00
Average	1.00	2.50	7.00
High	1.50	3.50	10.00

Fixed Asset Density	Fair	Average	Good
Low	2.50	6.00	14.00
Average	3.50	7.00	19.00
High	4.50	9.00	35.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

RESTAURANT FAMILY

Definition: Family restaurants are establishments engaged in serving prepared food and beverages selected by the patron from a full menu. Service is generally at-table by a server, though the diner may select foods from a counter or buffet line. Receipts from sale of alcoholic beverages should not exceed those from the sales of prepared foods.

Valuation: The personal property included in restaurants will include both inventory and fixed assets. Inventory values will be small compared to FF&E, as inventory consists of perishable goods.

Square Foot Rate Method: Quality should be judged by the variety of foods offered and by the degree of finish in exterior and interior design. Fair quality restaurants include most cafes, "luncheonettes", and coffee shops. Average quality should be applied to better quality cafes and typical restaurants. Good quality restaurants are those which have higher quality furnishings and interior design to add "atmosphere" and may offer such services as valet parking, reserved seating, etc. Most country clubs and other exclusive restaurants are typical of the good quality rating. **If the restaurant contains a bar or mixed drinks are available, add $0.50 per square foot to inventory rates.**

Fair Quality: cafes, coffee shops and lunch counters
Average Quality: better quality cafes, most restaurants
Good Quality: best quality restaurants, including country clubs and those with bars

Square Foot rates

Inventory Density	Fair	Average	Good
Low	1.00	3.00	9.00
Average	1.50	3.50	13.00
High	2.00	4.50	19.00

Fixed Asset Density	Fair	Average	Good
Low	5.50	20.00	65.00
Average	8.50	32.50	83.50
High	12.00	49.00	128.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

RESTAURANT FAST FOOD

Definition: Fast food restaurants are primarily engaged in the preparation and sale of food items such as hamburgers, chicken, ice cream, or yogurt, etc. for on-premises but primarily take-out consumption. Drive-up windows or curb service are generally provided.

Valuation: The personal property included in fast food restaurants will include some inventory with a majority of value represented by fixed assets.

Square Foot Rate Method: Quality should be judged by the variety of foods offered. Fair quality applies to most local drive-ins with little or no inside seating. Average quality establishments offer mainly in-house seating with a drive-up window and franchised/chain drive-ins. Good quality establishments offer in-house seating, drive-up windows, a wider menu selection and some may also include playgrounds. Rates for playground equipment are not included and may be found in the Real Estate Manual.

Fair Quality: locally owned and most drive-ins
Average Quality: better quality local, most franchised with inside seating or franchised/chain drive-ins
Good Quality: best quality franchised or national chain stores carrying a wide variety of foods

Square Foot Rates

Inventory Density	Fair	Average	Good
Low	1.50	4.00	9.00
Average	2.00	6.00	13.00
High	3.00	8.00	17.00

Fixed Asset Density	Fair	Average	Good
Low	12.00	69.00	120.00
Average	25.00	100.00	156.00
High	35.50	115.00	218.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

RESTAURANT PIZZA

Definition: Establishments engaged in serving pizza and other prepared food and beverages selected by the patron from a full menu. Service may be either at-table by a server or from a counter or buffet line. Receipts from sale of alcoholic beverages should not exceed those from the sale of prepared foods. Pizza parlors exhibit limited characteristics of both fast food and family restaurants, providing less carry out service than fast food but considerably more than most other restaurants.

Valuation: The personal property included in pizza parlors will include both inventory and fixed assets. Inventory will be small compared to FF&E, as inventory consists of perishable goods. Equipment will include specialized items such as dough mixers and rollers.

Square Foot Rate Method: Quality should be judged by the variety of foods offered and by the degree of finish in exterior and interior design, together with the type of ownership. Fair quality restaurants include most locally owned. Average quality should be applied to better local establishments and some franchises. Good quality pizza restaurants are those which are better quality franchises or company owned. **NOTE: Pizza parlors that lack restaurant seating should be valued as Good quality and High density, since a greater portion of area is devoted to kitchen equipment. If a pizza parlor contains a bar or mixed drinks are available, add $0.50 per square foot to inventory rates.**

Fair Quality: most local and some franchise
Average Quality: better quality local, most franchised
Good Quality: best quality franchised or chain, including those with bars

Square Foot Rates

Inventory Density	Fair	Average	Good
Low	1.50	3.00	4.50
Average	2.00	3.50	5.50
High	2.50	4.00	7.50

Fixed Asset Density	Fair	Average	Good
Low	5.50	25.00	48.00
Average	9.00	31.50	68.50
High	11.00	39.50	108.50

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

RESTAURANT SANDWICH / DELI

Definition: Sandwich shops and delis are restaurants serving prepared food and beverages selected by the patron from a full menu, but with an emphasis on sandwiches and salads. Chain or franchised restaurants are those with multiple locations, usually owned and operated by a company or franchised to an individual who operates the restaurant in a manner required by the franchising company. Service is generally at an order counter. These types of restaurants generally do not serve alcoholic beverages.

Valuation: The personal property included in sandwich shops and delicatessens will include both inventory and fixed assets. Inventory values will be small compared to FF&E, as inventory consists of perishable goods.

Square Foot Rate Method: Quality should be judged by the variety of foods offered and by the degree of finish in exterior and interior design. Fair quality restaurants include those with limited selection and seating, although fair quality chain/franchised restaurants are quite rare. Average quality should be applied to most chain/franchised restaurants, as these are "typical" for this category. Good quality restaurants are those which have higher quality furnishings and interior design and the best selection of menu items.

Fair Quality: primarily locally owned sandwich
Average Quality: most franchised or chain operated sandwich or deli
Good Quality: better quality franchised or chain deli

Square Foot Rates

Inventory Density	Fair	Average	Good
Low	1.00	2.00	3.50
Average	1.50	3.00	5.00
High	2.00	3.50	8.00

Fixed Asset Density	Fair	Average	Good
Low	5.00	37.00	83.00
Average	13.00	54.00	96.00
High	24.00	65.00	107.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

SHOE STORE

Definition: Establishments engaged in the retail sale of any one line or combination of lines of men's, women's, and children's footwear. In addition, leather products such as purses, belts and accessories including gloves and hosiery may be available. These establishments may also offer repair service.

Valuation: The personal property will include some fixed assets, though the primary value will consist of inventory.

Square Foot Rate Method: Quality should be judged by the variety of name brands carried. Fair quality rates apply to most local stores and discount outlet operations. Average quality rates include local or chain stores carrying better brands. Good quality rates may be used to value western stores and areas of any retail store devoted to boot sales. Regardless of overall store quality, areas containing shoes or boots made of exotic leather should be priced as good.

Note: If several stores are available for comparison, the difference between the ranges of selling prices may be a good indicator of the respective quality ratings.

Fair Quality: local or discount outlets
Average Quality: better quality, most chain, including discount stores
Good Quality: best quality franchised or national chain stores carrying a wide variety of brands, athletic, most western stores

Square Foot Rates

Inventory Density	Fair	Average	Good
Low	24.50	56.00	81.00
Average	32.00	66.00	90.00
High	42.50	75.00	112.00

Fixed Asset Density	Fair	Average	Good
Low	5.50	13.00	26.00
Average	7.50	16.00	36.00
High	9.00	20.00	53.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

Note: Establishments specializing in athletic footwear should be valued as good quality Sporting Goods stores.

SPORTING GOODS STORE

Definition: Establishments primarily selling a general or specialized line of sporting goods or equipment for hunting, fishing, camping, skiing, tennis, golf, riding, and other sports. Such establishments also offer bicycles, parts, and accessories as well as gymnasium and playground equipment.

Valuation: The personal property included in sporting goods establishments will include inventory and FF&E. Due to the diversity of businesses found in this class, values may vary greatly.

Square Foot Rate Method: Quality should be judged by the variety and expense of merchandise carried. An additional 20% should be added to the average quality to good quality rates when evaluating gun shops. Average quality to good quality rates should be applied to chain operations. Good quality rates apply to pro shops located at country clubs, golf courses and resorts.

Fair Quality: local sporting or bait shops
Average Quality: better quality local or chain
Good Quality: best chain stores, gun shops, golf or tennis pro shops, and athletic shoe and equipment stores

Square Foot Rates

Inventory Density	Fair	Average	Good
Low	10.00	32.50	61.00
Average	23.00	40.00	72.00
High	28.00	46.00	105.00

Fixed Asset Density	Fair	Average	Good
Low	3.50	14.00	31.00
Average	9.00	20.00	35.00
High	10.00	28.00	42.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

SUPERMARKET

Definition: Establishments primarily selling a wide variety of food (canned or fresh) such as vegetables, fruits, fish, meat, poultry, and dairy products as well as packaged or bulk dry groceries such as tea, coffee, flour, cereals, breads, spices, etc. In many instances, a variety of prepared foods and non-food items are also available, but sales of these items should not exceed 50% of total sales. Supermarkets generally differ from convenience stores by having lower prices, greater volume, and absence of gasoline sales.

Valuation: The personal property included in supermarkets consists of a wide variety of inventory and fixed assets.

Square Foot Rate Method: Quality should be judged by the variety and brands of merchandise, the extent of non-food items. Fair quality supermarkets include local stores and smaller franchises. Average quality stores may be franchised, or company owned and will include older chain operations. Additionally, average quality stores will offer a large line of food items and some non-foods lines. Good quality rates apply to chain owned superstores offering grocery items and including a deli, bakery, pharmacy, florist shop and carrying an extensive line of non-food merchandise. This class includes most large chain stores. Stores including a pharmacy will be either good quality, high density or may be graded ignoring the pharmacy, and an appropriate addition made using the pharmacy area and the appropriate square foot rate from the Drugstore section.

Fair Quality: most local, some chain stores
Average Quality: franchised or company owned, older chain stores with limited product lines
Good Quality: better quality franchised or national chain superstores, wide variety of items

Square Foot Rates

Inventory Density	Fair	Average	Good
Low	5.50	15.00	25.50
Average	8.50	19.00	32.00
High	13.00	22.00	47.00

Fixed Asset Density	Fair	Average	Good
Low	7.00	21.50	42.00
Average	10.00	27.50	50.00
High	12.00	32.50	67.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

TANNING SALON

Definitions: Tanning salons offer timed exposure to create tans. Some may also offer "spray tans" and limited merchandise.

Valuation: The personal property included in tanning salons will consist of tanning beds and a small amount of other furniture and fixtures. Some inventory and supplies may be on hand and should be owner rendered.

Square Foot Rate Method: The square foot rates for this business class are applicable to both inventory and FF&E.

Fair Quality: basic tanning beds
Average Quality: larger operations, better features
Good Quality: best quality, may offer additional services

Square Foot Rates

Inventory	Fair	Average	Good
	1.50	2.50	4.00

Fixed Asset Density	Fair	Average	Good
Low	4.00	9.50	25.50
Average	6.00	18.50	42.50
High	8.00	22.00	60.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10+
REL%	.89	.82	.75	.68	.61	.53	.46	.39	.32	.25

TATTOO PARLOR

Definitions: Tattoo parlors are self-explanatory. They rarely offer services other than their primary one.

Valuation: The personal property included tattoo parlors consists of furniture, fixtures, and equipment. Supplies are necessary but other inventory will be limited. The parlor itself may be owned by one party and the services provided by one or more employees or by independent contractors. The artists may individually own equipment while the shop would provide furniture and fixtures.

Square Foot Rate Method: The square foot rates for this business class are primarily applicable to FF&E with limited inventory value. These rates reflect varying degrees of ownership of equipment and furnishings

Fair Quality: Tattoo equipment only
Average Quality: Furniture and fixtures only, contracted artists
Good Quality: Fully furnished and equipped by owner of parlor

Square Foot Rates

Inventory	Fair	Average	Good
	1.00	2.00	2.50

Fixed Assets	Fair	Average	Good
	4.50	10.50	15.50

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10+
REL%	.89	.82	.75	.68	.61	.53	.46	.39	.32	.25

THEATER MOVIE

Definitions: Movie theaters are cinematic facilities, most often with multiple screens for showing different movies simultaneously. Concession stands will typically be present, and seating will be permanent.

Valuation: The personal property included in movie theaters will vary considerably by quality. Projection equipment in modern theaters will be for digital format "films" and the class life of 10 years reflects this. Seating may vary from basic to reclining, stadium-style tiered seats. Be sure to check the Property Record Card for the building to make sure the seating is not already valued as part of the real property. Concessions will range from popcorn and candy to prepared foods. A growing trend is for theaters that feature "dinner and a movie" combinations with tables and chairs instead of theater seating. These should be valued primarily as restaurants, not as theaters.

Square Foot Rate Method: The square foot rates for this movie theaters are applicable to both FF&E only and inventory. Fair quality will be the most basic theater and most likely will be locally owned. Average quality will offer somewhat better sound and picture quality and a better-quality concession stand. Good quality will be represented by multiple screen facilities with large concessions and better-quality seating. "Dinner and a movie" facilities will likely be fair to average quality and will be furnished like a restaurant. A combination by appropriate square footage from both the theater and restaurant rates should be applied.

Fair Quality: most basic theater, like local owned
Average Quality: typical chain theaters or better local
Good Quality: best chain theaters with large concessions and stadium seating

Square Foot Rates

Inventory	Fair	Average	Good
	0.50	1.50	2.50

Fixed Asset Density	Fair	Average	Good
Low	8.00	21.00	50.00
Average	13.00	37.00	53.50
High	17.00	47.50	97.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10+
REL%	.89	.82	.75	.68	.61	.53	.46	.39	.32	.25

TIRE STORE

Definition: Establishments engaged primarily in the sale of tires, belts, hoses, and other rubber products as well as tire mounting/installation services. Other automotive products or services may be offered but should not constitute over 25% of total receipts.

Valuation: The personal property included in tires stores includes both inventory and fixed assets. Service trucks are sometimes found in better quality establishments and should be assessed separately.

Square Foot Rate Method: Quality should be judged by the variety of merchandise carried. Fair quality rates apply to dealers of used or recapped tires. Average quality rates apply to stores which primarily sell new tires and other rubber products, some affiliated with a name brand. Good quality rates apply to full-service tire centers, often chain operations. These stores may additionally offer other tire related products and offer other goods and services for most automobiles.

Fair Quality: local, used and recapped tire dealers
Average Quality: local or franchised, tires only
Good Quality: full service and product line

Square Foot Rates

Inventory Density	Fair	Average	Good
Low	5.00	11.00	26.50
Average	7.00	17.00	38.00
High	9.00	21.50	71.00

Fixed Asset Density	Fair	Average	Good
Low	3.00	14.00	29.00
Average	5.00	21.00	34.00
High	7.00	27.00	51.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

TOBACCO / VAPE STORE

Definition: Tobacco and vape stores sell tobacco products as well as cartridges for electronic cigarettes. Stores may carry either or both product lines.

Valuation: The personal property included in these stores will consist largely of inventory with basic retail fixed assets.

Square Foot Rate Method: Quality should be judged by the variety of merchandise carried. Fair quality rates apply to stores which primarily sell vapor products only. Average quality stores will carry a wider range of tobacco with a limited selection of vapor products, and good quality rates will apply to best quality stores offering tobacco products.

Fair Quality: likely vapor only
Average Quality: tobacco and/or vapor products
Good Quality: largest tobacco product line

Square Foot Rates

Inventory Density	Fair	Average	Good
Low	6.00	23.50	50.50
Average	10.00	31.00	75.00
High	15.00	37.00	.00

Fixed Asset Density	Fair	Average	Good
Low	1.00	2.00	7.00
Average	1.00	3.50	14.00
High	1.50	6.00	25.50

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

TOY & GAME STORE

Definition: Establishments primarily engaged in the sale games and programs for video play as well as toys and games. These stores do not generally carry a complete line of goods nor do they offer delivery or their own charge service.

Valuation: The personal property included in toy and game stores will include primarily inventory with some fixed assets.

Square Foot Rate Method: Quality should be judged by the variety of name brands carried. Fair quality to average rates applies to most local as well as smaller chain stores. Good quality rates apply to larger and national brand toy stores.

Fair Quality: local, limited merchandise line
Average Quality: better local, franchised or chain operated video game stores **Good Quality**: large national chain toy stores

Square Foot Rates

Inventory Density	Fair	Average	Good
Low	7.50	30.50	65.50
Average	12.50	41.00	74.50
High	16.50	60.00	98.50

Fixed Asset Density	Fair	Average	Good
Low	8.00	24.50	56.50
Average	11.50	39.00	74.00
High	18.50	50.50	88.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

VARIETY STORE

Definition: Establishments engaged in the retail sale of a general merchandise line similar to that of discount stores but much more limited in the areas of clothing and furniture and offering a more extensive line of other consumer products.

Valuation: The personal property included in variety stores will include both inventory and FF&E. Since variety stores do not offer the line of services provided by discount stores, product prices usually average less than those in discount stores.

Square Foot Rate Method: Quality should be judged by the variety of name brands carried. The fair category should be used to value stores with limited line of merchandise. Average rates can be applied to typical stores carrying most name brand as well as non-name brand products. Good quality can be applied to the higher end brand names with select lines of merchandise.

Fair Quality: limited merchandise lines
Average Quality: more name brands
Good Quality: better quality, more expensive merchandise of a smaller selection

Square Foot Rates

Inventory Density	Fair	Average	Good
Low	1.00	7.50	11.50
Average	2.00	8.50	14.00
High	5.00	14.00	15.50
Fixed Asset Density	Fair	Average	High
Low	0.50	7.50	12.50
Average	1.00	9.00	20.50
High	2.00	11.50	29.00

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10	11	12+
REL%	.91	.85	.79	.73	.67	.61	.55	.49	.43	.37	.31	.25

VENDING MACHINES

Definition: Vending machines are still commonly used for the sale of candy and soft drinks but have grown to include those that make change and purchase coins. Those for DVDs have virtually replaced rental stores. Vending machines are frequently found near large retail establishments such as discount stores, supermarkets, and drugstores.

Valuation: The best approach to valuation of vending machines is by type. Below is a range of reported costs by vending companies for the various types commonly found. They should be depreciated using the ten-year economic life schedule.

Value per Machine

Machine Type / Quality	Fair	Average	Good
Bill Changer	1200	2000	2700
Candy / Snack	1600	3000	3800
Coin Exchange	10500	11500	12500
Food	2000	3600	4500
Soft Drink	900	3800	5800
Video / DVD	4000	12500	14000
Water	400	1250	2500

Fixed Asset Depreciation (Remaining Economic Life Percentages)

AGE	1	2	3	4	5	6	7	8	9	10+
REL%	.89	.82	.75	.68	.61	.53	.46	.39	.32	.25

MISCELLANEOUS

COMMERCIAL PERSONAL PROPERTY

Appendix: Miscellaneous Personal Property

This section is intended to provide assistance in determining the property that should be assessed by certain businesses. Values are recommended for some but not all classifications. For more detail, refer to the ACD Fixed Asset Checklist located at the agency website.

Ambulances

Ambulances come in a variety of types, based on the vehicle from which they are constructed. Each is equipped with a medical package and specialized equipment. The vehicle value should be determined through use of the Vehicle Identification Number (VIN) applied through the county CAMA system. The VIN-derived value for raised-roof vans will provide a value for the entire vehicle, while a box-type ambulance will have a chassis value only from its VIN. Addition for the box will be necessary

Addition should be made to any base vehicle for the appropriate equipment package. While no specific values are available, packages generally vary from a minimum of $10,000 to as high as $50,000, with a typical package in the $25,000 to $30,000 range. **Since vehicle values will be expressed as assessments, market values of equipment packages should be converted to assessed values before addition to vehicles**.

Food Trucks

Food trucks is a term widely used to describe a variety of types of mobile food service equipment. These can range from a hot dog cart to a mobile restaurant. Some will be motorized, and others moved via truck or some other towing source. Most will include the ability to prepare food, and all will have the ability to meet requirements of health and safety regulations.

Like any other business, the food truck owner should list all property involved in operation of that business. If it is based on a vehicle with a VIN number, the identification number should be used to determine the base value of the vehicle itself. All other added property should be listed with its cost and date of acquisition, proper depreciation applied, and the equipment value assessed then added to the vehicle assessment.

(Food Trucks cont'd) If the business owner provides poor or no data, it will be necessary to visit and inspect the property. Note characteristics like stainless steel fixtures, heating and/or refrigeration capabilities, size, etc. A website found at www.usedvending.com lists virtually all types of food service vehicles held for sale. To estimate a value, find a vehicle that is like the one needing assessment, click on the picture, and that particular record will open to provide detailed information. Once a match is found, reduce the asking price by 20% to 25% to obtain a value before assessment. Note that asking or selling prices from the website **will include the vehicle**.

Waste Disposal Trucks

Frequently overlooked for assessment purposes, waste disposal trucks will entail a specific model of vehicle together with a mounted assemblage of equipment for compaction and hauling of waste materials. Use of the VIN will provide a value for the vehicle only. For most models, the equipment value will equal or exceed that of the vehicle. Unless owned and operated by a municipality or other government entity, waste disposal equipment is not exempt from assessment.

Wreckers / Tow Trucks

These are vehicles typically used to transport disabled vehicles. This may be done by either a truck-mounted boom or a tilted flat bed. Both require a wench mechanism to operate. Either way, the VIN of the vehicle should be used to obtain the assessed value of the truck with an addition for the tow equipment or specialized bed. Property owners should be required to provide a listing of equipment with pertinent information or a purchase price for the wrecker as a unit.

Logging Equipment

Logging Equipment will consist of machinery to fell trees, strip logs of limbs or bark, move them to an area where they can be loaded onto a truck or trailer, and transported to a mill or other destination.

While trees may be cut by hand, larger logging operations will use a **feller-buncher** to cut and dress the log, although a **delimber** may also be utilized. A **skidder** will be used to transport wood to a collection area, and a **loader** used to place logs on a specialized **trailer**. For loading smaller logs such as pulpwood, the trailer will only require a **boom/winch** arrangement mounted on the trailer.

Sawmills

Sawmills transform logs into various wood products, primarily rough-cut lumber. The mill might also serve as a planer mill to smooth boards into finished lumber. They may also include processes for treating lumber and kilns for drying.

Sawmills may be small and portable, literally moved from site to site in the woods to minimize transportation of whole logs. Small mills at a minimum will include a power source, the saw itself, either a band or blade saw, a conveyor or cradle to carry the log across the saw, and various items of material handling equipment.

Permanently sited sawmills can range from little more than portable mill equipment fixed in place to large industrial facilities. State-of-the-art industrial mills will have a large facility for log storage, including appropriate material-handling equipment, and a saw operation that may be computerized to obtain the greatest yield from logs while minimizing waste. Rough-cut products are sometimes air-dried by stacking, while finished wood may be dried in kilns. Products may be finished by processing through a planer operation. Lumber or posts may be chemically treated to resist insects and rot. Mills may be chipper operations for converting logs into wood that is ready to be processed into pulp for paper manufacturing. Byproducts such as bark and sawdust may be processed or sold to other manufacturers.

It is important to consider the type of processes conducted in a wood milling operation to assure that the appropriate equipment is being reported.

Waste Disposal Management

Almost any business or group of businesses in a shared facility will have access to a container for trash or other solid waste. These are commonly referred to as dumpsters and range from small units of no more than one or two cubic yards' capacity to large forty-yard capacity containers usually seen at construction sites. Most are made in such a way that they may be lifted hydraulically and emptied into trucks for waste removal, although larger ones may be transported by truck or trailer.

Another form of waste disposal equipment is compactors, usually located behind larger retail operations. These crush cardboard boxes for recycling. They typically belong to the same companies that provide waste disposal services, although they may be owned by the business.

Both dumpsters and compactors are typically privately owned and are assessable. Care should be taken to assure that this equipment is reported completely and in the appropriate taxing unit.

Miscellaneous Farm Equipment

A wide variety of ancillary farm implements are necessary for operation of a commercial farm. Examples are disks, harrows, plows, cultivators, sprayers, etc. If these items are not listed individually on an assessment, an addition of 10% to 20% of the total value of larger items may be used to account for them. Irrigation systems, either towable or hydrostatic, should also be reported as farm equipment.

Most farm equipment of this type is fairly durable and, if itemized, should be depreciated over a life of 16 to 20 years

LIVESTOCK

CATTLE				
Beef and Dairy Bulls				
Grade				**Assessed Value**
AAA		Registered bull of any breed (as indicated above) valued at over $10,000, or having offspring with a value of $200 to $300		2,000
AA		Registered bull of any breed (as indicated above) valued at $7,500 to $10,000, or having offspring with a value of $150 to $200		1,000
A		Registered bull of any breed (as indicated above), valued at $500 to $1000, or having offspring with a value of $100 to $150		150
B		Registered bull of any breed valued at or having offspring with a value of $250 to $500		100
C		Grade Bull		50

Note: Registered bull of any breed that are intended to be used for breeding purposes, valued at over $3000 and/or having a minimum value of $300 should be valued at 20% of its purchase price.

Grade	Beef Cows	Assessed Value
AAA	Registered cow of any breed (maintained primarily for the production of breeding stock) valued at over $1,000 and/or her offspring having a value of $300	200
AA	Registered cow of any breed (maintained primarily for the production of breeding stock), valued at $500 to $1,000 and/or her offspring having a value of $200	150
A	Registered cow of any breed (maintained primarily for the production of breeding stock)	100
Cattle Continued		
B	Registered or grade cow of any breed (maintained primarily for production of commercial stock)	60
C	Scrub cow of any breed	40

Dairy Cows	Assessed Value
Registered cow of any breed of high production in a Grade A Dairy	200
Grade cow of any breed	120
Scrub cow of any breed	40

Non-Producing Beef and Dairy	Assessed Value
Registered – under six months of age	50
Registered – six months - one year of age	60
Registered – one – two years of age	75
Grade – under six months of age	40
Grade – six months –one year of age Grade – one –two years of age	50 60

Horses and Mules	
Thoroughbreds – Variety of stock of this type precludes assignment of fixed value. Assess at 20% of owners' insured value.	
	Assessed Value
Stallions (including Shetlands)	50 - 100
Jacks	50 - 100
Horses – riding stock (fancy)	100 - 500
Horses - riding stock (common)	50 - 100
Horses - show	200 - 1000
Shetland ponies	20 - 50
SWINE	
	Assessed Value
Registered swine over nine months – used for reproduction	20 - 30
Grade swine over nine months	15 - 20
Commercial swine	10 - 15
RATITES	
Apply the following values only to adult proven breeder birds	**Assessed Value**
Ostrich	150
Emu	40
Rhea	10
POULTRY	
Chickens, commercial - Layers	**Assessed Value**
Pullets, per bird	$.10
Laying, per bird	$.20
Breeders, per bird	$.20
Broilers, per bird	$.08
Turkeys, commercial layers, per bird	$.60
Turkeys, commercial broilers, per bird	$.15
Ducks and geese	$.20
Other farm-raised game birds	$.20
NOTE: The number of commercial birds assessed for the year should be a figure representing the average number of birds on hand at any given time during the year. This figure may best be determined based on the capacity of a production house if available, or by averaging groups of birds on hand throughout the year.	

MISCELLANEOUS		Assessed Value
Chinchillas		$20 –$ 30
Dogs (commercial kennels)		$10 -$ 50
Rabbits (domestic)		$.25
Bees per stand (**note:** first ten stands exempt)		$5-$10

POULTRY PRODUCTION EQUIPMENT PRICES

Equipment costs may be included in the valuation of the real estate. Review the real estate assessment prior to separately assessing the equipment as business personal property.

New square foot rates, for the house and equipment, were provided in 2018.

POULTRY HOUSES AND EQUIPMENT

Equipment included is typical to the operation of each type (and includes feed bins/augers) and normally begins being replaced in the tenth year in service.

New houses go on at 95% REL for newly discovered.

BASE REPLACEMENT COST

Per Square Foot

	BROILER	BREEDER	LAYER	TURKEY
House	6.00	7.00	7.00	6.50
Equipment	3.00	3.00	11.00	2.50
TOTAL	9.00	10.00	18.00	9.00

Great care should be taken to accurately estimate condition and to account for depreciation to the structure and equipment and to account for any replacement of old equipment. Depreciate at 5% per year of effective age to a minimum of 20% RCN while house is still in service.

While cost/quality variances may exist, due to poultry houses being constructed for utility and to the specification of the individual producer, these variances do not affect value.

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Assessment of Poultry Growers

The poultry industry in Arkansas furnishes a list of poultry grower houses for the assessment of the birds. This list should contain the name of the grower, location address of the house, the average number of birds in the house at any given time during the year and type of birds. This information should be used in the valuation process.

Each industry's rendition (for example, Tyson) should be sorted by taxing district based on the location of the poultry houses in the county, however, this information should be verified by real estate records. There may be multiple assessments for the same company, depending on how many taxing districts are involved and all assessments should add up to the main rendition total of all chickens.

The Assessment Coordination Department furnishes all counties suggested pricing for the different types of poultry.

Chickens, commercial	
Layers	
Pullets, per bird	$0.10
Laying, per bird	$0.20
Breeders, per bird	$0.20
Broilers, per bird	$0.08
Turkeys, commercial layers, per bird	$0.60
Turkeys, commercial broilers, per bird	$0.15

Formulas for calculating the assessed value are as follows:

For poultry breeders, layers, and pullets, multiply the total number of birds for a particular house by the amount per bird and then multiply by *5* to bring the value up to market.
Example: 35,000 x .20 x 5 = 35,000. The 35,000 total should be entered into the computer system and the program should calculate the 20% assessed value. For this example, the final assessed value should be 7,000. This should be entered into the computer as:

Quantity-1, **Class**-Breeders, **Item**-35,000 x .20 x 5, **0**-F, Market Value-35,000, Lessee- growers last name, first name and the house address, **Asset Type**-MS (note: we just recently started putting the growers name and address under the lessee instead of notes so we could do a search for a particular grower if needed.)

percent sold in Arkansas. This amount should be found on the companies for poultry broilers we add the percent sold in AR to the formula, since broilers are part of manufacturing a product. We only assess broilers based on the
Manufacturer's Inventory Report.

Example: 35,000 x .08 x 5 x .0184 (1.84% sold in AR) = 258 (rounded from 257.6)

This should be entered into the computer the same as the breeders except the Class should be changed from Breeders to Broilers.

DEPRECIATION SCHEDULES

Use of Commercial Personal Property Depreciation Schedules

The depreciation schedules found herein are recommended by ACD to be used in conjunction with the Commercial Personal Property Assessment forms approved by ACD.

Selection of a schedule may be based on assessment by overall category, business, or industry type, or on a per-item basis. Once a particular schedule is selected, a remaining economic life percentage (REL% or percent good) is determined by moving downward in the appropriate column to the line representing the age of the asset or group of assets. This REL% should then be multiplied against the asset cost (historic, acquisition or original) that reflects all expenses necessary to bring the asset to productive capacity. Such costs and expenses should include purchase price, freight, installation, etc. This multiplication process will result in the value of the subject asset.

Note: Unless otherwise noted, the general class life for an occupancy type should be used for all the assets of a given business. Individual economic lives listed in the indices accompanying these schedules are intended for valuation of single items not assessed as part of a larger group. The cost of any asset or group should be depreciated according to its actual productive life (Total Economic Life), also referred to as engineering life, using the appropriate life schedule. If no schedule is found for a particular life, a REL% may be determined by interpolating between the two nearest schedules.

Listing of Recommended Depreciable Fixed Asset Lives
Basic Personal Property Categories

The following general categories of personal property may be depreciated according to the schedule listed.

Property Category	Use Schedule
Furniture & Fixtures	
Industrial-See Specific Schedule	
Office Electronic	8
Office Typical	10
Retail	12
Machinery & Equipment	
Industrial-See Specific Schedule	
Office	10
Retail	12

Listing of Recommended Depreciable Fixed Asset Lives
Retail, Wholesale and Service Businesses Classification

Business	Use Schedule
Class or Type	
Air Conditioning & Heating, Sales & Repair	10
Apparel, Sales	12
Appliance Sales & Repair	10
Automobile Dealership	12
Auto Parts, Sales	12
Auto Repair & Body Shop	10
Bakery	10
Bar/Nightclub	12
Barber/Beauty Shop	10
Boat/Recreational Vehicle Sales	12
Bookstore, New & Used	12
Catalog Showroom & Sales	12
Cement, Ready Mix Plant	16
Portable Plant	10
Truck Mounted	12
Convenience Store	12
Day Care Center/Preschool	10
Department Store	12
Discount Store	12
Drug Store	12
Dry Cleaner	10
Electronics, Sales & Repair	12
Fabric/Drapery Sales	12
Farm Equipment/Implement Dealership	12
Farm Supply & Feed	12
Fast Food Restaurant	12
Financial Institution	10
Floor Covering, Sales	12
Florist & Gift	12
Funeral Home/Mortuary	12
Furniture Sales	12
Garden Supply/Nursery	12
Gift Sales	12

Retail, Wholesale and Service Businesses Continued

Business	Use Schedule
Class or Type	
Hardware/Building Material Sales	12
Health & Specialty Food Sales	12
Health Club	10
Hobby & Craft Sales	12
Hospital Furnishings & Equipment, General Specialized Equipment	6
Hotel Furnishings & Equipment	10
Janitorial Service Equipment	10
Jewelry Sales	12
Laundry Equipment	10
Liquor/Package Store	12
Meat Market/Butcher Shop	10
Mobile Home Dealership	12
Motel	10
Motorcycle/Recreation Vehicle Dealership	12
Newspaper (Printing & Publishing)	12
Computerized Equipment	6
Nursing Home/Convalescent Center	10
Office Furniture & Equipment Sales	12
Office Supply Sales	12
Office, Commercial, Furniture & Fixtures	10
Electronic\Special Equipment	6
Office, Medical, Furniture & Fixtures	10
Electronic\Special Equipment	6
Pawn Shop	12
Pet shop	10
Petroleum, Wholesale/Bulk Distribution	16
Petroleum Products, Retail Sales	12
Photographic Equipment, Retail Sales	12
Photographic Processing Service Equip	10
Poultry Production Equipment	8
Propane/Butane/Liquid Gas Distribution	16

Retail, Wholesale and Service Businesses Continued

Business	Use Schedule
Class or Type	
Radio/Television, Repair	10
Radio/Television, Sales	12
Record/Tape/Compact Disc Sales	12
Rental Store, General	8
Repair Shop, Miscellaneous	12
Restaurant Furniture, Fixtures & Equip	12
Retail Trade, General, Fixtures & Equip	12
Service Businesses, General	
Furniture, Fixtures & Equipment	10
Service Station/Garage	10
Shoe Store	12
Sporting & Athletic Good Sales	12
Supermarket/Grocery, General	12
Tire/Rubber Sales	12
Tobacco Sales	12
Toys, Retail	12
Variety Sales	12
Wholesale Trade Fixtures & Equipment	12

Recommended Depreciable Fixed Asset Lives
Industrial Group

Industry Class or Type	Use Schedule
Apparel & Textile Manufacture	12
Asphalt Plants & Equipment	
Portable	10
Stationary	12
Bakery & Confectionery Production	12
Boat Manufacture	12
Molds	6
Bottling, Soft Drink & Other	12
Cannery/Frozen Food Production	12
Cement Manufacture	20
Chemical Production	12
Clay Products Manufacture	16
Concrete/Masonry Products Manufacture	16
Cotton Gin	16
Dairy Products Process & Manufacture	12
Electrical Equipment Manufacture	12
Electronic Equipment Manufacture	10
Fabricated Metal Products	12
Special Equipment	6
Food & Beverage Production	12
Special Equipment	6
Furniture Manufacture	12
Glass & Glass Products Manufacture	16
Special Equipment	6
Grain & Feed Mill Products Manufacture	20
Gypsum Products Manufacture	16
Hatchery Equipment	12
Ice Plant	10

Industrial Group Continued

Industry Class or Type	Use Schedule
Leather, Shoe & Leather Products Manufacture	10
Lighting Products Manufacture	12
Logging & Timber Equipment	12
Logging & Timber Mill –See Sawmill	
Machinery Manufacture, General	12
Meat Packing & Processing	12
Metal Products Manufacture, Misc	12
Metals Production	
Non-Steel Products	16
Primary Steel Products	20
Steel Products	16
Special Equipment	6
Metalworking Machinery Manufacture	12
Computer Controlled	6
Mining & Quarrying	12
Misc Consumer Products Manufacture	12
Optical Products Manufacture	10
Paint & Varnish Manufacture	12
Paper & Pulp Manufacture	16
Paper Products Manufacture	12
Plastics Manufacture	12
Plastic Products Manufacture	12
Special Equipment	6
Poultry Processing & Products Manufacture	12
Rubber Products Manufacture	12
Special Equipment	6
Sawmill & Wood Processing	
Permanent	12
Portable	10
Stone Products Manufacture	16
Textile Products Manufacture	12
Vegetable Oil & Products Manufacture	16
Winery	12
Wire Products Manufacture	16
Wood Products Manufacture	12

Alphabetical Listing of Individual Fixed Asset Groups

BUSINESS ITEM	SCHEDULE
Agricultural M&E	10
Air Compressor	12
Air Conditioner	12
Air Purifier	12
Air Tools	12
Alarm & Security Systems	8
Align & Balance Equipment	8
Ambulance Equipment	12
Amplifier	8
Amusement / Arcade Devices	8
Amusement Park Rides	10
Animal Cages	12
Apparel Rack	12
Appliances	10
Art	10
Asphalt Machine	10
Automated Teller Machine	12
Audio-Visual Equipment	8
Bar Code Imprinter/Reader	5
Barges, Heavy Construction	8
Barrels / Drums / Tanks	16
Barricade / Warning Device	12
Barriers, Heavy Construction	5
Battery	16
Bike Rack	12
Blowers	12
Boiler	12
Boom, Construction / Industrial	12
Boring Equipment	16
Bottling Equipment	12
Brake Drum Equipment	12
Buildings, Portable	12
Butane & Propane Tanks	12
Cabinets / Shelves / Bins / Racks / Cases	12
Cameras & Lenses	12
Cappuccino Machine	8
Carpet Cleaning Equip	10
Car Wash Equipment	10
Cash Dispensing Machine	10
Cash Register / Point of Sale Equipment	10

Alphabetical Listing of Individual Fixed Asset Groups

BUSINESS ITEM	SCHEDULE
Cellular Phone	5
Chains	12
Change Dispenser	10
Compressor Petroleum / Gas	20
Compressor Air	12
Computers and Equipment	3
Concrete Mixer	16
Construction / Heavy Equipment	16
Container Large Shipping	12
Conveyor	12
Cooling Rack or Tower	20
Cotton Gin	16
Cotton Gin Equipment	12
Cotton Trailers	12
Counter Money	10
Crane	16
Dairy Equipment	12
Dehumidifier	12
Dies, Jigs and Tooling	3
Ditcher	16
Dolly	12
Drag Line	20
Electrical Contracting / Repair	12
Environmental	10
Exterminator / Pest Control	10
Feed Mill Machinery	20
Feeders	10
Film Processing	8
Fire Extinguisher	12
Floor Polisher / Buffer / Sander	10
Food Merchandiser	12
Forklift	12
Fuel Tank	12
Game Machines Electronic	8
Game Machines Mechanical	10
Generator	12
Golf Cart	12
Grain Dryer	20
Grain Elevator Machinery	12
Gymnasium Equipment	12

Alphabetical Listing of Individual Fixed Asset Groups

BUSINESS ITEM	SCHEDULE
Heater, Portable	8
Heavy Equipment	16
Ice Machine	12
Incinerator	12
Jack, Manual/Hydraulic	12
Kerosene Tank & Pump	12
Kiln	12
Lab Equip-Electronic	5
Lab Equip-Non-Electronic	8
Lawn Equipment	5
Light Tower	12
Locomotive	16
Logging Equipment	16
Machine Shop CNC Equipment	8
Machinery & Equipment General	12
Masonry	12
Material Handling Equipment	12
Medical Equipment Electronic / Computerized	5
Medical Equipment Non-Electronic / Computerized	8
Metal Fabrication	12
Milling Machine	12
Miniature Golf Course	10
Mobile Storage Unit	12
Modular Office	12
Molds	3
Motors	8
Mower	8
Newspaper Vendor Box	8
Office Equipment Electronic	5
Office Equipment	10
Overhead Crane / Pulley Tracks	12
Pallet, Metal	8
Pallet, Plastic	8
Pallet, Wood	3
Partitions	10
Pet Grooming Equip	10
Plumbing-Miscellaneous Tools	12
Portable Toilets	12
Postage Equipment	5
Professional Library / Books	6
Propane Storage Tanks	12

Alphabetical Listing of Individual Fixed Asset Groups

BUSINESS ITEM	SCHEDULE
Pumps - Air / Fuel / Water	8
Radio & TV Equipment	10
Radio & TV Equipment Electronic	5
Radio Towers	16
Recording Studio	8
Robotics	8
Roller Rink Equipment	10
Safe	16
Safe Deposit Box	16
Satellite Systems	5
Scaffolding	12
Scales Food	8
Scales Industrial	10
Scales Platform	10
Scales Postage	8
Scientific Instruments	6
Scoreboard & Equipment	10
Sculpture	12
Seating, Auditorium	10
Shrink Wrap Machine	12
Sign, Flashing Construction	5
Sign, Portable	10
Specialized Process Equipment Heavy	16
Specialized Process Equipment High Tech	8
Specialized Process Equipment Medium	12
Steam Lines & Boilers	12
Steel Production Equip	20
Storage Trailer	12
Survey Equipment	8
Tanks Fiberglass	12
Tanks Steel	20
Tanning Bed / Spray On Tan Equipment	10
Tarpaulin	10
Telephone Equipment	6
Theater Seating	10
Time Clock	12
Tools	8
Trash Containers / Dumpsters	12
Trucking	12
Vending Equipment	10
Video Equipment	5

Alphabetical Listing of Individual Fixed Asset Groups

BUSINESS ITEM	SCHEDULE
Video Game / DVD / CD	5
Welding Equipment	10
Winch	12
Woodworking	12
Wrecking & Towing Equip	12
Yard Mule	12

COMMERCIAL PERSONAL PROPERTY
Depreciation Schedule

Remaining Life Percent

Schedule Age	3	5	6	8	10	12	16	20	25	30	Schedule Age
1	.55	.73	.78	.87	.89	.91	.93	.94	.96	.96	**1**
2	.30	.53	.60	.71	.82	.85	.88	.88	.91	.93	**2**
3	.10	.39	.48	.59	.75	.79	.84	.85	.87	.89	**3**
4		.24	.35	.50	.68	.73	.79	.81	.84	.87	**4**
5		.10	.23	.42	.61	.67	.75	.78	.81	.84	**5**
6			.10	.33	.53	.61	.70	.74	.79	.82	**6**
7				.24	.46	.55	.66	.71	.76	.80	**7**
8				.15	.39	.49	.61	.67	.73	.77	**8**
9					.32	.43	.57	.64	.70	.75	**9**
10					.25	.37	.52	.60	.67	.73	**10**
11						.31	.48	.57	.64	.70	**11**
12						.25	.43	.53	.62	.68	**12**
13							.39	.50	.59	.65	**13**
14							.34	.46	.56	.63	**14**
15							.30	.43	.53	.61	**15**
16							.25	.39	.50	.58	**16**
17								.36	.48	.56	**17**
18								.32	.45	.53	**18**
19								.29	.42	.51	**19**
20								.25	.39	.49	**20**
21									.36	.46	**21**
22									.33	.44	**22**
23									.31	.42	**23**
24									.28	.39	**24**
25									.25	.37	**25**
26										.34	**26**
27										.32	**27**
28										.30	**28**
29										.27	**29**
30										.25	**30**