

Information Guide for the Business Personal Property Declaration (Tangible Annual Return)

General Information:

All active businesses in North Smithfield are assessed and taxed on their tangible assets as of December 31st, each year. A tangible assessment is based on personal property that a business is in **possession** of in North Smithfield between January 1st to December 31st. The annual return is required by RIGL 44-5-15. The annual return assists the Assessor's office to have the accurate assessed value of each business within the town.

The town mails out the annual declaration forms in mid-November to each actively registered business within the town. The annual return forms are also available on the Town's website or within the Assessor's office. The annual return forms are required to be submitted with the Assessor's office by **January 31st** of each year unless a formal request for an extension is granted until March 15th. An extension request must be submitted to the Assessor on or before January 31st.

For example, using tax year 2026:

- *If you own a business in North Smithfield and are in possession of business personal property (assets) between January 1st, 2025, to December 31st, 2025, you are required to fill out an annual return.*
- *Businesses should receive the annual return form by the end of November (if not, please contact the Assessor's office). Businesses are required to fill out the form and return it to the Assessor's office by January 31st, 2026.*
- *The forms are reviewed by the Assessor and assessed a tangible tax based on what the business reported for assets.*
- *Business then receives a letter with the reported tangible assessment. This value will represent the Tangible Tax bill for 2026, which gets issued in mid-July.*
- *The current Tangible tax rate is \$43.632 per thousand.*
- *If an owner disagrees with the assessed value and has filed a declaration- you have the right to appeal the assessed value to the Tax Assessor up to 90 days after the first quarter due date. (August 15th)*

Business Status:

All actively owned businesses in North Smithfield between January 1st to December 31st are required by Rhode Island General Law to submit an annual return.

Any new business registered with the town by December 31st, but is not operating the business, is still required to submit an annual return. All assets within the business will need to be reported. If the business has no assets, please note on the annual return that the business is active but has no assets and was not operating as of December 31st.

If you have purchased an established business, and the business remains open, operating under the same name and has all the same personal property, the new owners will receive the tax bills going forward. All assets remain actively assessed unless the Assessor's office is otherwise notified by the new business owner(s) per the annual return.

Closed / Moved Business:

If a business has closed or moved, you must notify the Assessor's office in writing (either by letter or email) of the date it closed/ moved and what happened to all the assets. (sold, disposed, etc.) A business owner may still receive a tax bill depending on the time of year the business closed/moved. You may also notify us if your business was sold, dissolved, or relocated by filling out the last page on the annual return.

State Exemption:

The State of Rhode Island passed a law (RIGL 44-5.3-1) granting business with a 50,000 exemption. All businesses will not be taxed on the first \$50,000 of the assessment. Businesses with an assessment of 50,000 or under will not receive a tangible tax bill. Businesses with an assessed value of 50,001 or higher will receive the 50,000-assessment exemption and will be billed for anything over 50,000.

For example: Total assessment: 65,000.

Net assessment for billing: $65,000 - 50,000 = 15,000$.

Tax rate calculation: $15,000 \times 0.043632 = 654.48$

Total tangible bill= \$654.48

Please note if the tangible assessment is under \$50,000, business owners are still required to file an annual return with the Assessor's office. If you do not file, an increase in estimated new equipment may be added to the assessed value.

Additional Information:

If you are an agent, or a tax entity filling out the form on behalf of the business, the Assessor's office will need a copy of your authorization form attached with the return. If anyone who is not the owner fills out the form, please include your information on the last page of the annual return. All annual return declarations must be notarized and submitted to the Assessor's office **by January 31st, or by March 15th with an approved extension.**

Helpful Tips with filling out the Annual Return Declaration:

Business personal property can include anything owned, leased, loaned, or borrowed that is a physical asset at your business (not real estate) and is not part of inventory or manufacturing. This may include, but is not limited to- computers, office furniture, equipment, supplies, decorations, motor vehicles that are unregistered, life-long assets (ex: heavy machinery), etc. Do not include your business vehicles that are already registered by the DMV.

- Asset List: Some businesses may have an itemized property asset list; you can use this list and submit it as part of your annual return.
- Disposal of Assets: If your business has disposed of any assets within the year, be sure to include that on your annual return. You can also attach an asset disposal list to your form.

- Leased Personal Property: if your business leases any personal property items that are not directly owned by the business, you need to include these on the annual return. You can attach a list of leased items to the back of the form as well.

See below for examples & helpful tips on reporting personal property

SECTION 1 - SHORT LIFE - COMPUTER EQUIPMENT: For Example - I have a doctor's office; this past year we purchased new desktops for the office staff in the amount of \$10,000. You would enter new assets less depreciation.

- $\$10,000 - 5\% = \500.00
- $\$10,000 - \$500 = \$9,500$
- Taxable value = \$9,500.

Then the office still has old computer equipment from 2023 in the amount of \$5,500

- $\$5,500 - 40\% = \$2,200$
- $\$5,500 - \$2,200 = \$3,300$
- Taxable value = \$3,300

Then total all depreciated values for computer equipment:

Calendar Year Purchased	Acquisition Cost	Depreciation Rate	Depreciated Value	Assessor's Use Only
2025	\$10,000	5%	\$9,500.00	
2024		20%		
2023	\$5,500	40%	\$3,300.00	
2022		70%		
2021 & PRIOR		80%		
TOTALS			\$12,800	

SECTION 2 - TANGIBLE PERSONAL PROPERTY: This section includes assets such as not limited to furniture, fixtures, office equipment, misc. equipment, yard signs, unregistered vehicles. Section 2 normally has an economic life between 6-12 years.

SECTION 3 - LONG LIFE ASSETS: This section includes assets such as not limited to medical equipment, heavy equipment, excavators, backhoe, power lines, and normally have an economic life of 13 years or longer.

SECTION 4 - BUILDINGS & IMPROVEMENTS ON LEASED LAND: This section is for real estate or commercial owners. Homeowners have the right to declare the assessed value as of December 31st each year to the Tax Assessor. This is also helpful if an appeal is denied and they would like to appeal with superior court.

SECTION 5 – SUPPLIES: Section five is to report monthly supplies this would not include inventory. Supplies such as cleaning products, breakroom supplies, miscellaneous office supplies etc...

SECTION 8 - TANGIBLE PROPERTY LEASED OR RENTED TO OTHERS:

This section is mainly for leasing companies to report on what equipment is leased or rented by other businesses.

SECTION 9 - LEASEHOLD IMPROVEMENTS: Leasehold improvements section includes but are not limited to wall paneling, carpeting, tile on wall and floors, additions or renovations completed by the leaseholder.

FAQ:

1. Where can I find the annual return form?

Annual return forms are mailed out to each active business within the town in November. Forms are also available online at nsmithfieldri.gov or in the Tax Assessor's Office at 83 Greene St, North Smithfield, RI 02896.

2. My business never received our annual return form in the mail, how can I update my mailing address?

Please contact the Assessor's office by phone or by email whenever you have a mailing address change for your business. Additionally, when filling out your annual return, make sure to include any mailing address changes when submitting your form so we can ensure your tangible bill gets mailed to the right location.

3. This is my first time filling out the annual return form, can the Assessor's office help?

Yes, if you are unsure how to fill out various sections of the annual return, and still have questions after referring to this guide, please contact our office and we can walk you through the steps on how to fill out the form.

4. Can the business's accountant fill out the form or does the owner need to fill out the form?

If your business has an accountant or uses an outside agent through a company or tax service, they can absolutely fill out the form for your business. We ask that the person filling out the form includes their information on the last page or submits an authorization form with the business owner's signature.

5. I've run out of room on the annual return when adding new assets or disposals. Can I attach a list?

Yes, if you want to attach a typed excel or a written list, you can attach it to the back of the annual return. We ask that whichever list you attach, you write "See Attached" in the corresponding section on the return. Additionally, if your business has printable reports, you can attach those as well instead of writing out the return.

6. I've missed the deadline to request an extension; can I still file my annual return?

Yes, we ask that you still file your return so that the Assessor's office can provide you with an accurate tangible assessment. There may be a 5% estimation of new equipment on your tangible assessment if you file late.

*If you missed the deadline to request an extension, and it's after March 15th, your tangible assessment may reflect a 5% estimation of new equipment. If you'd still like to file your appeal late, please contact the Assessor's Office.