

**FILING INSTRUCTIONS FOR  
THE INDUSTRIAL PROPERTY  
RETURN TAX YEAR 2024**

**SCHEDULE A. Machinery and Equipment, Furniture and Fixtures, Leasehold Improvements, Computer Equipment – Summarize by Year of Acquisition.**

Report all property owned on July 1, 2023. The acquisition cost should include the original cost, freight, installation costs, trade ins and all other associated costs. Rolling stock and lift trucks are to be listed in Schedule I. **If leasehold improvements are reported, please include brief description of the items to assure they are not valued as part of the real property. This section must be completed in its entirety ~ simply attaching a listing will not be sufficient.**

West Virginia Chapter 11, Article 6J provides that the value of services and tangible property directly used in a high-technology business or in an internet advertising business shall be its salvage value. The terms “High-technology business” and “Internet advertising business” are defined in West Virginia Code §11-15-9h. In order to be eligible to receive salvage valuation treatment the primary business activity of the company must be High-technology or Internet advertising. If you have reported equipment on “Schedule A” which you believe to qualify, please enter the dollar value of the property at 100 percent of acquisition cost.

**SCHEDULE B. Inventory, Materials, Finished Goods, Consigned Inventory, Supplies.**

List each category by acquisition cost as of July 1, 2023. If the owner’s value is different from the acquisition cost, please explain the differences. If you have goods located at your facility but owned by another, i.e., on consignment, please list the owner’s name, address and estimated acquisition cost. **Detailed information must accompany any request for Freeport Exemption of inventory.** At a minimum, the following information should accompany the request; the inventory type (i.e., finished goods, goods-in-process, etc.), a detailed inventory list, the physical location of said inventory as of July 1, 2023 the point of final destination as determined effective July 1, 2023, and an explanation why, in your opinion, stated inventory should be exempted. **Only finished goods will be considered for Freeport Exemption.** Failure to submit the above requested information will result in a recommendation of denial of the Freeport Exemption.

**SCHEDULE C. Machinery, Equipment and Fixtures in Process of Installation.**

List all costs associated with machinery and equipment and fixtures in the process of installation or production as of July 1, 2023. The acquisition cost is to include the original cost, freight, trade-ins and other associated costs.

**SCHEDULE D. Other Personal Property.**

List all other property not elsewhere reported. Please list by year of acquisition and acquisition cost.

**SCHEDULE E. Incomplete Construction.**

Material costs for the buildings, additions, or improvements which are incomplete and hence have not been assessed as real property must be reported here. A rider must be attached to this statement showing the address of such buildings by year of construction.

**SCHEDULE F. Salvage Value Machinery and Equipment.**

This is machinery and equipment which has been fully depreciated **and is no longer used as part of a production process**. Do not report these items on "Schedule A".

**SCHEDULE G. Pollution Control Facilities.**

Any owner or taxpayer requesting salvage valuation for machinery or equipment under the authority of West Virginia Code § 11- 6A-3 must receive approval from the appropriate state agency governing the control of air or water pollution. The approval must state that the machinery or equipment subject to salvage value consideration is designed, constructed or installed primarily for abating air or water pollution, and does abate or reduce water or air pollution in compliance with air or water quality standards prescribed under the laws of this State or the United States. A copy of this approval must accompany the property tax return (STC 12:32I) or the equipment, apparatus and components must be contained on the approved list of items eligible for salvage treatment under West Virginia Code § 11-6A-3. A list of the approved pollution abatement control items is available from the Property Tax Division upon request.

**SCHEDULE H. Molds, Jigs, Dies, Forms, Patterns and Templates.**

West Virginia Code §11-6E-3 provides that for ad valorem property taxation all molds, jigs, dies, forms, patterns, and templates directly used in the manufacturing process are to be valued at their salvage value which is defined as 5% of original cost or their fair market salvage value, whichever is less. Please complete the enclosed Worksheet for Molds, Jigs, Dies, Forms, Patterns and Templates. Those which are directly used in the manufacturing process are to be listed in item 1 (Specialized Manufacturing Production Property). Those that are not used in the manufacturing process are to be listed in item 2 (Specialized Non-Manufacturing Production Property) and will be valued at their market value. Please transfer the totals from the worksheet to Schedule H of the return and include the worksheet with the return when filing.

## **SCHEDULE I. Vehicles, Trailers, Boats, Aircraft, Mobile Homes and Rolling Stock.**

Please include **acquisition date and cost, year manufactured, make, model, SERIAL NUMBER and any options for all rolling stock**, i.e., wheel loaders, crawler and wheel tractors, excavators, graders and lift trucks. All rolling stock **must** include a serial number or the return will be rejected. All vehicles, trailers, boats, aircraft and mobile homes, except trucks and tractors with apportioned plates, are to be reported on this return. If additional space is needed for Rolling Stock, please use "Itemized Rolling Stock Report".

West Virginia Code Chapter 11, Article 6H provides that the value of special aircraft property shall be its salvage value. Special aircraft property is defined as "all aircraft owned or leased by commercial airlines or private carriers, or any parts, materials or items used in the construction, maintenance or repair of aircraft which are, or are intended to become, affixed to or part of an aircraft or of an aircraft's engine or of any other component of an aircraft, used as such, by a repair station as defined under Part 145 of Title 14 of the United States Code of Federal Regulations, or any succeeding regulations issued by the Federal Aviation Administration or any successor agency." If you have reported property on "Schedule I" which you believe to be a special aircraft property, enter the dollar value of the property at 100% of acquisition cost.

**OTHER INFORMATION REQUIRED WITH THESE RETURNS: A fixed asset listing or depreciation schedule and a balance sheet MUST be filed with this return. Failure to attach any of the requested information will result in the return being rejected.**

### **ADDITIONAL INFORMATION**

1. West Virginia Code § 11-6F-1 provides that capital additions to manufacturing properties may qualify as certified capital additions and will be valued as salvage value for ad valorem tax purposes. The manufacturing facilities must have an original real and personal property investment of at least 100 million dollars and the capital improvement must be at least 50 million dollars. A separate application must be filed with the office of the State Tax Department on or before the date the property is to be reported on this return. Please call (304) 627-2110 for additional information.
2. West Virginia Code states: All property returns must be filed as soon as possible after July 1 but no later than August 1.
3. Failure to file a property tax return (STC 12:32I) will result in an estimated value of the property for this year. In addition, West Virginia Code § 11-3-10 provides that any person who fails to furnish a proper return or refuses to provide the return within the time required by law may forfeit, at the discretion of the assessor or tax commissioner for good cause shown, not less than \$25.00 nor more than \$100.00 and shall be denied all remedy provided for the correction of any assessment made by the assessor. Also, a forfeiture of **one percent** of the **value of the property** may be applied.

4. Property returns are to be filed with the State in accordance with Chapter 11, Article 1C, Section 10 et seq. of the West Virginia Code, which reads in pertinent part, “(a) All owners of the industrial property and natural resources property each year shall make a **return to the state tax commissioner** and, if requested in writing by the assessor of the county where situated, to such county assessor at a time and **in the form specified by the commissioner** of all industrial or natural resources property owned by them.” (Emphasis added.)
5. The return must be completed in its entirety. Any return that is received incomplete will be rejected and returned to you for resubmission. Should any section of the return not apply to your business, please write “NA” (Not Applicable) or “None.” For example, if you do not own any vehicles, you would write “None” in Schedule I (Vehicles, Trailers, Boats, etc.). Again, any return received that is incomplete will be rejected and returned to you for resubmission. This includes the submission of a depreciation schedule or fixed asset listing and balance sheet with the return.
6. An individual return is to be filed for each industrial business location within the State of West Virginia.
7. Completed industrial property returns (STC 12:32I) are to be mailed to the following address:

State Tax Department Property Tax Division  
407 Neville St. Suite 120  
Beckley, WV 25801

**ANY QUESTIONS:** Contact the Appraisal Services Unit in the Beckley Office at 304-461-0819.