

**DEALER'S HEAVY EQUIPMENT INVENTORY DECLARATION**

YEAR
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Send original to: Appraisal District name and address Bexar Appraisal District, PO Box 830248, San Antonio, TX 78283-0248	Phone (area code and number) (210) 242-2464
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Send copy to: County Tax Office name and address Bexar County Tax Office, PO Box 839950, San Antonio, TX 78283-3950	Phone (area code and number) (210) 335-6606
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**INSTRUCTIONS:** If you own an inventory subject to the provisions of Sec. 23.1241, Tax Code, you must file this dealer's heavy equipment inventory declaration with the chief appraiser and a copy with the county tax assessor-collector not later than February 1 of each year. If you were not in business on January 1, you must file this statement not later than 30 days after starting business. Failure to file this form is a misdemeanor offense punishable by a fine not to exceed \$500. Each day during which you fail to comply is a separate offense.  
**SEE BACK OF FORM FOR MORE INFORMATION ON FILING AND PENALTIES.**

<b>Step 1: Owner's name and address</b>	Owner's name	
	Current mailing address (number and street)	
	City, town or post office, state, ZIP code	Phone (area code and number)
	Person completing application	Title

<b>Step 2: Required information about the business</b>	Name of each business at one location (attach additional pages if necessary)
	Address of this location (street, number, city, state and ZIP code + 4) (attach additional pages if necessary)

<b>Step 3: Information about the business</b>	Give appraisal district account number if available, or attach tax bill or copy of appraisal or tax office correspondence concerning this account (attach additional pages if necessary),	<b>Step 4: Ownership statement</b>	<p>_____</p> <p>(Owner's name)</p> <p>is the owner of a dealer's heavy equipment inventory.</p>
	Starting date of business, if not in business on January 1st of this year.		

<b>Step 5: Breakdown of sales and sales amounts</b>	Breakdown of sales (number of units sold) for the previous 12-month period corresponding to the prior tax year. If you were not in business for the entire 12-month period, report the sales for the months you were in business.			
	Net heavy equipment inventory	Fleet sales	Dealer sales	Subsequent sales
	Breakdown of sales amounts for the previous 12-month period corresponding to the prior tax year. If you were not in business for the entire 12-month period, report the sales for the months you were in business.			
	Net heavy equipment inventory	Fleet sales	Dealer sales	Subsequent sales
	\$	\$	\$	\$

<b>Step 6: Market value of your heavy equipment inventory</b>	State the market value of your net heavy equipment inventory for the current tax year, as computed under Sec. 23.1241, Tax Code (total annual sales from the inventory for the previous 12-month period corresponding to the prior tax year divided by 12 equals market value). If you were not in business for the entire 12-month period, report the number of months you were in business and the total number of sales for those months. The chief appraiser will determine your inventory's market value.	
	Net Heavy Equipment Inventory Sales for Prior Year	Market Value for Current Tax Year
	\$ _____ ÷ 12 = _____	

<b>Step 7: Sign the form</b>	sign here  Authorized signature	Date
	<b>If you make a false statement on this application, you could be found guilty of a Class A misdemeanor or a state jail felony under Texas Penal Code Section 37.10.</b>	

**INSTRUCTIONS FOR COMPLETING**

# ***Dealer's Heavy Equipment Inventory Declaration***

**Filing deadlines:** You must file this declaration not later than February 1 each year. If you were not in business for the entire year, you must file this declaration not later than 30 days after starting your business. Be sure to keep a completed copy for your files and a blank copy of the form for next year's filing.

**Filing places:** You must file the original completed declaration with the county appraisal district's chief appraiser. You must file a copy of the original with the county tax assessor-collector. The addresses and phone numbers for both offices are at the top of the form.

**Filing penalties:** Failure to file this form is a misdemeanor offense punishable by a fine not to exceed \$500. Each day that you fail to comply is a separate offense. In addition, a tax lien attaches to your business personal property to secure the penalty's payment. The district attorney, criminal district attorney or county attorney shall collect the penalty, with action in the county in which you maintain your principal place of business or residence. You also will forfeit a penalty of \$1,000 for each month or part of a month in which this declaration is not filed.

**Review of records:** The chief appraiser may examine your books and records for (1) documents to determine if this declaration applies to you and (2) sales records to check information on this declaration. To examine your records, the chief appraiser must deliver personally a written request to your records' custodian. You have at least 15 days to respond to the request, or you may seek court action for relief from complying with the request. Failure to comply with the request is a misdemeanor punishable by a fine not to exceed \$500. Each day that you fail to comply is a separate violation.

**Step 1: Owner's name and address.** Give the corporate, sole proprietorship or partnership's name, including mailing address and telephone number of the actual business location as required by the inventory declaration (not of the owner).

**Step 2: Required information about the business.** Give the name of the business if different from the corporation or individual's name. The address here is the actual physical location of the business.

**Step 3: Information about the business.** Include your business' account number from the appraisal district's notice of appraised value. Give the date your business opened if not in business January 1 of this year.

**Step 4: Ownership statement.** Give the owner's name.

**Step 5: Breakdown of sales and sales amounts.** Complete the boxes on number of sales and sales amounts for the preceding year. The top row of boxes is the number of units sold in each category. The bottom row of boxes is the dollar amount sold in each category. The sales price of an item of heavy equipment is the total amount of money paid or to be paid to a dealer for the purchase of an item of heavy equipment, or for a lease or rental with the option to purchase, the sales is the total amount of the lease or rental payments plus any final consideration, excluding interest. The categories include:

**Heavy equipment inventory** - sales of heavy equipment at retail. Heavy equipment means self-propelled, self-powered, or pull-type equipment, including farm equipment or a diesel engine, that weighs at least 3,000 pounds and is intended to be used for agricultural, construction, industrial, maritime, mining, or forestry uses. The term includes items of heavy equipment that are leased or rented but subject to a purchase option by the leasee or renter. A sale is considered to occur when possession of an item of heavy equipment is transferred from the dealer to the purchaser. The term does not include an item of heavy equipment that is required to be titled under Chapter 501 or registered under Chapter 502, Transportation Code.

**Fleet sales** - heavy equipment included in the sale of five or more items of heavy equipment from your inventory to the same buyer within one calendar year.

**Dealer sales** - sales of heavy equipment to another dealer.

**Subsequent sales** - dealer-financed sales of heavy equipment that, at the time of sale, have dealer financing from your inventory in this same calendar year. The first sale of an item of dealer-financed heavy equipment is reported as a heavy equipment inventory sale, with sale of this same heavy equipment later in the year classified as a subsequent sale.

**Net heavy equipment inventory** - Heavy equipment inventory less fleet sales, dealer sales and subsequent sales.

**Step 6: Market value of your inventory.** Enter the sales amount in the net heavy equipment inventory breakdown (see Step 5, the first box in the second row) and divide by 12 to yield your market value for this tax year. If you were not in business for the entire preceding year, the chief appraiser will determine your inventory's market value based on the sales that you do report in Step 5.

**Step 7: Sign the form.** Sign and enter the date if you are the person completing this declaration.



## Instructions for Dealer's Heavy Equipment Inventory Tax Statement

If you are an owner of an inventory subject to Sec. 23.1241, Tax Code, you must file this dealer's heavy equipment inventory tax statement as required by Sec. 23.1242.

**Filing deadlines:** You must file this statement on or before the 10th day of each month. If you were not in business for the entire year, you must file this statement each month after your business opens, but you do not include any tax payment until the beginning of the next calendar year. However, if your dealership was the purchaser of an existing dealership and you have a written contract with the prior owner to pay the current year heavy equipment inventory taxes owed, then you must notify the chief appraiser and the county tax assessor-collector of this contract and continue to pay the monthly tax payment. Be sure to keep a completed copy of the statement for your files and a blank copy of the form for each month's filing.

**Filing places:** You must file the original completed statement with your monthly tax payment with the county tax assessor-collector. You must file a copy of the original statement with the county appraisal district's chief appraiser. The addresses and phone numbers for both offices are at the top of the form.

**Filing penalties:** Late filing incurs a penalty of 5 percent of the amount due. If the amount is not paid within 10 days after the due date, the penalty increases for an additional penalty of 5 percent of the amount due. Failure to file this form is a misdemeanor offense punishable by a fine not to exceed \$100. Each day that you fail to comply is a separate offense. In addition, a tax lien attaches to your business personal property to secure the penalty's payment. The district attorney, criminal district attorney or county attorney shall collect the penalty, with action in the county in which you maintain your principal place of business or residence. You also will forfeit a penalty of \$500 for each month or part of a month in which this statement is not filed after it is due.

**Annual property tax bill:** You will receive a separate tax bill(s) for your heavy equipment inventory for each taxing unit that taxes your property, usually in October. The county tax assessor-collector also will receive a copy of the tax bill(s) and will pay each taxing unit from your escrow account. If your escrow account is not sufficient to pay the taxes owed, the county tax assessor-collector will send you a tax receipt for the partial payment and a tax bill for the amount of the deficiency. You must send to the county tax assessor-collector the balance of total tax owed. You may not withdraw funds from your escrow account.

**Step 1: Owner's name and address.** Give the corporate, sole proprietorship or partnership's name, including mailing address and telephone number of the actual business location as required by the inventory tax statement (not of the owner).

**Step 2: Information about the business.** Give the address of the actual physical location of the business. Include your business' name and the account number from the appraisal district's notices.

**Step 3: Information on each item of heavy equipment sold during the reporting month.** Complete the information on each item of heavy equipment sold, including the date of sale, model year, item name, identification number, purchaser's name, type of sale, sales price and unit property tax. The footnotes include:

<sup>1</sup> **Type of Sale:** A sale is considered to occur when possession of an item of heavy equipment is transferred from the dealer to the purchaser. Place one of the following codes by each sale reported:

**HE - Heavy equipment inventory** - sales of heavy equipment at retail. Heavy equipment means self-propelled, self-powered, or pull-type equipment, including farm equipment or a diesel engine, that weighs at least 3,000 pounds and is intended to be used for agricultural, construction, industrial, maritime, mining, or forestry uses. The term includes items of heavy equipment that are leased or rented but subject to a purchase option by the leasee or renter. A sale is considered to occur when possession of an item of heavy equipment is transferred from the dealer to the purchaser. The term does not include an item of heavy equipment that is required to be titled under Chapter 501 or registered under Chapter 502, Transportation Code.

**FL - fleet sales** - heavy equipment included in the sale of five or more items of heavy equipment from your inventory to the same buyer within one calendar year.

**DL - dealer sales** - sales of heavy equipment to another dealer.

**SS - subsequent sales** - dealer-financed sales of heavy equipment that, at the time of sale, have dealer financing from your inventory in this same calendar year. The first sale of an item of dealer-financed heavy equipment is reported as a heavy equipment inventory sale, with sale of this same heavy equipment later in the year classified as a subsequent sale.

<sup>2</sup> **Sales Price:** The total price means the total amount of money paid or to be paid to a dealer for the purchase of an item of heavy equipment; or for a lease or rental with the option to purchase, the sale price is the total amount of the lease or rental payments plus any final consideration, excluding interest.

<sup>3</sup> **Unit Property Tax:** To compute, multiply the sales price by the unit property tax factor. For fleet, dealer and subsequent sales that are not included in the net heavy equipment inventory, the unit property tax is \$-0-. The unit property tax factor is the aggregate tax rate divided by 12 and then by \$100. Calculate your aggregate tax rate by adding the property tax rates for all taxing units in which the inventory is located. Use the property tax rates for the year preceding the year in which the heavy equipment is sold. If the county aggregate tax rate is expressed in dollars per \$100 of valuation, divide by \$100 and then divide by 12. Dividing the aggregate rate by 12 yields a monthly tax rate and by \$100 to a rate per \$1 of sales price.

<sup>4</sup> **Total Unit Property Tax for This Month:** Enter only on last page of monthly statement.

**Step 4: Total sales.** Provide totals on last page of statement of the number of units and the sales amounts for heavy equipment sold in each category.