

2. GENERAL INFORMATION

A. WHO MUST FILE A RETURN. This Form of List (State Tax Form 2) must be filed each year by all individuals, partnerships, associations, trusts, corporations, limited liability companies and other legal entities that own or hold taxable personal property on January 1, except owners of pipelines and telephone and telegraph companies that are required to file a personal property return with the Massachusetts Department of Revenue under G. L. Ch. 59, section 38A or 41. Individuals owning or holding household furnishings and effects not located at their domicile on January 1 must also file State Tax Form 2HF. Literary, temperance, benevolent, charitable or scientific organizations that may be entitled to an exemption under G. L. Ch. 59, Section 5, Clause 3 must file State Tax Form 3 ABC listing all property they own or hold for those purposes on January 1.

B. WHEN AND WHERE RETURN MUST BE FILED. Returns must be filed by March 1 with the Board of Assessors in the city or town where the personal property is situated on January 1. If the property has no situs on January 1, it must be listed on a return filed with the assessors in the city or town where you are domiciled (legal residence or place of business). A return is not considered filed unless it is complete.

C. EXTENSION OF FILING DEADLINE. The Board of Assessors may extend the filing deadline if you can show sufficient reason for not filing on time. The latest date the filing deadline can be extended is 30 days after the tax bills are mailed for the fiscal year. Requests for an extension must be made in writing to the assessors.

D. PENALTY FOR FAILURE TO FILE OR FILING LATE. If you do not file a return for the fiscal year, the assessors cannot grant an abatement for overvaluation of the personal property for that year. If the return is not filed on time, the assessors can only grant an abatement if you show a reasonable excuse for the late filing or the tax assessed is more than 150% of the amount that would have been assessed if the return had been timely filed. In that case, only the amount over that percentage can be abated. You can avoid this penalty by filing on time.

E. USE OF AND ACCESS TO RETURN. The information in the return is used by the Board of Assessors to determine the taxable or exempt status of your personal property and, if taxable, its fair market value. You may also be required to provide the assessors with further information about the property in writing and asked to permit them to inspect it. **Personal property information listed in schedules A — I is not available to the public for inspection under the state public records law. It is available only to the Assessors and the Massachusetts Department of Revenue for purposes of administering the tax laws.**

3. TAXABLE PERSONAL PROPERTY

In general, all tangible personal property situated in Massachusetts and all tangible personal property owned by Massachusetts domiciliaries is taxable unless expressly exempt. There are many exemptions, which are usually based on (1) ownership, (2) type of property, or (3) use of property. The following chart summarizes the personal property that is taxable and must be listed in the return. If you have any questions about the taxable status of your personal property, please contact your Board of Assessors.

A. INDIVIDUALS, PARTNERSHIPS, ASSOCIATIONS, TRUSTS and LIMITED LIABILITY COMPANIES filing federally as partnerships.

All tangible personal property requested in the schedules that follow. Individuals are entitled to an exemption for (1) household furniture and effects at the place of their domicile, (2) farm utensils and (3) tools of a mechanic's trade.

B. MASSACHUSETTS BUSINESS and OUT-OF-STATE BUSINESS CORPORATIONS as defined in G. L. Ch. 63, Section 30. **LIMITED LIABILITY COMPANIES** filing federally as corporations
MUTUAL INSURANCE HOLDING COMPANIES

Poles, underground conduits, wires and pipes. All "machinery used in the conduct of business" except machines that are:

- (1) stock in trade.
- (2) used directly in dry cleaning or laundering processes, to refrigerate goods or to air condition premises, or
- (3) used directly in purchasing, selling, accounting or administrative functions.

C. MASSACHUSETTS and OUT-OF-STATE MANUFACTURING CORPORATIONS and LIMITED LIABILITY COMPANIES filing federally as corporations which have been classified as "manufacturing" by the Department of Revenue.

Poles, underground conduits, wire and pipes. All tangible personal property used in the manufacture or generation of electricity except property that:

- (1) is a cogeneration facility of 30 megawatts or less in capacity, or
- (2) was exempt because of a manufacturing classification effective on or before January 1, 1996.

D. ALL OTHER MASSACHUSETTS CORPORATIONS subject to taxation under G. L. Ch. 63, including:
FINANCIAL INSTITUTIONS
INSURANCE COMPANIES
SAVINGS AND COOPERATIVE BANKS
UTILITY CORPORATIONS
OUT-OF-STATE PUBLIC SERVICE CORPORATIONS subject to taxation under G. L. Ch. 63, Section 58
OUT-OF-STATE INSURANCE COMPANIES if state of incorporation (or principal place of business if incorporated in foreign country) exempts similar tangible personal property of Massachusetts insurance companies. See Acts of 1941, Ch. 467.

Poles, underground conduits, wires and pipes. Machinery used in manufacture, or in supplying or distributing water

E. ALL OTHER OUT-OF-STATE INSURANCE COMPANIES.

All tangible personal property requested in the schedules that follow.

4. INSTRUCTIONS FOR COMPLETING SCHEDULES

List all items of taxable personal property owned or held on January 1, in the appropriate schedules that follow, including items in your physical possession on that date under a lease, consignment, license, mortgage, pledge or other arrangement. You must also list all real property owned in the city or town on January 1. For your return to be considered complete, all information specified in the schedules except the "Estimated Market Value" must be provided and all copies of leases, consignments, etc., for any property in your possession under such arrangements must be attached.

A. POLES, UNDERGROUND CONDUITS, WIRES AND PIPES.

B. MACHINERY. Includes manufacturing and generating machinery and equipment (turbines, engines, etc.), construction machinery, copying and reproduction equipment, automated data and word processing equipment, appliances (freezers, refrigerators, air conditioners, etc.), electronics (televisions, microwaves, etc.), and any other machines and mechanical devices.

C. TOOLS AND EQUIPMENT. Includes trade, business, or professional tools and equipment, including restaurant, laboratory and medical equipment, not listed as machinery.

D. BUSINESS FURNITURE AND FIXTURES. Includes business, professional, commercial or service fittings and furnishings (desks, tables, cabinets, display cases), rugs, floor coverings and draperies, lamps, specialized lease-hold improvements (restaurant fittings, modular walls, etc.), works of art and decorations, books and professional libraries and all other fittings and effects.

E. MERCHANDISE. Includes goods, wares, or any stock in trade in any store or other place of sale, in any warehouse or other place of storage, out on lease or consignment, etc.

F. UNREGISTERED MOTOR VEHICLES AND TRAILERS. Includes motor vehicles not carrying Massachusetts registration plates under G. L. Ch. 90, unregistered agricultural (except those subject to the farm excise under G. L. Ch. 59, section 8A) and industrial tractors, trailers, snowmobiles, motorized golf carts and all other kinds and type of unregistered vehicles.

G. ANIMALS. Includes: (1) mules and horses one year or older, (2) neat cattle (cows, yearlings, bulls, steers, heifers, etc.) one to three years old and not held for the owner's personal consumption, (3) neat cattle three years or older, (4) swine, sheep and goats six months or older, (5) domestic fowl (chickens, ducks, geese, turkey), and (6) all other domestic animals, wildlife and gamefish (mink, fox, etc.) not subject to the farm excise under G. L. Ch. 59, section 8A.

H. FOREST PRODUCTS. Includes forest products severed from the soil such as cordwood, timber, Christmas trees and other forest products not subject to the classified forest products tax under G. L. Ch. 61.

I. OTHER TAXABLE PERSONAL PROPERTY. Includes all other tangible personal property not specifically exempt from taxation.

J. REAL PROPERTY. Includes all real property owned in the city or town on January 1.