

**State Tax Commission March 1, 2011 Tip**  
**Topic: Personal Property Reporting Part 3**



Dear STaCy,

I have a personal property taxpayer who has reported a countertop touch screen and a mini-photo lab, both apparently used in 1 hour photo developing operations, and a robotic pill counting device, all in Section F, on Page 2 of the Personal Property Statement. Is this correct reporting?

Sincerely,  
Devel O. Ping

Dear Mr. Ping,

Based upon your description and understanding of the equipment, I don't believe that this is the correct way to report the cost of these items. Take a look at the Personal Property Statement Instructions under the section entitled "**Completion of Section D, Page 2**", note that photography and developing equipment should be reported under section D. **The only things reported under Section F are:**

- Computer and peripheral equipment such as CPUs, servers, data storage devices, input peripheral devices such as scanners and keyboards, output devices such as printers and plotters, monitors, networking equipment, computerized point of sale terminals, lottery ticket terminals and gambling tote equipment. Certain copiers are reported under F because the Commission determined them to be computer printers (output devices).
- Pagers.
- Cable and satellite converters and receivers and GPS equipment.
- Office machines which are capable of being integrated into a LAN or of being used as an output device.

In general, anything that performs a mechanical process, such as pill counting or, for that matter, robotic devices are reported in section B, even if it collects data as it counts or performs its physical task. For example, coin-counters are reported in section B, and STC Bulletin 12 of 1999 specifically states robotics are reported in section B. Anything which is a component of a piece of commercial photo developing equipment is reported in section D. All of the components of one functional asset are reported and valued as one asset (with the exception of distributive control systems - STC Bulletin 3 of 2000) and are reported in the section that is appropriate based on the overall characteristics of the asset. In other words, if the lab will not operate effectively without the component or the component is useless except in association with a photo lab, then the component is valued as part of the lab.

Sincerely,  
STaCy