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Mayor

CITY AND COUNTY OF DENVER

DEPARTMENT OF REVENUE

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Dear Taxpayer:

These instructions will walk you through the process of calculating the actual value of your business personal property, for leasing and non-leasing companies.

In order to start the process you will need a complete asset listing that indicates year of acquisition, description of the asset and cost basis. Then, download and print the class code, trend 1, trend 2, percent good, and condition code tables from the "Valuation Tables" section of the "Forms" option on the Assessors web page.

Let us take a moment to discuss the valuation tables. The class code table lists the classes that the assessor uses to categorize the property owned by your company. For example, all office furniture is class code 3300; telephone equipment is class 4100, etc. The trend 1 table brings the cost basis to a current level of value (as of January 1st each year). In other words, if your company bought an asset in 1999, what is the approximate current cost (replacement cost new) to replace the item being appraised (RCN). The trend 2 table allows the assessor to adjust (roll back) the RCN to a 06/30/2002 level of value as stipulated by Colorado Revised Statutes 39-1-104(12.3)(a)(I). The date changes every other year, so in 2003 and 2004 the roll back date will be 06/30/2002. The percent good table allows the assessor to apply depreciation to the cost basis. The condition code table allows the assessor to make adjustments to the cost basis for adding sales tax, obsolescence, etc.

1) The first step of the process is to assign class types to the personal property on your asset listing. Compare the asset descriptions on your asset listing to the descriptions on the class code table. Write the class type next to the asset. Examples of class types are 3300 for office furniture, 4100 for telephone equipment, 4200 for computer equipment—other, 4800 for computer equipment—P.C. and accessories and 4926 for facsimile machines. After you have finished assigning a class type to all of the personal property, summarize the information by year and class type. For example, total all of the 1997 class type 3300, and then total all of the 1998 class type 3300, etc.

2) The class code table contains a listing of which trend 1, trend 2 and percent good (Depr) tables should be used for each class type. For example, class type 3300 personal property uses trend 1 table # 0310, trend 2 table # 03A and Depr table 10. You will need to determine the proper tables for each class type of property.

3) The summarized cost basis for each class type by year will be multiplied by a factor from each of the tables mentioned in section 3 (above). In order to determine which factors to use, let's look at each table using 2002 class type 3300 property as an example. The trend 1 factor should be

determined first. The left margin of the trend 1 table lists year of acquisition and the top margin lists the various trend 1 tables. As stated above, the trend 1 table for class type 3300 is table # 0310, so go across the top margin and find table # 0310 and then go down that column until you get to the factor that corresponds with 2002, which is 100%. Next, we must determine the trend 2 factor. The trend 2 table has two columns "Trend 2" and "Reverse Index"; for class type 3300 we will use the factor from trend 2 table 03A which has a reverse index of 100%. The last factor that needs to be determined is the percent good factor. The left margin of the percent good table indicates year of acquisition and the top margin indicates the average economic life. Class type 3300 property has a 10 year economic life, as noted above, so to determine the percent good factor go across the top margin to the 10 year column and go down the column to the factor that corresponds with 2002, which is 93%.

5) Now, to complete the computation of the actual value for each class type by year you must multiply the cost basis by the factors noted above. For example, if the summarized total for 2002 class type 3300 property is \$5,000 the actual value would be \$4,650 ($5,000 \times 1.00 \times 1.00 \times .93 = 4,650.00$). To determine the total actual value for the personal property owned by the business, simply add the actual values for all of the class types together.

If you have any questions, please call the Business Personal Property Section at (720) 913-4067.

Sincerely,

Business Personal Property Section.

2003

Class Codes
Assignment of Indexes for Personal Property

Class Type	Description	Trend 1	Trend 2	Depr
3000	Furniture			
3100	Drapes & Blinds	0110	01A	10
3200	Restaurant & Bar Furniture	0610	06A	10
3300	Office Furniture	0310	03A	10
3400	Store & Warehouse F & F	0409	04A	09
3901	Office Furniture	0310	03A	10
3902	Office Furniture	0310	03A	10
3903	Office Furniture	0310	03A	10
3904	Office Furniture	0310	03A	10
3905	Office Furniture	0310	03A	10
4000	Machinery & Equipment			
4100	Telephone Equip.	1300	13A	04
4200	Computers - Other	1300	13A	04a
4300	Electric Office Equip.	0306	03A	06
4400	Copiers	1300	13A	05
4500	Industrial Mobile Equip.	0706	07A	06
4600	Misc. Equip.	0110	01A	10
4700	Computer Dependent/Electronic Equip.	1300	13A	04
4800	Computers - PC & Accessories	1300	13A	03a
4901	Bakery Equip.	0912	09A	12
4902	Banking Equip.	0610	06A	10
4903	Building Construction Equip.	0706	07A	06
4904	Amusement/Recreation Equip.	0110	01A	10
4905	Store & Warehouse Equip.	0409	04A	09
4906	Dry Cleaning Equip.	0810	08A	10
4907	Garage Equip.	0210	02A	10
4908	Hotel Equip.	0510	05A	10
4909	Construction Equip.	0706	07A	06
4910	Commercial Laundry Equip.	0810	08A	10
4911	Coin-Op Laundry Equip.	0810	08A	10
4912	Leather Work Equip.	0110	01A	10
4913	Metal Fabrication Equip.	1012	10A	12
4914	Office Equip.	0306	03A	06
4915	Printing Equip.	1111	11A	11
4916	Radio/TV Equip.	1106	11A	06
4917	Restaurant & Bar Equip.	0610	06A	10
4918	Professional Service Equip.	0109	01A	09
4919	Scientific Instrument Mfg. Equip.	0110	01A	10
4921	Miscellaneous Equip.	0110	01A	10
4922	Miscellaneous Equip.	0110	01A	10
4923	Miscellaneous Equip.	0110	01A	10
4924	Miscellaneous Equip.	0110	01A	10
4925	Miscellaneous Equip.	0110	01A	10
4926	Facsimile Machines	1300	13A	06

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Class Codes
Assignment of Indexes for Personal Property

Class Type	Description	Trend 1	Trend 2	Depr
4927	Audio/Video Tapes	1103	11A	03
4928	Electric Mfg. Equip.	1110	11A	10
4929	Electronic Mfg. Equip.	1106	11A	06
4930	Semi-Conductor Mfg. Equip.	1105	11A	05
4931	Electric Wafer Mfg. & R&D Equip.	1103	11A	03
4932	Special Tools	1003	10A	03
4933	Special Tools Rubber Mfg. Equip.	0204	02A	04
4934	Paint & Varnish Mfg. Equip.	0210	02A	10
4935	Chemical Mfg. Equip.	1110	11A	10
4936	Steel Products Mfg. Equip.	1015	10A	15
4937	Concrete/Clay/Gypsum/Stone Mfg. Equip.	1015	10A	15
4938	Jewelry Mfg. Equip.	1012	10A	12
4939	Glass Products Mfg. Equip.	1014	10A	14
4940	Wood Products Mfg. Equip.	1110	11A	10
4941	Apparel & Textiles Mfg. Equip.	1209	12A	09
4942	Plastic Products Mfg. Equip.	1211	12A	11
4943	Petro & Gas Marketing Equip. (12 YR)	1212	12A	12
4944	Petro & Gas Production Equip.	1214	12A	14
4945	Motion Picture & TV Production Equip.	1112	11A	12
4946	Satellite Dishes	1109	11A	09
4947	Cable TV Distribution Equip.	1110	11A	10
4948	Theater Equip.	0610	06A	10
4949	Barber & Beauty Shop Equip.	0110	01A	10
4950	Canneries/Frozen Food Mfg. Equip.	0912	09A	12
4951	Soft Drink Bottling Equip.	0912	09A	12
4952	Dairy/Meat Packing Equip.	0212	02A	12
4953	Candy Confecting Mfg. Equip.	0212	02A	12
4954	Sugar Products Mfg. Equip.	0218	02A	18
4955	Cereal Grain Products Mfg. Equip.	0217	02A	17
4956	Amusement Park Equip.	0112	01A	12
4957	Cement Mfg. Equip. (not concrete)	1020	10A	20
4958	Special Food Handling Devices	0204	02A	04
4959	Manufacturer/Lessor of Office Equip.	1300	03A	06
4960	Manufacturer/Lessor of Computer Equip.	1300	13A	04
4961	Fiberglass Petro Tanks	1215	12A	15
4962	Shopping Carts	0405	04A	05
4963	Telecommunications Towers	0120	01A	20
5000	Vending Machines			
5100	Amusement Devices	0110	01A	10
5200	Cold Drink Vending Machines	0110	01A	10
5300	Hot Drink Vending Machines	0110	01A	10
5400	Vending Machines	0110	01A	10
5500	Video Game Machines	0106	01A	06

2003

Class Codes
Assignment of Indexes for Personal Property

Class Type	Description	Trend 1	Trend 2	Depr
6000	Household Furniture			
6100	Appliances	0510	05A	10
6200	Apartment Furniture	0510	05A	10
6300	Hotel/Motel Furniture	0510	05A	10
6400	Laundry Equip.	0810	08A	10
6500	Restaurant Equip.	0610	06A	10
6600	Senior Citizen Home Furniture	0510	05A	10
6700	Apartment Drapes & Blinds	0510	05A	10
6800	Rental Furniture (5 YR Life)	0505	05A	05
7000	Affixed Property			
7100	Security System	0106	01A	06
7200	Banking Affixed Property	0610	06A	10
7300	Affixed Property	0110	01A	10
7400	Computer Room Improvements	0110	01A	10
7500	Power Wiring	0110	01A	10
7600	Signs	0110	01A	10
7700	Telephone Equip.	1300	13A	04
7901	Affixed Property	0110	01A	10
7902	Affixed Property	0110	01A	10
7903	Affixed Property	0110	01A	10
7904	Affixed Property	0110	01A	10
7905	Affixed Property	0110	01A	10
7906	Affixed Property	0110	01A	10
7907	Affixed Property	0110	01A	10
7908	Store Fixtures	0409	04A	09
7909	Billboards	0120	01A	20
7910	Draperies & Blinds	0110	01A	10
8000	All Other Property			
8200	All Other Property	0110	01A	10
8201	All Other with Minimum Value	1300	01A	100
8300	Film	1106	11A	06
8400	Libraries	0110	01A	10
8500	Linens	0510	05A	10
8600	Restaurant Utensils	0610	06A	10
8700	Works of Art	1300	01A	100
9500	Estimated Additions	1300	01A	100
9500	State Assessed	1300	13A	100

2003**Trend 1 Table
Personal Property Replacement Cost New Factors**

	1214	1215	1300
	DPT 12	DPT 12	DPT 13
	<u>14 YR</u>	<u>15 YR</u>	<u>100%</u>
2002	100	100	100
2001	102	102	"
2000	103	103	"
1999	105	105	"
1998	105	105	"
1997	107	107	"
1996	108	108	"
1995	111	111	"
1994	115	115	"
1993	117	117	"
1992	118	118	"
1991	119	119	"
1990	122	122	"
1989	125	125	"
1988	132	132	"
1987	135	137	"
1986	134	136	"
1985	132	134	"
1984	133	133	"
1983	134	135	"
1982	133	135	"
1981	140	141	"
1980	151	157	"
1979	"	168	"
1978	"	"	"
1977	"	"	"
1976	"	"	"
1975	"	"	"
1974	"	"	"
1973	"	"	"

2003

Trend 2 Table - Adjustment

June 30, 2002 Level of Value

<u>Trend 2</u>	<u>Reverse Index %</u>
1A	0.99
2A	0.99
3A	1.00
4A	0.99
5A	1.00
6A	1.00
7A	0.99
8A	0.99
9A	0.99
10A	0.99
11A	0.99
12A	0.99
13A	1.00

These percentages apply to all years of acquisition.

Percent Good Table - Average Economic Life

2003		Age																				
		3	3a	4	4a	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	
Acquisition Year	2002	68	52	77	63	82	86	88	90	92	93	94	95	95	96	96	97	97	97	98	98	
	2001	39	31	54	43	64	71	76	80	83	85	87	89	90	91	92	93	94	94	95	95	
	2000	17	18	34	26	47	56	63	69	74	77	80	83	85	86	88	89	90	91	92	93	
	1999	15	7	18	17	31	42	51	58	64	69	73	76	79	81	83	85	87	88	89	90	
	1998			15	7	19	30	39	48	55	61	65	69	73	76	79	81	83	85	86	87	
	1997					15	20	29	38	45	52	58	63	67	71	74	76	79	81	83	84	
	1996						15	21	30	38	44	51	56	61	65	68	72	74	77	79	81	
	1995							15	21	29	36	44	49	54	60	63	67	70	73	75	78	
	1994								15	22	29	36	42	48	53	58	62	65	69	72	74	
	1993									15	23	29	37	42	47	52	57	60	65	68	71	
	1992										15	24	29	36	42	48	52	55	60	64	67	
	1991											20	25	30	36	42	47	50	55	60	63	
	1990											15	21	26	32	36	41	45	51	56	59	
	1989												15	23	27	33	38	41	47	52	55	
	1988													17	21	27	33	38	43	47	51	
	1987														15	19	22	28	34	39	43	47
	1986															15	21	24	29	34	39	43
	1985																15	23	25	30	35	39
	1984																	19	21	26	31	35
	1983																	15	17	23	27	32
	1982																		16	19	24	29
	1981																		15	16	21	26
	1980																			15	18	23
	1979																				15	20
	1978																					18
	1977																					15

Source: Division of Property Taxation
Special Codes: 100 = 100%

2003

Condition Code Table

<u>Codes</u>	<u>Factors</u>	<u>Condition</u>
A	1.00	Average Condition
E	1.10	Excellent Condition
F	0.95	Fair Condition
G	1.05	Good Condition
H	0.50	50% Obsolescence
P	0.90	Poor Condition
R	0.75	25% Obsolescence
X	0.25	75% Obsolescence
1	1.071	Plus 7.1% Sales Tax
2	1.072	Plus 7.2% Sales Tax
3	1.073	Plus 7.3% Sales Tax
5	1.065	Plus 6.5% Sales Tax
6	1.066	Plus 6.6% Sales Tax
8	1.042	Plus 4.2% Sales Tax
9	1.043	Plus 4.3% Sales Tax