



**STATE OF WASHINGTON  
DEPARTMENT OF REVENUE**

January 18, 2001

**TO:** All County Assessors

**FROM:** David M. Saavedra, Personal Property Program Manager and  
Neal R. Cook, MAI, Personal Property Specialist  
Property Tax Division

**SUBJECT: 2001 PERSONAL PROPERTY VALUATION GUIDELINES**

Enclosed are the 2001 Personal Property Valuation Indicators and Index. These valuation indicators are published as a guide to assist counties in estimating 2001 assessed values for tangible personal property. The Department of Revenue (DOR) recommends that these guidelines be considered in the valuation process, believing their use will improve statewide standardization in the assessment of personal property.

To use these guidelines:

1. Refer to the alphabetical Index for the class of property.
2. For identified classes of property, the Index will refer you to the appropriate column of the Valuation Indicator table.
3. The multiplier appearing in the column corresponding with the acquisition year multiplied by the original cost provides an estimated value as of January 1, 2001. The original cost listed by the taxpayer should include freight and installation, trade-in value, and any other cost related to putting the equipment into service, excluding sales tax.

**Items Marked With Asterisks**

The Personal Property Valuation Indicators may not be applicable in all instances in achieving the statutory mandate of 100% true and fair value. These valuation indicators are published as a guide in estimating market value, but they do not include any consideration for abnormal or extraordinary obsolescence that may be relevant in specific circumstances or markets. When unique situations are identified, these factors should be considered separately and in addition to

the value indications of the tables. Based on information available to the Department of Revenue at the time these tables were published, property classes listed in the Index which may require special consideration due to abnormal or extraordinary circumstances have been noted with a **single asterisk (\*)**.

Some properties in the Index are shown with a **double asterisk (\*\*)**. It is our opinion that these properties, in their entirety, are best valued using the Industrial Valuation Schedules.

Other properties in the Index are shown with a **triple asterisk (\*\*\*)**. This indicates the existence of more complex issues, such as determining which components are personal property, real property, or machinery & equipment that should be valued by using the Industrial Valuation Schedules. The determinations made in using this schedule require the appraiser's or auditor's professional judgement, and is based on the use and expected economic life of the equipment. Physical inspection of this machinery & equipment is highly recommended.

Also, note that several changes have been made to the Index to Personal Property Valuation Indicators for 2001. These changes are based on internal DOR studies and are noted below:

- Personal computers, including desktop and laptop personal computers and all the connected hardware, are now indicated as a column "40" item. This change is recommended because separation of the CPU from all the other hardware proved to be unmanageable. Keep in mind that mainframe computers, disk array and other storage devices, and network servers remain as column "30" items (although the desktop computers involved in the network would be valued using column "40").
- Items formerly listed with the triple asterisks (\*\*\*) have been clarified to make it easier to determine when to use the Personal Property Valuation Indicators or the Industrial Valuation Schedules. Included business types or activities that have been clarified are:
  - Feed Mill M&E
  - Seed Cleaning M&E
  - Aircraft Manufacturing
  - Marine Construction Ships and Vessels Equipment
  - Fish Processing M&E
  - Machine Shop Equipment
  - Metal Fabrication & Extrusion Manufacturing
  - Metal Sheet Fabrication
  - Winery Equipment

A Supplemental Valuation Schedule A is also provided on the last page of the Index for video games, wine barrels, videotapes and laser disks, billboards and poster panels, title plants, and computer software.

### **How to Estimate Value When Provided With A Sale Price on Used Equipment**

The underlying assumption in the application of these tables is that the original cost (the cost to the present owner) is the same as the historical cost (cost when new to the first owner), but that is not always the case.

If the historical cost is unknown, it is possible to adjust the original cost to an estimate of historical cost new when used equipment/property is acquired. Historical cost can be estimated by multiplying the original cost by the trend of the year of acquisition and then dividing that amount by the percent good factor for the year built.

**For example:** Suppose a used golf cart is purchased by a golf course for \$1,000 in 1999.

- The Index indicates use of a column 20. If the cost new (historical) was \$3,500 in 1995, the value for 2001 would be 28% of \$3,500 or \$980. The minimum value to this first owner would never drop below \$700, 20% of \$3,500, while the property was in use.
- However, the new owner paid \$1,000 in 1999 and reported that sale or original cost for the 2001 assessment. The indicator for a 1999 original cost is 64.4% using column 20, or \$644 for the 2001 assessment year, and the value will eventually be reduced to \$200, 20% of \$1,000, unless the historical cost is used.
- If historical cost is not known, the original cost of \$1,000 should be multiplied by the 1999 trend of 100.6% to arrive at the 2001 trended cost of \$1,006. This is divided by the 1995 percent good factor of 28% to arrive at an estimated cost new, which can then be used for determining the assessed value for 2001 and subsequent years,  $\$1,006 \div 28\% = \$3,593$ .

It may also be appropriate to consider the original cost as the assessed value and not make an adjustment. When the property/equipment is acquired as used, the property/equipment and the value had been or would have been assessed to the former owner at the 20% minimum/residual value (8% for PCs). There is no need to depreciate the original cost reported by the current owner. The original cost is already a value that represents 20% of the historical cost. By keeping this in mind, you will avoid depreciating the property further when it is already fully depreciated to its minimum value in use.

**For example:** If a nine-year-old golf cart was purchased for \$700 and the historical cost was \$3,500, it wouldn't make sense to depreciate the golf cart down to \$140, 20% of \$700, over the succeeding years. The golf cart should be placed on the rolls at \$700 and left that way until it is no longer in service.

Original cost should not be the basis of any assessment when the original cost does not reflect the market value of the property, such as when a company places an allocation of a sale price that

includes other assets/property on their books and reports that as the original cost. This happens most frequently when an acquisition includes a company with multiple locations and often involves the purchase of tangible and intangible personal and real property. Ideally, the historical cost information from the prior owner is used to estimate the assessed value rather than the original cost reported by the new owner.

**What If I Have Questions?**

Any questions regarding the schedules or other personal property tax issues may be directed to:

<b>Name</b>	<b>Title</b>	<b>Phone Number</b>	<b>E-Mail Address</b>
Neal Cook	Personal Property Specialist	(360) 570-5881	<a href="mailto:NealC@dor.wa.gov">NealC@dor.wa.gov</a>
William Johnson	Personal Property Auditor/Appraiser 5	(360) 570-5882	<a href="mailto:Billj@dor.wa.gov">Billj@dor.wa.gov</a>
Pat McCabe	Personal Property Auditor/Appraiser 5	(509) 585-1519	<a href="mailto:PatMc@dor.wa.gov">PatMc@dor.wa.gov</a>
David Saavedra	Personal Property Program Manager	(360) 570-5861	<a href="mailto:DavidS@dor.wa.gov">DavidS@dor.wa.gov</a>

The Personal Property Valuation Indicators are posted on the Department's website at [www.dor.wa.gov](http://www.dor.wa.gov). The Indicators can be accessed by clicking, **Property Taxes** (located on the left-hand side of the page), then **Publications**, and then choose the **Personal Property Valuation Indicators** for 2001. The Indicators are available in PDF format.

DMS/NRC:slc  
Enclosures



# INDEX TO PERSONAL PROPERTY VALUATION INDICATORS

For January 1, 2001 Valuations

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## BUSINESS ACTIVITY OR TYPE OF BUSINESS

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	Column		Column
<b>Coin-Op Lockers</b>	16	- D -	
<b>Coin-Op Machines</b>	24		
<b>Computer Systems (Business)</b>		<b>Dairy Milking M&amp;E</b>	14
<i>Lotto Machines</i>	30	<b>Dairy Processing</b>	**
<i>Main Frame Computers, Disk Array and other Storage Devices, and Network servers</i>	30	<b>Data Processing Equipment</b>	30
Personal Computers (Including desktop and/or laptop computers and peripheral/connected hardware. E.g. Scanner, printer and multifunction digital printer/scanner/fax machine combo. Etc.)	40	<b>Dental</b>	
<i>Canned Software</i>	A	<i>Equipment</i>	14
<i>Custom Software</i>	A	<i>Furniture &amp; Fixtures</i>	14
<i>Production Systems Computers (with direct electronic link to longer lived equipment.)</i>	24	<i>Libraries</i>	12
<b>Computer Numeric Controlled (CNC) Milling Machines</b>	14	<i>X-Ray Equipment</i>	18
<b>Construction M&amp;E</b>		<b>Department Store F&amp;F</b>	16
<i>Cranes</i>		<b>Dies &amp; Molds</b>	18
<i>Bridge</i>	8	<i>Electronic Mfg.</i>	24
<i>Crawler</i>	10	<i>Patterns</i>	24
<i>Mobile Telescopic</i>	16	<b>Dispensing Machinery (Coin-Op)</b>	24
<i>General Construction</i>	16	<b>Distilling &amp; Brewing</b>	**
<i>Asphalt Plants</i>		<b>Doctors</b>	
<i>Portable</i>	18	<i>Equipment</i>	14
<i>Stationary</i>	12	<i>Furniture</i>	14
<i>Land Clearing</i>	16	<i>Libraries</i>	12
<i>Licensed Vehicles Not Subject to Vehicle Excise Tax</i>	16	<i>Diagnostic Equipment (CT, MRI, Ultrasound, etc.)</i>	24
<i>Marine Construction</i>		<i>X-Ray</i>	12
<i>Ships &amp; Vessels (production line)</i>	***	<b>Drug Store F&amp;F</b>	16
<i>Ships &amp; Vessels (portable equipment)</i>	12	<b>Dry Cleaning &amp; Laundry M&amp;E</b>	
<i>Pleasure Craft</i>	12	<i>Coin-Op</i>	24
<i>Boat Molds</i>	22	<i>Other Than Coin-Op</i>	14
<i>Road Construction (Heavy)</i>	22	<b>Dumpsters, Garbage</b>	16
<i>Rock Crushing</i>			
<i>Portable</i>	18	- E -	
<i>Stationary</i>	12	<b>Electrical Generating</b>	
<i>Sewer &amp; Utilities</i>	16	<i>Gas &amp; Diesel</i>	16
<i>Well Drilling</i>	16	<i>Steam</i>	**
<b>Container Mfg. M&amp;E</b>	**	<b>Electrical Mfg. M&amp;E</b>	12
<b>Coolers (walk-in)</b>	12	<b>Electronic Equip</b>	24
<b>Copy Machines (Purchased)</b>	28	<b>Electronic Mfg. Equip.</b>	24
<b>Costumes (Rental)</b>	24	<b>Espresso Carts</b>	24
<b>Cranes</b>		<b>Extrusion M&amp;E</b>	**
<i>Bridge</i>	8		
<i>Container</i>	*8	- F -	
<i>Crawler</i>	10	<b>Farm Equipment</b>	(See Agriculture)
<i>Mobile Telescopic</i>	16	<b>Fax Machines</b>	30
		<b>Feed Mill M&amp;E (production line)</b>	***
		<i>Feed Mill M&amp;E (portable)</i>	12
		<b>Fertilizer Applicators</b>	24
		<b>Fertilizer Mfg.</b>	**
		<b>Fiberglass Molds (other than boats)</b>	22
		<b>Fish Processing M&amp;E (production line)</b>	***

# INDEX TO PERSONAL PROPERTY VALUATION INDICATORS

For January 1, 2001 Valuations

## BUSINESS ACTIVITY OR TYPE OF BUSINESS

	Column		Column
<b>Fish Processing M&amp;E (portable)</b>	12	- J -	
Fitness Equipment			
<i>Manual</i>	16	<b>Janitorial Service Equipment</b>	20
<i>Electronic</i>	24	<b>Jewelry Store F F and Equip.</b>	16
<b>Flour, Cereal &amp; Grain Milling</b>	**		
<b>Food Processing</b>	**	- K -	
<b>Forklifts</b>		<b>Key Duplication</b>	16
<i>Inside</i>	14		
<i>Outside</i>	16	- L -	
<b>Foundry</b>	**		
<b>Fraternal Lodges</b>	14	<b>Laboratories</b>	
- G -		<i>Diagnostic</i>	24
		<i>Equipment (Nonelectric)</i>	18
<b>Garage M&amp;E</b>	18	<i>Equipment (Electronic &amp; Computerized)</i>	24
<b>Garbage Dumpsters</b>	16	<b>Landscaping M&amp;E</b>	16
<b>General Contractor M&amp;E</b>	16	<b>Laundry &amp; Dry Cleaning</b>	
<b>Golf Courses</b>		<i>Coin-Op</i>	24
<i>Carts</i>	20	<i>Other Than Coin-Op</i>	14
<i>Equipment</i>	18	<b>Law Libraries</b>	12
<i>Tractors</i>	12	<b>Leather Products Mfg. M&amp;E</b>	8
<b>Greenhouse &amp; Nursery M&amp;E</b>	16	<b>Libraries (Professional)</b>	12
<b>Grocery Stores</b>		<b>Lift Trucks</b>	(See Forklift)
<i>Cash Registers &amp; Scanners</i>	24	<b>Lotto Machines</b>	30
<i>Fixtures &amp; Equipment</i>	16	<b>Lumber &amp; Wood Products</b>	
<i>Meat Packing</i>	12	<i>Logging M&amp;E</i>	18
<i>POS (Point of Sale Computer Systems)</i>	30	<i>Log Stackers</i>	18
<i>Walk-in Coolers</i>	12	<i>Pulp, Paper &amp; Paperboard</i>	**
- H -		<i>Plywood &amp; Veneer</i>	**
		<i>Scarifying M&amp;E</i>	18
<b>Hardware Store F&amp;F</b>	16	<i>Sawmills</i>	
<b>Hatchery M&amp;E</b>	16	<i>Portable</i>	14
<b>Health Spa Equip.</b>		<i>Stationary</i>	**
<i>Manual</i>	16	- M -	
<i>Electronic</i>	24	<b>Machine Shop M&amp;E (production)</b>	***
<b>Hospitals</b>		<b>Machine Shop M&amp;E (not part of production line, such as lathes)</b>	12
<i>Equipment</i>	16	<b>Mailing Machines</b>	20
<i>Diagnostic Equipment(CT, MRI, Ultrasound, etc)</i>	24	<b>Meat Packing M&amp;E</b>	12
<i>Laboratory Equip. (Nonelectric)</i>	18	<b>Meat Processing (Complex)</b>	**
<i>Laboratory Equip. (Electronic &amp; Computerized)</i>	24	<b>Medical Equipment</b>	14
<i>Mattresses</i>	30	<b>Metal Fabrication &amp; Extrusion Mfg.</b>	***
<i>X-Ray</i>	12	<b>Metal Sheet Fabrication (production line)</b>	***
- I -		<b>Metal Sheet Fabrication (not part of production line)</b>	12
		<b>Milling Machines - Computer</b>	
<b>Ice Cream Cabinets</b>	16	<b>Numeric Controlled (CNC)</b>	14
<b>Ice &amp; Refrigeration Machinery</b>	**	<b>Mining &amp; Milling</b>	**
<b>Iron &amp; Steel Industry</b>	**	<b>Mobile Yard Equipment</b>	16

# INDEX TO PERSONAL PROPERTY VALUATION INDICATORS

For January 1, 2001 Valuations

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## BUSINESS ACTIVITY OR TYPE OF BUSINESS

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	Column		Column
<b>Mortuary Service Equip.</b>	14	<b>Plumbing Shop Equipment</b>	16
<b>Motels</b>		<b>Plywood &amp; Veneer Mfg.</b>	**
<i>Furniture &amp; Equipment</i>	19	<b>Pool Hall Equipment</b>	14
<i>Office</i>	(See Office)	<b>Power &amp; Generation M&amp;E</b>	
<i>Restaurant &amp; Bar Equipment</i>	19	<i>Gas &amp; Diesel</i>	16
<i>Telephone Systems</i>	30	<i>Steam</i>	**
<i>TV's</i>	24	<b>Printing &amp; Publishing Equipment</b>	(See Newspaper)
<i>VCR's</i>	28	<b>Professional Equipment</b>	
<b>Music Instruments -- Rental</b>	22	<i>Scientific, Doctors, Dentists, Etc.</i>	14
<b>Music Studio Recording Equip.</b>	24	<i>Libraries</i>	12
<b>Music Systems (Background)</b>	24	<b>Propane Tanks</b>	16
		<b>Pulp &amp; Paper Mfg.</b>	**
<b>- N -</b>		<b>- R -</b>	
<b>Neon Signs</b>	19	<b>Radio &amp; Television</b>	
<b>Newspaper M&amp;E</b>		<i>Broadcasting Equipment</i>	19
<i>Press</i>	12	<i>C.A.T.V. (Cable System)</i>	(See C.A.T.V. Equipment)
<i>Photographic</i>	16	<i>Service &amp; Repair Equip.</i>	19
<i>Computer (Production)</i>	24	<i>Towers</i>	12
<i>Other M&amp;E</i>	14	<b>Radio-Telephone Equipment 2-Way</b>	24
<b>Nursing Homes</b>		<b>Railroad Rolling Stock-Private(Except Logging Cars)</b>	12
<i>Furniture &amp; Fixtures</i>	16	<b>Rental Equipment</b>	
<i>Mattresses</i>	30	<i>Costumes</i>	24
		<i>Public U-Rent (Excluding Heavy Equipment)</i>	22
<b>- O -</b>		<i>Heavy Equipment</i>	(Value by type)
<b>Office Equipment</b>		<i>Telephones (Residential)</i>	30
<i>Antiques</i>	(Value at Cost)	<i>Tuxedos</i>	30
<i>Copy Machines (Purchased)</i>	28	<b>Research &amp; Development M&amp;E</b>	*20
<i>Electric &amp; Electronic Machines</i>	24	<b>Restaurants, Soda Fountains &amp; Drive-Ins</b>	19
<i>Furniture &amp; Fixtures</i>	14	<i>Walk-in Coolers</i>	12
<i>Mailing Machines</i>	20	<b>Retail Stores</b>	
<i>Safes</i>	10	<i>Fixtures</i>	16
<i>Sound Systems (Background)</i>	24	<i>Office F &amp; F</i>	(See Office Equip.)
<b>Oxygen &amp; Acetylene Tanks</b>	10	<i>POS Computer Systems</i>	30
		<i>Public Address Systems</i>	20
<b>- P -</b>		<i>Sound Systems (Background)</i>	24
<b>P.A. Systems</b>	20	<b>Rock Crushers</b>	(See Construction)
<b>Packing &amp; Sorting M&amp;E (Fruit, Vegetable, Etc.)</b>	**	<b>- S -</b>	
<b>Paint &amp; Varnish Mfg. M&amp;E</b>	12	<b>Sawmills</b>	(See Lumber)
<b>Pallets, Crates, Lugs, Bins, Etc.</b>	18	<b>Scaffolding (Rental)</b>	22
<b>Petroleum Products</b>		<b>Search Lights</b>	17
<i>Bulk Station Equipment</i>	14	<b>Service Stations</b>	
<i>Refining</i>	**	<i>Dispensers (Gas)</i>	20
<i>Service Station Equipment</i>	(See Service Stations)	<i>Equipment</i>	18
<b>Photography Equipment</b>	16	<i>Store F &amp; F</i>	16
<b>Plastic Extrusion M&amp;E</b>	**	<b>Sewing Equipment</b>	12
		<b>Sewer Construction Equipment</b>	16

# INDEX TO PERSONAL PROPERTY VALUATION INDICATORS

For January 1, 2001 Valuations

## BUSINESS ACTIVITY OR TYPE OF BUSINESS

	Column		Column
Sheet Metal Fabrication (production line)	***	Theater	
Sheet Metal Fabrication (not part of production line)	12	Projection Equipment	16
Shipbuilding	(See Construction)	F&F	17
Shoes & Leather Products Mfg. M&E	8	Tire Recapping	14
Shipyards	(See Construction)	Title Plants	A
Signs		Tuxedo Rentals	30
Bulletin Boards	14	Toilets, Portable	14
Billboards	A		
Electronic	15	- U -	
Neon	19	Unlicensed Vehicles (Not Subject to Vehicle	
Plastic Illuminated	19	Excise Tax)	16
Poster Panels	A	Upholstery Equipment	16
Ski Areas			
Snow Cats & Packers	24	- V -	
Tows & Lifts	**	VCR's	28
Ski Mfg. Equipment	12	Vending Machines	24
Small Tools - Perishable	24	Video Games	A
Smelting	**	Video Tapes	A
Soft Drink Mfg. M&E (Batch)	14	Video Cameras/Camcorder	24
Sound Systems (Background)	24		
Super Markets		- W -	
Cash Registers & Scanners	24	Warehouse Equipment (Including Lifts)	14
Fixtures & Equipment	16	Pallets, Crates, Lugs, Bins, etc.	18
Meat Packing	12	Water Softeners	14
POS Computer Systems	30	Water Systems	12
Public Address Systems	20	Welding Shop Equip.	12
Walk-in Coolers	12	Well Drilling	16
Surveying Equipment	14	Winery Equipment (production line, incl. Tanks &	
		bottling line)	***
- T -		Winery Equipment (portable, such as pumps)	14
Tanning Salon Equip.	16	Aging Barrels	A
Tavern & Bar Equipment	19	Innerstaves	A
Antique Back Bars	(Value at Cost)	Wholesale Store	14
Television & Radio	(See Radio)	Woodworking Shops M&E	12
Telephones			
Cellular	30	- X -	
Pagers	24	X-Ray Equip. (Other Than Dental)	*12
Rentals (Commercial & Residential)	30		
Systems (Customer Owned)	30		
Textile Tent & Awning Mfg. M&E	8		

\* -- May Require Special Consideration Due to Functional or Economic Conditions

\*\* -- Use Industrial Valuation Schedule on Entire Plant

\*\*\* -- Major Items of Equipment - Use 7.5% M&E Average Industrial Valuation Schedule. The determination to use this schedule requires appraisal judgement from an Appraiser or Auditor, based on the use and Expected Economic Life of the equipment/property. Inspection of M&E is highly recommended when using the Industrial Valuation Schedule.

A -- Use Supplemental Schedule

**SUPPLEMENTAL VALUATION SCHEDULE**

Revised 4/17/2001

<b>VIDEO GAMES</b> (Apply the following percent good to the untrended historical cost)		
Year 1	Year 2	Year 3
60%	37%	20%

<b>VIDEO TAPES &amp; LASER DISKS</b>
Value at \$9 per tape

<b>WOODEN (Oak) WINE BARRELS AND INNERSTAVES</b> (Reference BTA Docket 54989, 2/1/2001) (Apply the following percent good to the untrended historical cost)					
	Year 1	Year 2	Year 3	Year 4	Year 5 or more
Barrels (purchased for Storage)	55%	25%	15%	8%	5%
Barrels (purchased for flavoring)	Exempt	Exempt	Exempt	Exempt	Exempt
Innerstaves (purchased for flavoring)	Exempt	Exempt	Exempt	Exempt	Exempt

<b>BILLBOARDS &amp; POSTER PANELS</b>	
Type of Sign	Current Replacement Cost Per Lineal Foot
Unlighted	\$130
Externally Lighted	\$163
Internally Lighted	\$312
Above replacement costs include one support structure and one face. Multiple faced signs should be adjusted to eliminate a support structure for each additional face as follows:	
Type of Sign	Deduction From Replacement Cost
Lighted / Unlighted 12 x 25'	\$1,039
Lighted / Unlighted 14 x 48'	\$2,619
Lighted / Unlighted 20 x 60'	\$4,053
Signs smaller than 12 x 25' use 40% of above deduction.	
DEPRECIATION -- 4% straight line per year based on effective age to 20% of replacement cost.	

<b>TITLE PLANTS</b> (Reference PTB 72-14)	
\$2.50 per parcel (as defined)	\$0.15 per recording (as defined)

<b>COMPUTER SOFTWARE</b>
The 1991 Legislature defined computer software and established valuation methods. Custom Software is exempt. For the 2001 assessment year, canned software shall be assessed as illustrated in the following example:
<ul style="list-style-type: none"> <li>• Canned software acquired in 2000 shall be valued at 100% of its full acquisition cost.</li> <li>• Canned software acquired in 1999 shall be listed at 100% and valued at 50% of its full acquisition cost.</li> <li>• All software, canned or custom, purchased prior to 1999 is exempt.</li> <li>• Embedded software is taxable and shall be valued as an integral part of the computer system, machinery or equipment in which it is housed, at the established life of the equipment.</li> </ul>

