

CITY OF LEXINGTON
Commissioner of Revenue

P.O. Box 920
300 East Washington Street
Lexington, Virginia 24450
[540] 462-3755; fax [540] 463-4738

PERSONAL PROPERTY TAX RETURN

WHAT IS THE PERSONAL PROPERTY TAX RELIEF ACT 1998?

The Personal Property Tax Relief Act of 1998 prescribes a five-year plan for phasing out the personal property tax on personal use vehicles valued at \$20,000 and under. Qualification for personal property tax relief occurs on the tax day which is defined as January 1 of the tax year or the day the vehicle is purchased or first enters the City of Lexington during the tax year.

Qualifying vehicles are:

- automobiles, motorcycles, and pickup or panel trucks having a registered gross weight of less than 7,501 pounds (motor homes, trailers and farm use vehicles do not qualify for tax relief);
- owned or leased by an individual who is responsible for the payment of the personal property tax;

AND

- used 50% or less for business purposes.

Non-qualifying vehicles are:

- any other vehicle not listed above and trucks with gross weight greater than 7500 pounds; or
- owned or leased in the name of a business; or
- used in a business, and answer YES to ANY of the following questions:
 - Is more than 50% of the mileage for the year used as a business expense for Federal Income Tax purposes **OR** reimbursed by an employer?
 - Is more than 50% of the depreciation associated with the vehicle deducted as a business expense for Federal Income Tax purposes?
 - Is the cost of the vehicle expensed pursuant to Section 179 of the Internal Revenue Service Code (which by definition requires 50% or greater business use)?
 - Is the vehicle leased by an individual and the leasing company pays the tax without reimbursement from the individual?

YEAR - MAKE AND MODEL:

VEHICLE LICENSE:

PERSONAL PROPERTY TAX RELIEF DECLARATION

Check the statement that applies to this vehicle and sign your name where indicated.

If you do not check the appropriate box and sign this form, you may not be eligible for the tax relief.

- DOES NOT QUALIFY FOR TAX RELIEF - Used more than 50% for business use and tax return deduction is greater than 50%**
- DOES QUALIFY - Primarily personal/non-business use**

I certify that the above information is correct.

Signature

Date

Return completed form by February 1 to:

Commissioner of Revenue
P.O. Box 922
300 East Washington Street
Lexington, Virginia 24450