



## North Carolina Department of Revenue

Roy Cooper  
Governor

Ronald G. Penny  
Secretary

December 14, 2017

### **MEMORANDUM**

To: Users of the Cost Index and Depreciation Schedules

From: Tony Simpson  
Director, Local Government Division

Re: 2018 Cost Index and Depreciation Schedules

Attached you will find the 2018 Cost Index and Depreciation Schedules. The document is also located online at <https://www.ncdor.gov/documents/2018-cost-index-and-depreciation-schedules>.

We recommend the use of these schedules in the valuation of business personal property and certain taxable personal property listed as of January 1, 2018.

There were a few minor changes this year, other than the usual percent good factor adjustments. These changes are for appraisals as of January 1, 2018 and forward, and are not retroactive. The changes have been marked with an asterisk in the Cost Index and are as follows:

- 1) On Index page 1, under the category *Amusement and Recreation Equipment*, rental video tapes, DVD's and games were added with a B-3 recommended schedule. This replaces the previously recommended process of valuing these assets on a per item basis.
- 2) On Index page 2, under the category *Billboards*, we have updated the link to reflect our new website address for the Billboard Structures Valuation Guide.
- 3) On Index page 7, under the category *Farm and Ranch Machinery and Equipment*, we have added Poultry and Swine House Equipment with an A-8 recommended schedule. This does not represent a change in prior guidance. The category was added for ease of use.
- 4) On Index page 13, the category *Restaurant, Bar and Soda Fountain Equipment* was added. This category was previously titled *Bar, Restaurant and Soda Fountain Equipment*. No changes were made to the schedules. It changed in name only for ease of use.

- 5) On Index page 13, under the category *Restaurant, Bar and Soda Fountain Equipment*, we updated the description to include equipment on food trucks.
- 6) On Index page 15, under the category *Vending Equipment*, ATM Machine was removed from the *Miscellaneous* subheading. The asset description was replaced by the new subheading *Used Electronics Vending Machines*. These vending machines pay out cash for recycling electronic items such as cell phones, MP3 players and tablets. Automated teller machines should continue to be valued using the recommended H-5 schedule.
- 7) In addition to the specific changes above, we have simplified descriptions and updated formatting throughout the Cost Index. These changes are aesthetic and intended for ease of use. They did not result in any changes to schedules, unless otherwise noted.

Following are a few reminders:

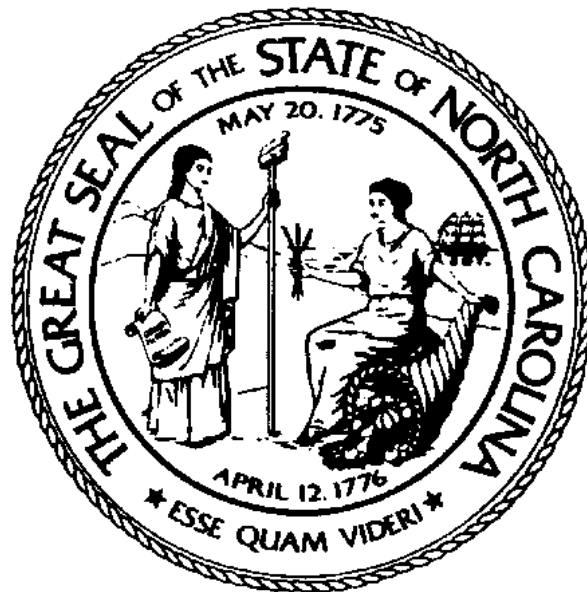
- 1) Schedule N shows a straight-line schedule that depreciates down to zero, for illustrative purposes. However, you should always use a 25% residual when applying Schedule N unless you have analyzed a particular situation and decided to do otherwise.
- 2) The special A-8 and A-10 textile schedules for the category *Textile Mill Products*, referenced on Attachment 1 in the 2016 and 2017 Cost Index Memorandums, have been phased out. Counties may continue to apply a 5% residual to equipment acquired in 2009 and earlier if they have deemed it appropriate.

In 2005, the North Carolina Court of Appeals affirmed the North Carolina Property Tax Commission's decision in the matter of the appeal of Westmoreland—LG&E Partners from the decision of the Halifax County Board of Commissioners for the tax years 1996-2001. In its decision, the North Carolina Court of Appeals opinion quoted excerpts from the Property Tax Commission's decision. The opinion quotes, "The Tax Administrator properly applied the Cost Index and Depreciation Schedules developed by the North Carolina Department of Revenue..." The Court also writes, "It is well-settled in this State that ad valorem tax assessments are presumed correct." This and other previous cases have solidified our opinion that, when used properly, the Cost Index and Depreciation Schedules are well accepted by the Courts.

These schedules have been prepared by this office as a general guide to be used in the valuation of business personal property, utilizing the replacement cost approach to value. It is important to remember that the schedules are only a guide. There may be situations where the appraiser will need to make adjustments for additional, or less, functional or economic obsolescence; or for other factors.

We feel that the proper use of the schedules will aid in the overall uniformity and equity of property tax assessment practices, as required by North Carolina statutes. If you have any questions about these schedules, please contact the Personal Property Division at (919) 814-1129.

2018  
Cost Index &  
Depreciation Schedules



North Carolina Department of Revenue  
Local Government Division  
Property Tax Section



Following this introduction is the 2018 Cost Index and Depreciation Schedules for use in valuation of business personal property located in North Carolina. One of the most effective and efficient methods for determining current Replacement Cost New Less Depreciation is the use of these valuation tables. These tables are published by the Property Tax Section solely to assist the business personal property appraiser in determining current market value.

All life years used on the different types of property have been carefully researched with federal tax guides, other state government depreciation schedules, as well as information provided to us by the taxpayers themselves. The trend factors are determined using the percentage price increase or decrease over the past year of similar business markets. These percentages come from the latest edition of Producer Price Indexes, as determined by the U.S. Department of Labor, Bureau of Labor Statistics.

In using these trending schedules, you will be utilizing the cost approach to value. In using the cost approach, the appraiser must determine four critical elements:

1. The original (historical) installed cost
2. The current replacement cost new (RCN)
3. The useful economic life of the property
4. The loss in value (Depreciation)

When applying the schedules, always use original (historical) cost which includes all costs involved with bringing the property into operation. As an example, consider the following:

On their 2018 business listing, a manufacturer of machinery listed \$10,000 in machinery and equipment, acquired in 2011. This amount correctly included \$8,000 actual equipment, \$1,500 installation, and \$500 freight and taxes. Using schedule A, with a suggested useful life of 10 years, we note that the appraised market value as of January 1, 2018 would be:

$$\$10,000 \times .33 = \$3,300$$

In examining what we have done, the trending factor of 1.11 brings the value of the equipment up to current replacement cost new, which would be:

$$\$10,000 \times 1.11 = \$11,100$$

Then we depreciate RCN assuming the property is seven years old with a suggested ten-year life and therefore has three years remaining in its useful economic life:

$$\$11,100 \times .30 = \$3,330, \text{ rounded to the nearest 100 is the same answer as above.}$$

The valuation tables show percent good factors (.33) which are simply the products of the trending factors (1.11) and the straight-line depreciation factors (.30). These percent good factors are used to find current replacement cost new less depreciation. It is **very important** to remember that in using the trending schedules, you do not apply the trend factor a second time as it has already been used in the calculation of the percent good factor.



| <u>MAJOR CATEGORY</u>   | <u>Page</u> | <u>Schedule</u> | <u>Life</u> |
|---|-------------|-----------------|-------------|
| <u>AEROSPACE INDUSTRY</u> .....   | 18          | B               | 8           |
| Primarily engaged in the manufacture of aircraft,<br>spacecraft, rockets, missiles and component parts. |             |                 |             |
| <u>AIR CONDITIONING EQUIPMENT</u>   |             |                 |             |
| Heat Pumps - All Sizes.....   | 18          | B               | 7           |
| Large - 20 Tons and Over .....  | 18          | B               | 20          |
| Medium and Small - Under 20 Tons.....   | 18          | B               | 10          |
| <u>AIRPORT GROUND EQUIPMENT</u> .....   | 18          | B               | 10          |
| Unlicensed Vehicles.....  | 18          | B               | 10          |
| <u>AMUSEMENT AND RECREATION EQUIPMENT</u>   |             |                 |             |
| A. Entertainment and Sports Venues  |             |                 |             |
| Amusement Rides.....  | 18          | B               | 5           |
| Billiards and Pool.....   | 18          | B               | 10          |
| Boats.....  | 18          | B               | 5           |
| Bowling Alleys & Lottery Ticket Sales Equipment .....   | 18          | B               | 8           |
| Coin Operated Electronic Games (Video Games) .....  | 18          | B               | 3           |
| Dance Studio.....   | 18          | B               | 10          |
| Gymnasium (Health Clubs).....   | 18          | B               | 10          |
| Museum .....  | 18          | B               | 10          |
| Race Track .....  | 18          | B               | 10          |
| * Rental Video Tapes, DVD's and Games.....  | 18          | B               | 3           |
| Video Rental Tape Player.....   | 18          | B               | 3           |
| <br>B. Golf Carts .....   | <br>18      | <br>B           | <br>5       |
| <br>C. Miniature Golf Courses .....   | <br>18      | <br>B           | <br>10      |
| <br>D. Average All (Variety) .....  | <br>18      | <br>B           | <br>7       |
| <u>APARTMENT AND ROOMING HOUSE (FF&amp;E)</u> .....   | 20          | G               | 8           |
| <u>APPAREL AND OTHER FINISHED PRODUCTS</u>  |             |                 |             |
| <u>MANUFACTURED FROM FABRICS, FABRICATED</u>  |             |                 |             |
| <u>TEXTILE PRODUCTS AND SIMILAR MATERIALS</u>   |             |                 |             |
| Fabrics - Knitwear and Fur .....  | 17          | A               | 9           |
| Leather Apparel.....  | 17          | A               | 11          |
| Miscellaneous Textile Products - Draperies and Canvas .....   | 17          | A               | 9           |
| Rubber Apparel.....   | 17          | A               | 14          |

\* Indicates a change from last year.



**MAJOR CATEGORY**

**Page Schedule Life**

**ASPHALT ROOFING MATERIALS**  
**(EQUIPMENT USED TO MANUFACTURE)**

*See Petroleum Products Manufacturing Equipment.*

**AUTOMOBILE REPAIR AND SERVICE EQUIPMENT**

|  |    |   |    |
|--|----|---|----|
| Car Wash (Automatic or Coin Operated) .....      | 22 | J | 5  |
| Portable Service Station Equipment .....         | 22 | J | 10 |
| Recapping, Retreading and Rebuilding Tires ..... | 22 | J | 8  |
| Service Stations, Garages and Body Shops .....   | 22 | J | 10 |
| Service Station Leak Detection Equipment .....   | 22 | J | 8  |
| Service Station Test Equipment .....             | 22 | J | 8  |

**BAKERIES - RETAIL (BAKING AND SELLING)** ..... 17      A      10

**BANKS & SAVINGS AND LOAN EQUIPMENT**

|   |    |   |    |
|---|----|---|----|
| Automated Teller Machines (ATM) .....       | 21 | H | 5  |
| Check Scanners .....                        | 21 | H | 10 |
| Closed Circuit TV - Pneumatic .....         | 21 | H | 4  |
| Currency Lockers .....                      | 21 | H | 20 |
| Currency Processing Solution Safe .....     | 21 | H | 20 |
| Drive in Windows and Night Depository ..... | 21 | H | 10 |
| Inner Gates .....                           | 23 | M | 50 |
| Portable Vaults, Vault Doors .....          | 23 | M | 50 |
| Safe Deposit Box .....                      | 21 | H | 20 |
| Teller Lockers .....                        | 21 | H | 20 |
| Teller Service Areas and Systems .....      | 21 | H | 10 |
| Vent Fans and Additions .....               | 23 | M | 50 |
| Visual Pneumatic .....                      | 21 | H | 10 |

**BARBER SHOP EQUIPMENT** ..... 18      B      10

**BEAUTY SHOP EQUIPMENT** ..... 18      B      8

Includes tanning, massage, manicure, pedicure, and other related salon equipment.

\* **BILLBOARDS** - See the *Billboard Structures Valuation Guide* online at:  
<https://www.ncdor.gov/reports-and-statistics/billboard-structures-valuation-guide>

**BOAT BUILDING**

|  |    |   |    |
|--|----|---|----|
| Boat Construction, Repair and Conversion ..... | 18 | B | 12 |
| Fiberglass Boat Molds .....                    | 18 | B | 3  |

\* Indicates a change from last year.



| <u>MAJOR CATEGORY</u>  | <u>Page</u> | <u>Schedule</u> | <u>Life</u> |
|--|-------------|-----------------|-------------|
| <u>BOAT DOCKS</u> (Where Classified as Personalty)   |             |                 |             |
| Steel or Other Metal Construction.....   | 18          | B               | 20          |
| Wood and Foam.....   | 18          | B               | 5           |
| <u>BOTTLING PLANT EQUIPMENT</u> .....  | 17          | A               | 12          |
| Manufacture, bottling or canning of soft drinks, fresh fruit drinks, mineral and distilled waters, carbonated beverages.   |             |                 |             |
| <u>BROADCASTING - RADIO AND TV EQUIPMENT</u>   |             |                 |             |
| Analog Television Broadcasting Equipment.....  | 18          | B               | 5           |
| Studio Broadcasting Equipment .....  | 18          | B               | 6           |
| Transmitting Towers.....   | 18          | B               | 25          |
| <u>CABLE MANUFACTURING</u> .....   | 21          | I               | 10          |
| Manufacture of fiber optic, coaxial, and data cable.<br>Includes coaxial, composite, and twisted copper cable.   |             |                 |             |
| <u>CABLE AND SATELLITE COMPANY EQUIPMENT</u>   |             |                 |             |
| Distribution Systems - Cable (Coaxial and Fiber Optic).....  | 18          | B               | 10          |
| Distribution Systems - Electronics (Node Electronics,<br>Amplifiers, Couplers, Splitters) .....  | 28          | U               | 5           |
| Head-end Equipment, Hub Equipment.....   | 28          | U               | 5           |
| Subscriber Connections (Set-top Boxes, Modems, External<br>House Drops).....   | 28          | U               | 5           |
| Towers, Antennas, Dishes.....  | 18          | B               | 25          |
| <u>CELLULAR EQUIPMENT</u>  |             |                 |             |
| A. Analog .....  | 18          | B               | 3           |
| Includes antenna cell site and cell equipment.   |             |                 |             |
| B. Digital.....  | 28          | U               | 6           |
| Includes antenna cell site, cell equipment, microwave digital, tools and testing equipment, telephones, pagers, and antennas. (Includes 2G and 3G equipment in jurisdictions where the carrier <b>HAS NOT</b> deployed 4G or newer generation equipment in that jurisdiction.) |             |                 |             |
| C. Digital: Certain Obsolete Equipment.....  | 18          | B               | 3           |
| Includes obsolete, yet functioning, 2G and 3G equipment if the carrier <b>HAS</b> deployed 4G or newer generation equipment in that jurisdiction.  |             |                 |             |

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\* Indicates a change from last year.



| <u>MAJOR CATEGORY</u>  | <u>Page</u> | <u>Schedule</u> | <u>Life</u> |
|--|-------------|-----------------|-------------|
| D. Power Supply, PBX (Internal Phone System), Cabinets,<br>Microwave Antennas .....  | 18          | B               | 10          |
| E. Towers, Concrete Structures Housing Cell Equipment....  | 18          | B               | 25          |
| <br><u>CEMENT MANUFACTURING AND CONCRETE PRODUCTS</u>  |             |                 |             |
| Cement Manufacturing Plants .....  | 17          | A               | 20          |
| Concrete Products Manufacturing (Blocks, Pipe, etc.) .....   | 17          | A               | 12          |
| Mixers (Truck Mounted).....  | 17          | A               | 6           |
| Portable Ready Mix Plants.....   | 17          | A               | 8           |
| Ready Mix Concrete Plants .....  | 17          | A               | 15          |
| <br><u>CHEMICAL AND ALLIED PRODUCTS</u> .....  |             |                 |             |
| Establishments producing basic chemicals and<br>establishments manufacturing products by predominantly<br>chemical processes such as industrial gasses, drugs,<br>pharmaceutical, detergents, perfumes, cosmetics,<br>varnishes, cleaning preparations, paints, lacquers,<br>enamels, etc. | 17          | A               | 10          |
| Manufacture of Compressed Gasses.....  | 17          | A               | 8           |
| <br><u>COMMUNICATION - TELEPHONE AND INTERCOM<br/>SYSTEMS- PAY PHONES</u> .....  |             |                 |             |
|  | 18          | B               | 10          |
| <br><u>COMPUTER MANUFACTURING</u> .....  |             |                 |             |
| Includes manufacturers engaged in the assembly of<br>computers.  | 21          | I               | 8           |
| <br><u>CONTRACTOR'S EQUIPMENT</u>  |             |                 |             |
| Barricades and Warning Devices.....  | 17          | A               | 3           |
| Cranes to 50 Tons, Shovels to 8 Cubic Yards .....  | 17          | A               | 10          |
| Cranes, Shovels, and Drag Lines .....  | 18          | B               | 25          |
| General Construction - Highway, Dams, etc.....   | 17          | A               | 8           |
| Portable Asphalt Batch Plants.....   | 17          | A               | 6           |
| Special Trade Contractors: Electrical Heating, Plumbing,<br>Painting, Framing & Carpentry.....   | 17          | A               | 10          |
| Stationary Asphalt Batch Plants.....   | 17          | A               | 14          |

\* Indicates a change from last year.





**MAJOR CATEGORY**

**Page Schedule Life**

**COPYING AND DUPLICATING EQUIPMENT**

|   |    |   |   |
|---|----|---|---|
| Schedule L.....   | 22 | L | 5 |
| Use this schedule for non-manufacturer-lessor and private owners as historical cost will be reported. |    |   |   |
| Schedule N .....  | 24 | N | 5 |
| Use this schedule for manufacturer/lessor as current retail selling price will be reported.           |    |   |   |

Note: Multi-function devices are a certain type of copying and duplicating equipment that have replaced computer printers. They have the ability to function as network computer printer, copier, and fax machine. They should be appraised using the *Data Processing Equipment* schedules, not the N5 or L5 schedules.

|   |    |   |    |
|---|----|---|----|
| <b><u>COTTON GINS AND COMPRESSES</u></b> .....  | 17 | A | 12 |
| Cotton gin machinery for removing seeds from raw cotton.<br>Cotton compresses are machines used to bale cotton after ginning. |    |   |    |

|  |    |   |   |
|--|----|---|---|
| <b><u>DATA PROCESSING EQUIPMENT</u></b> .....  | 28 | U | 5 |
| This category is for non-production computers. It includes personal computers, taxable software, midrange and mainframe computers, and their peripherals used for data processing. Includes standard IBM compatible personal computers used in manufacturing and point of sale (POS) systems, but not proprietary POS units, such as computers built specifically to be used as POS computers or other proprietary computerized systems. For POS proprietary systems and electronic cash registers, see <i>Store Equipment</i> . |    |   |   |

This category does not include computers embedded in machinery, nor does it include equipment or computers specifically designed for use in any other application directly related to manufacturing or retail. It does not include equipment that is an integral part of other capital equipment that is included in other classes of economic activity, such as computers used primarily for process or production control, switching, channeling, and automating distributive trades and services, such as proprietary POS computer systems.

This category does not include equipment of a kind used primarily for the amusement or entertainment of the user.

Note: Accelerated depreciation is used on data processing equipment. The residual is 5%.

**DRILLING EQUIPMENT (GAS, PETROLEUM & WATER)**

|   |    |   |   |
|---|----|---|---|
| Exploration and Drilling Equipment.....                                       | 17 | A | 6 |
| Includes water activated well drilling equipment that is mounted on vehicles. |    |   |   |

\* Indicates a change from last year.



| <u>MAJOR CATEGORY</u>   | <u>Page</u> | <u>Schedule</u> | <u>Life</u> |
|---|-------------|-----------------|-------------|
| <u>DRY CLEANING AND LAUNDRY EQUIPMENT</u>   |             |                 |             |
| Coin Operated .....   | 18          | B               | 6           |
| Commercial .....  | 18          | B               | 10          |
| Leased and Rented Linens and Uniforms (Not trended) .....   | 24          | N               | 2           |
| <u>ELECTRIC ENERGY GENERATION EQUIPMENT</u>   |             |                 |             |
| A. Biomass-Renewable Organic Matter Electricity<br>Generating Equipment .....   | 27          | T               | 18          |
| B. Hydro-electric Generating Equipment .....  | 27          | T               | 50          |
| C. Natural Gas-Fired and Combined Cycle Electrical<br>Generating Equipment .....  | 27          | T               | 18          |
| D. Photovoltaic Solar Electric Generating Equipment .....   | 27          | T               | 18          |
| E. Steam Powered Electric Generating Equipment.....<br>Includes assets used in the steam power production of<br>electricity for sale, combustion turbines operated in a<br>combined cycle with a conventional steam unit. | 27          | T               | 28          |
| F. Thermal Solar Electric Generating Equipment.....   | 27          | T               | 18          |
| G. Wind Power Electricity Generation Systems .....  | 27          | T               | 18          |
| Includes wind turbines, support shafts and<br>foundations, ancillary lines, transformers, and other<br>equipment necessary to move the electricity from<br>the wind turbines to the utility's transmission line.          |             |                 |             |
| <u>ELECTRICAL EQUIPMENT</u> .....   | 21          | I               | 10          |
| Includes the manufacture of electrical household<br>appliances, batteries, and machinery used in the generation<br>and utilization of electric energy.  |             |                 |             |
| <u>ELECTRONIC EQUIPMENT</u>   |             |                 |             |
| A. Manufacturing (50% or more) of electronic<br>communication, detection, guidance, control, radiation<br>computation, test and navigation equipment.....   | 21          | I               | 8           |
| B. Manufacturers engaged only in the purchase and<br>assembly of electronic components.....   | 21          | I               | 12          |
| C. Semi-Conductor Manufacturing .....   | 28          | U               | 6           |

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\* Indicates a change from last year.



**MAJOR CATEGORY** **Page Schedule Life**

|                                      |    |   |   |
|--------------------------------------|----|---|---|
| D. Semi-Conductor Testing Equip..... | 28 | U | 8 |
| E. Vapor De-pollution System .....   | 17 | A | 5 |

**FABRICATED METAL PRODUCTS** ..... 17    A    12

Includes the manufacture of fabricated metal products such as cans, tin ware, hardware, metal structural products, architectural and ornamental metal work, nuts, bolts, metal awnings, portable metal structures, etc.

**FARM AND RANCH MACHINERY AND EQUIPMENT**

Whenever possible, this equipment should be appraised using the market, or sales approach. There are several good pricing guides available which provide market values of farm equipment based on sales. If the cost approach is used, the following schedules should be followed:

|   |    |   |    |
|---|----|---|----|
| A. Farm Implements (Hay Balers, Forage Harvesters, Plows, Harrows, Sprinkler Equipment, Bush Hogs, Planters, Hay Rakes, Sprayers, etc.) ..... | 17 | A | 8  |
| B. Machinery and equipment used in the production of crops and animals and on the farm processing of feeds. (Portable Hammer Mills).....      | 17 | A | 8  |
| C. * Poultry and Swine House Equipment .....  | 17 | A | 8  |
| D. Tractors, Combines, Cotton Harvesters and Other Large Farm Equipment .....   | 28 | U | 12 |

Note: If large equipment is not broken out from the farm implements, use an A-10 schedule with a 35% residual. Use a 25% residual on combines and cotton harvesters.

|  |    |   |   |
|--|----|---|---|
| <b><u>FIBER OPTICS MANUFACTURING</u></b> ..... | 21 | I | 8 |
| Manufacturers of glass fiber for fiber optics. |    |   |   |

**FOOD, BEVERAGE AND KINDRED PRODUCTS**  
**(MANUFACTURING, PACKAGING, AND PROCESSING)**

|  |    |   |    |
|--|----|---|----|
| Bakery Products .....                          | 17 | A | 12 |
| Brewery and Distillery, Winery Equipment ..... | 17 | A | 12 |
| Canned, Preserved Fruits and Vegetables .....  | 17 | A | 12 |
| Confectionery and Related Products .....       | 17 | A | 12 |
| Creamery and Dairy Products.....               | 17 | A | 12 |

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| <u>MAJOR CATEGORY</u>  | <u>Page</u> | <u>Schedule</u> | <u>Life</u> |
|--|-------------|-----------------|-------------|
| Grain Mill Products.....   | 17          | A               | 17          |
| Includes assets used in the production of flours, cereals, livestock feeds, and other grain and grain mill products; large hammer mills.   |             |                 |             |
| Grain Tanks.....   | 17          | A               | 15          |
| Miscellaneous Food Preparations (Examples: Honey and Potato Chips) .....   | 17          | A               | 12          |
| Sugar and Sugar Products .....   | 17          | A               | 18          |
| Vegetable Oil Products .....   | 17          | A               | 18          |
| <br><u>FURNITURE MANUFACTURE OF WOOD PRODUCTS, (EXCLUDES LUMBER MANUFACTURING)</u> .....   |             |                 |             |
|  | 17          | A               | 10          |
| <br><u>GLASS AND GLASS PRODUCTS (EXCLUDES MANUFACTURE OF LENSES)</u> .....   |             |                 |             |
|  | 17          | A               | 14          |
| Includes the manufacture of glassware, pressed or blown, and the manufacture of products from purchased glass, such as quartz and Pyrex, laboratory apparatus, art glass, doors made from purchased glass, glass containers, plate, safety and window glass. |             |                 |             |
| Manufacture of Mirrors.....  | 17          | A               | 10          |
| <br><u>HOSPITAL AND NURSING HOME EQUIPMENT</u> .....   |             |                 |             |
|  | 19          | C               | 10          |
| CAT Scan & MRI Equipment. ....   | 19          | C               | 6           |
| <br><u>HOTEL, MOTEL AND RESORT EQUIPMENT</u> .....   |             |                 |             |
|  | 20          | D               | 10          |
| Televisions .....  | 18          | B               | 5           |
| <br><u>LANDSCAPING EQUIPMENT</u> .....   |             |                 |             |
|  | 17          | A               | 8           |

IDLE EQUIPMENT

Equipment that has been taken off production status on a permanent basis is considered to be idle equipment. This classification should not be confused with equipment that is temporarily idle due to not yet being placed into production (CIP), a downturn in the economy, seasonal production, routine maintenance, etc. Although we recommend in most cases that some additional depreciation adjustment be made to verified idle equipment, there is no firm guideline as to what adjustment should be made to determine the final value.

In determining the amount of adjustment, the county appraiser must review each situation, taking into account all the factors affecting the property such as age, condition, past and future uses, marketability, remaining life, and reasons for the equipment being idle.

\* Indicates a change from last year.



**MAJOR CATEGORY** **Page Schedule** **Life**

**INSTRUMENTS (PROFESSIONAL, SCIENTIFIC & CONTROLLING, PHOTOGRAPHIC AND OPTICAL, WATCHES AND CLOCKS).** ..... 18      B      12

Includes establishments in manufacturing scientific and research instruments such as meters - gas, liquid, tallying and measuring; optical elements and assemblies, hearing aids, hearing test equipment, wheel chairs, prosthetic devices, contact lenses, photographic accessories, data cameras, watches and clocks.

**LEASED OFFICE BUSINESS MACHINES**

This category includes leased fax machines. It does not include electronic data processing equipment, portable commercial equipment, and copiers.

Schedule N ..... 24      N      5

Use this schedule for manufacturer/lessor as current retail selling price will be reported.

Schedule S ..... 26      S      5

Use this schedule for non-manufacturer/non-lessor as historical cost will be reported. Includes leased communication equipment.

**LEATHER AND LEATHER PRODUCTS** ..... 17      A      11

Includes the manufacture of finished leather products; tanning, currying and finishing of hides and skins; and the processing of fur pelts. For example: footwear, handbags, saddles, harnesses, luggage, etc.

**LUMBERING**

Logging Equipment ..... 17      A      8

Sawmill (Portable) ..... 17      A      6

Sawmill Machinery and Equipment (Permanent Mills)..... 17      A      10

Includes lumber manufacturing.

**MACHINERY (MACHINE SHOPS)** ..... 17      A      10

Includes the manufacture of machinery such as engines and turbines; ball and roller bearings; farm, construction, mining, food products, office, and paper industry machinery; compressors, pumps, blowers, industrial patterns, process furnaces and ovens, service industry machines, and equipment used in machine shops. Excludes the manufacture of electrical machinery.

\* Indicates a change from last year.



| <u>MAJOR CATEGORY</u>  | <u>Page</u> | <u>Schedule</u> | <u>Life</u> |
|--|-------------|-----------------|-------------|
| <u>MANUFACTURED HOME MANUFACTURING</u> .....   | 18          | B               | 10          |
| <u>MEAT PRODUCTS - MANUFACTURING, PACKAGING AND PROCESSING</u> .....   | 17          | A               | 12          |
| <u>MEDICAL &amp; DENTAL EQUIPMENT - INCLUDES VETERINARIAN, MEDICAL &amp; DENTAL LABORATORIES EQUIPMENT</u> .....   | 19          | C               | 10          |
| <u>METAL WORKING MACHINERY</u> .....   | 17          | A               | 12          |
| Manufacture of metal cutting, grinding, forming machines, jigs, dies, fixtures and accessories.  |             |                 |             |
| <u>MINING, QUARRYING AND PROCESSING (METAL AND NON-METAL)</u>  |             |                 |             |
| Cranes, Shovels and Drag Lines .....   | 18          | B               | 25          |
| Environmental Equipment .....  | 17          | A               | 12          |
| Foil Manufacturing .....   | 17          | A               | 8           |
| A. <u>Metal:</u>   |             |                 |             |
| Metal Processing Plants (Ex. Custom Smelters) .....  | 17          | A               | 20          |
| Milling and Chemical Plant Equipment.....  | 17          | A               | 15          |
| Mining Equipment.....  | 17          | A               | 10          |
| B. <u>Non-Metal:</u>   |             |                 |             |
| Granite Quarrying and Processing .....   | 17          | A               | 9           |
| Mining and Quarrying.....  | 17          | A               | 10          |
| Includes non-metallic minerals such as sand and gravel, ceramic clay, cinder, stone (other than granite), chemicals, and fertilizers.  |             |                 |             |
| Portable Sand and Gravel Units.....  | 17          | A               | 8           |
| <u>MISCELLANEOUS MANUFACTURING</u> .....   | 17          | A               | 12          |
| Industries engaged in manufacturing the following: jewelry, silverware and plated ware, musical instruments, toys, amusement, sporting and athletic goods, pens, pencils, and other artist's materials, costume jewelry, notions, brooms and brushes, etc. |             |                 |             |
| <u>MODULAR OFFICE SPACE--TRANSPORTABLE</u> .....   | 18          | B               | 10          |
| <u>MORTUARY AND CEMETERY EQUIPMENT</u> .....   | 18          | B               | 10          |

\* Indicates a change from last year.



| <u>MAJOR CATEGORY</u>  | <u>Page</u> | <u>Schedule</u> | <u>Life</u> |
|--|-------------|-----------------|-------------|
| <u>MOTOR VEHICLE PARTS AND ACCESSORIES</u> .....   | 18          | B               | 12          |
| Includes the manufacture of custom automobiles, vans, special truck bodies, catering, garbage, etc. The category also includes the manufacture of parts and accessories such as brake pads, shock absorbers, trailer hitches, etc. |             |                 |             |
| <u>OFFICE FURNITURE, FIXTURES, MACHINES AND EQUIPMENT</u> .....  | 22          | K               | 10          |
| Includes mailing machines, postage machines, fax machines, burglar alarms, fire alarms, office furniture, security systems, etc. Excludes personal computers.  |             |                 |             |
| <br><i>Note:</i> This category is for equipment owned by the business. For leased office machines and equipment see <i>Leased Office Business Machines</i> .   |             |                 |             |
| <u>PAPER AND ALLIED PRODUCTS</u>   |             |                 |             |
| A. Paper Finishing and Converting.....   | 17          | A               | 12          |
| Includes the finishing and converting of paper into cartons, bags, envelopes, and other similar products.  |             |                 |             |
| B. Pulp and Paper.....   | 17          | A               | 16          |
| Includes the manufacture of pulp and pulp products from wood, rags, and other fibers. Also included is the manufacture of paper and paperboard products.   |             |                 |             |
| <u>PETROLEUM PRODUCTS MANUFACTURING EQUIPMENT</u> .....  | 17          | A               | 14          |
| Includes equipment used in manufacturing asphalt shingles, roofing materials etc.  |             |                 |             |
| <u>PETROLEUM AND GAS</u>   |             |                 |             |
| Natural Gas and Helium Production Plants .....   | 17          | A               | 14          |
| Oil and Gas Well Production Equipment .....  | 17          | A               | 14          |
| Includes well head equipment, gathering pipelines and related storage facilities.  |             |                 |             |
| Petroleum Refining Plants .....  | 17          | A               | 16          |
| Petroleum Storage Facilities .....   | 17          | A               | 16          |
| Propane Gas Tanks and Distribution Equipment .....   | 17          | B               | 25          |
| <u>PHOTOGRAPHIC</u>  |             |                 |             |
| Automatic Film Processing Equipment.....   | 19          | C               | 9           |
| Includes 1-hour photo type.  |             |                 |             |
| Self-service Digital Input Photo Equipment.....  | 19          | C               | 6           |

\* Indicates a change from last year.



| <u>MAJOR CATEGORY</u>   | <u>Page</u> | <u>Schedule</u> | <u>Life</u> |
|---|-------------|-----------------|-------------|
| <u>PLASTIC PRODUCTS</u> .....   | 17          | A               | 11          |
| Includes the manufacture of processed, fabricated and finished plastic products as well as the manufacture of basic plastic materials such as plastic bottles, Styrofoam cups and packaging materials, plastic pipe, tubing, plastic screen, fiberglass bathroom fixtures, etc.   |             |                 |             |
| <u>PRIMARY METAL INDUSTRIES</u>   |             |                 |             |
| Includes most hot metal processes such as the manufacture of foundry products, castings, forgings, sheet metal, pipe tubing, structural shapes and wire.  |             |                 |             |
| Ferrous - Iron .....  | 17          | A               | 18          |
| Non-ferrous - Aluminum, Copper .....  | 17          | A               | 14          |
| <u>PRINTING AND PUBLISHING</u> .....  | 17          | A               | 11          |
| Includes printing, publishing, lithography, and printing services such as bookbinding, typesetting, photo engravings, and electrotyping.  |             |                 |             |
| <u>Note:</u> Electronic data processing and other computer equipment used in publishing should be listed and appraised separately.  |             |                 |             |
| <u>PROFESSIONAL EQUIPMENT (MISCELLANEOUS)</u> .....   | 18          | B               | 10          |
| Includes architects, accountants, engineers, photographic studio equipment, taxidermists, hobby and craft shops, graphic design illustrations, etc.   |             |                 |             |
| <u>PROFESSIONAL LIBRARIES</u> .....   | 25          | O               |             |
| Accountants, Architects, Engineers, Law, Medical, etc.  |             |                 |             |
| <u>Note:</u> Used volumes in good saleable condition should be appraised at 1/3 of original cost, regardless of age.  |             |                 |             |
| <u>REFRIGERATION EQUIPMENT</u> .....  | 18          | B               | 10          |
| Vacuum Cooling Stationary.....  | 18          | B               | 10          |
| Vacuum Cooling Portable.....  | 18          | B               | 8           |
| <u>RENTAL EQUIPMENT</u>   |             |                 |             |
| The equipment covered by this schedule consists of, but is not limited to, the following: hand tools, portable gasoline powered equipment, service equipment, small mixers, lawn and garden equipment, printing equipment, leased furniture and fixtures, etc. These schedules are also for property which is typically rented on an hourly or daily basis. |             |                 |             |

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\* Indicates a change from last year.





| <u>MAJOR CATEGORY</u>  | <u>Page</u> | <u>Schedule</u> | <u>Life</u> |
|--|-------------|-----------------|-------------|
| Schedule P .....   | 26          | P               | 5           |
| Use this schedule when historical cost is reported.  |             |                 |             |
| Schedule Q .....   | 26          | Q               | 5           |
| Use this schedule when current replacement cost is supplied.   |             |                 |             |
| <u>REPAIR SHOP EQUIPMENT</u> .....   | 17          | A               | 10          |
| Includes electrical, watch, clock, jewelry, radio, TV, upholstery, furniture, household appliances, welding, locksmith, shoe, etc.   |             |                 |             |
| <u>* RESTAURANT, BAR AND SODA FOUNTAIN EQUIPMENT</u> .....   | 20          | E               | 10          |
| Includes all eating and drinking establishments selling prepared food and/or drinks, as well as equipment installed on food trucks.  |             |                 |             |
| <u>RUBBER PRODUCTS</u> .....   | 17          | A               | 14          |
| Includes the manufacture of finished rubber products.  |             |                 |             |
| <u>SCALES</u>  |             |                 |             |
| 10 - 25 Tons .....   | 17          | A               | 20          |
| Less than 10 Tons .....  | 17          | A               | 10          |
| Portable .....   | 17          | A               | 10          |
| <u>SCHOOL EQUIPMENT</u> .....  | 20          | D               | 10          |
| <u>SCRAP METAL</u> .....   | 17          | A               | 10          |
| Equipment used in the cutting, wrecking, and storing of scrap metals.  |             |                 |             |
| <u>SIGNS OTHER THAN BILLBOARDS</u> .....   | 25          | O               | 10-20       |
| Includes on and off premise signs erected for the purpose of information and direction. If the sign is considered a "logo" type, it should be listed at historical cost and depreciated on a 10 to 20-year life. |             |                 |             |
| <u>SPECIAL PROPERTIES</u> .....  | 25          | O               |             |
| <u>STONE AND CLAY PRODUCTS EXCEPT CEMENT</u> .....   | 17          | A               | 15          |
| Includes the manufacture of structural clay products such as brick, tile, pipe, etc. The category also includes pottery  |             |                 |             |

Continued  
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\* Indicates a change from last year.



**MAJOR CATEGORY**

**Page Schedule Life**

and related products such as vitreous china, plumbing fixtures, earthenware, ceramic insulating materials, asphalt building materials, gypsum and plaster products, cut and finished stone and abrasives, asbestos, and miscellaneous non-metallic mineral products.

**STORE EQUIPMENT**

A. Retail, Wholesale and Supply .....20      D      10  
 Includes general merchandise, building materials, hardware, apparel, accessory, furniture, home furnishings, equipment, jewelry, food, grocery, wholesale, supply, and miscellaneous retail store equipment, etc.

B. Point of Sale (POS) and Proprietary Computerized POS Units ..... 20      D      6  
 Includes peripherals, hand held computers and electronic cash registers. Excludes personal computers used as POS terminals or computers acting as servers. See *Data Processing Equipment*.

**STRAIGHT LINE SCHEDULES.** ..... 24      N  
 When using the straight line schedules, a residual value of 25% remains in effect unless variation is indicated by the property being appraised.

**TELECOMMUNICATIONS SWITCH MANUFACTURING**

Switch Manufacturing Equipment ..... 28      U      8  
 Switch Testing Equipment ..... 28      U      6

**TESTING EQUIPMENT** ..... 26      R      8  
 Includes equipment used in research and development.

**TEXTILE MILL PRODUCTS** ..... 17      A      10  
 Includes the manufacture of spun, woven or processed yarns and fabrics from natural or synthetic fibers.

Textile finishing and dyeing ..... 17      A      8

Note: For idle equipment see *Idle Equipment*.

**THEATER EQUIPMENT** ..... 20      D      10

\* Indicates a change from last year.



| <u>MAJOR CATEGORY</u>  | <u>Page</u> | <u>Schedule</u> | <u>Life</u> |
|--|-------------|-----------------|-------------|
| <u>TOBACCO AND TOBACCO PRODUCTS</u>  |             |                 |             |
| <u>MANUFACTURING</u> .....   | 17          | A               | 15          |
| <u>TOOLS, MOLDS, DIES AND JIGS</u> .....   | 25          | O               | 2 - 7       |
| <p>Special tools are defined as tools used in manufacturing; such as molds, dies, and jigs which are specifically designed for the production or processing of particular parts and have no significant utilitarian value and cannot be adapted to a further or different use after changes or improvements are made in the model design of the particular part produced by the special tools. This category excludes general purpose small tools.</p> |             |                 |             |
| <br><u>Note:</u> It will be necessary to determine from the manufacturer the average life of this category of property. Once the proper life has been determined, apply the straight-line Schedule N.  |             |                 |             |
| <u>TRANSPORTATION EQUIPMENT</u> .....  | 18          | B               | 12          |
| <p>This category includes the manufacture of motor homes, campers, and motorcycles.</p>  |             |                 |             |
| <u>VENDING EQUIPMENT</u>   |             |                 |             |
| Amusement (Bowlers, Pin Ball, Pool, Kiddie Rides, Hobby Horses, etc.).....   | 25          | O               | 5           |
| Automatic Bulk Ice Vending Machines .....  | 18          | B               | 8           |
| Cigarette Vendors. ....  | 25          | O               | 6           |
| Food Vendors (Soft Drink, Candy, Hot and Cold Foods, Popcorn, etc.).....   | 25          | O               | 5           |
| Leased Ice Machines.....   | 25          | O               | 6           |
| * Miscellaneous (Change, Newspaper, Photo, Stamps, Breathalyzer, Cellphone Analysis, etc.).....  | 25          | O               | 6           |
| Movie/Game Vending Machines.....   | 25          | O               | 6           |
| Music Machines .....   | 25          | O               | 6           |
| * Used Electronics Vending Machines.....   | 25          | O               | 6           |
| <u>WAREHOUSE MATERIALS HANDLING EQUIPMENT</u> .....  | 17          | A               | 10          |
| <p>Includes forklifts and pallets.</p>   |             |                 |             |
| <u>WASTE MANAGEMENT</u> .....  | 18          | B               | 8           |
| <p>Includes assets and equipment used in the collection and management of household garbage and similar waste; Green Box containers; toters; and similar equipment.</p>  |             |                 |             |

\* Indicates a change from last year.



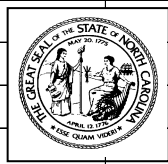
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| <b><u>MAJOR CATEGORY</u></b>                                    | <b><u>Page</u></b> | <b><u>Schedule</u></b> | <b><u>Life</u></b> |
|---|--------------------|------------------------|--------------------|
| <b><u>WIRE PRODUCTS MANUFACTURING</u></b> .....                 | 17                 | A                      | 14                 |
| Establishments primarily engaged in the manufacture of<br>wire. |                    |                        |                    |
| <b><u>WOODWORKING EQUIPMENT</u></b> .....                       | 20                 | F                      | 10                 |

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\* Indicates a change from last year.

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Schedule A Valuation Table  
 Historical (Original) Cost  
 Percent Good Factors

| Year  | Trend | Life in Years |    |    |    |    |    |    |    |    |    |    |    |    |    |    |
|-------|-------|---------------|----|----|----|----|----|----|----|----|----|----|----|----|----|----|
| Acq'd | Age   | Factor        | 3  | 5  | 6  | 8  | 9  | 10 | 11 | 12 | 14 | 15 | 16 | 17 | 18 | 20 |
| 2017  | 1     | 1.00          | 67 | 80 | 83 | 87 | 89 | 90 | 91 | 92 | 93 | 93 | 94 | 94 | 94 | 95 |
| 2016  | 2     | 1.01          | 33 | 61 | 68 | 76 | 80 | 81 | 83 | 84 | 87 | 88 | 88 | 89 | 90 | 91 |
| 2015  | 3     | 1.02          | 25 | 41 | 51 | 64 | 68 | 71 | 74 | 77 | 81 | 82 | 83 | 84 | 85 | 87 |
| 2014  | 4     | 1.04          |    | 25 | 34 | 52 | 58 | 62 | 67 | 70 | 74 | 76 | 78 | 79 | 81 | 83 |
| 2013  | 5     | 1.06          |    |    | 25 | 39 | 47 | 53 | 57 | 61 | 68 | 71 | 73 | 75 | 76 | 80 |
| 2012  | 6     | 1.07          |    |    |    | 27 | 35 | 43 | 47 | 54 | 61 | 64 | 67 | 70 | 72 | 75 |
| 2011  | 7     | 1.09          |    |    |    | 25 | 25 | 33 | 39 | 46 | 55 | 58 | 61 | 64 | 66 | 71 |
| 2010  | 8     | 1.12          |    |    |    |    | 25 | 25 | 30 | 37 | 48 | 53 | 56 | 59 | 63 | 67 |
| 2009  | 9     | 1.13          |    |    |    |    |    |    | 25 | 28 | 41 | 45 | 50 | 53 | 57 | 62 |
| 2008  | 10    | 1.14          |    |    |    |    |    |    |    | 25 | 33 | 38 | 42 | 47 | 50 | 57 |
| 2007  | 11    | 1.20          |    |    |    |    |    |    |    |    | 25 | 32 | 37 | 42 | 47 | 54 |
| 2006  | 12    | 1.23          |    |    |    |    |    |    |    |    |    | 25 | 25 | 31 | 36 | 49 |
| 2005  | 13    | 1.26          |    |    |    |    |    |    |    |    |    |    | 25 | 25 | 29 | 44 |
| 2004  | 14    | 1.31          |    |    |    |    |    |    |    |    |    |    |    |    | 25 | 39 |
| 2003  | 15    | 1.35          |    |    |    |    |    |    |    |    |    |    |    |    |    | 34 |
| 2002  | 16    | 1.37          |    |    |    |    |    |    |    |    |    |    |    |    |    | 27 |
| 2001  | 17    | 1.37          |    |    |    |    |    |    |    |    |    |    |    |    |    | 25 |

Do not apply the trend factors to the percent good factors. The percent good factors already have the trend factors incorporated. This is true for all schedules in this manual.

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Schedule B Valuation Table  
 Historical (Original) Cost  
 Percent Good Factors

| Year Acq'd | Age | Trend Factor | Life in Years |    |    |    |    |    |    |    |    |    |  |  |
|------------|-----|--------------|---------------|----|----|----|----|----|----|----|----|----|--|--|
|            |     |              | 3             | 5  | 6  | 7  | 8  | 10 | 11 | 12 | 20 | 25 |  |  |
| 2017       | 1   | 1.00         | 67            | 80 | 83 | 86 | 87 | 90 | 91 | 92 | 95 | 96 |  |  |
| 2016       | 2   | 1.01         | 33            | 61 | 68 | 72 | 76 | 81 | 83 | 84 | 91 | 93 |  |  |
| 2015       | 3   | 1.02         | 5             | 41 | 51 | 58 | 64 | 71 | 74 | 77 | 87 | 90 |  |  |
| 2014       | 4   | 1.04         |               | 25 | 34 | 45 | 52 | 62 | 67 | 70 | 83 | 87 |  |  |
| 2013       | 5   | 1.06         |               |    | 25 | 31 | 39 | 53 | 57 | 61 | 80 | 85 |  |  |
| 2012       | 6   | 1.08         |               |    |    | 25 | 27 | 43 | 48 | 54 | 76 | 82 |  |  |
| 2011       | 7   | 1.10         |               |    |    |    | 25 | 33 | 40 | 46 | 72 | 79 |  |  |
| 2010       | 8   | 1.12         |               |    |    |    |    | 25 | 30 | 37 | 67 | 76 |  |  |
| 2009       | 9   | 1.13         |               |    |    |    |    |    | 25 | 28 | 62 | 72 |  |  |
| 2008       | 10  | 1.14         |               |    |    |    |    |    |    | 25 | 57 | 68 |  |  |
| 2007       | 11  | 1.18         |               |    |    |    |    |    |    |    | 53 | 66 |  |  |
| 2006       | 12  | 1.20         |               |    |    |    |    |    |    |    | 48 | 62 |  |  |
| 2005       | 13  | 1.22         |               |    |    |    |    |    |    |    | 43 | 59 |  |  |
| 2004       | 14  | 1.24         |               |    |    |    |    |    |    |    | 37 | 55 |  |  |
| 2003       | 15  | 1.27         |               |    |    |    |    |    |    |    | 32 | 51 |  |  |
| 2002       | 16  | 1.28         |               |    |    |    |    |    |    |    | 26 | 46 |  |  |
| 2001       | 17  | 1.27         |               |    |    |    |    |    |    |    | 25 | 41 |  |  |
| 2000       | 18  | 1.28         |               |    |    |    |    |    |    |    |    | 36 |  |  |
| 1999       | 19  | 1.28         |               |    |    |    |    |    |    |    |    | 31 |  |  |
| 1998       | 20  | 1.28         |               |    |    |    |    |    |    |    |    | 26 |  |  |
| 1997       | 21  | 1.28         |               |    |    |    |    |    |    |    |    | 25 |  |  |
| 1996       | 22  | 1.28         |               |    |    |    |    |    |    |    |    |    |  |  |
| 1995       | 23  | 1.31         |               |    |    |    |    |    |    |    |    |    |  |  |
| 1994       | 24  | 1.33         |               |    |    |    |    |    |    |    |    |    |  |  |

Do not apply the trend factors to the percent good factors. The percent good factors already have the trend factors incorporated. This is true for all schedules in this manual.

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Schedule C Valuation Table  
 Historical (Original) Cost  
 Percent Good Factors

| Year  | Trend | Life in Years |    |    |    |    |    |    |    |
|-------|-------|---------------|----|----|----|----|----|----|----|
| Acq'd | Age   | Factor        | 3  | 6  | 9  | 10 | 11 | 12 | 14 |
| 2017  | 1     | 1.00          | 67 | 83 | 89 | 90 | 91 | 92 | 93 |
| 2016  | 2     | 1.00          | 33 | 67 | 79 | 80 | 82 | 83 | 86 |
| 2015  | 3     | 1.01          | 25 | 51 | 68 | 71 | 74 | 76 | 80 |
| 2014  | 4     | 1.02          |    | 34 | 57 | 61 | 65 | 68 | 72 |
| 2013  | 5     | 1.03          |    | 25 | 45 | 52 | 56 | 60 | 66 |
| 2012  | 6     | 1.03          |    |    | 34 | 41 | 45 | 52 | 59 |
| 2011  | 7     | 1.04          |    |    | 25 | 31 | 37 | 44 | 52 |
| 2010  | 8     | 1.05          |    |    |    | 25 | 28 | 35 | 45 |
| 2009  | 9     | 1.05          |    |    |    |    | 25 | 26 | 38 |
| 2008  | 10    | 1.07          |    |    |    |    |    | 25 | 31 |
| 2007  | 11    | 1.10          |    |    |    |    |    |    | 25 |
| 2006  | 12    | 1.15          |    |    |    |    |    |    |    |
| 2005  | 13    | 1.15          |    |    |    |    |    |    |    |
| 2004  | 14    | 1.15          |    |    |    |    |    |    |    |

Do not apply the trend factors to the percent good factors. The percent good factors already have the trend factors incorporated. This is true for all schedules in this manual.

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### Schedules D, E, F, G, Valuation Table

#### Historical (Original) Cost

#### Percent Good Factors

|       |     | Schedule D |      |    | Schedule E |      | Schedule F |      | Schedule G |      |
|-------|-----|------------|------|----|------------|------|------------|------|------------|------|
| Year  |     | Trend      | Life |    | Trend      | Life | Trend      | Life | Trend      | Life |
| Acq'd | Age | Factor     | 6    | 10 | Factor     | 10   | Factor     | 10   | Factor     | 8    |
| 2017  | 1   | 1.00       | 83   | 90 | 1.00       | 90   | 1.00       | 90   | 1.00       | 87   |
| 2016  | 2   | 1.01       | 68   | 81 | 1.01       | 81   | 1.02       | 82   | 1.01       | 76   |
| 2015  | 3   | 1.02       | 51   | 71 | 1.02       | 71   | 1.03       | 72   | 1.02       | 64   |
| 2014  | 4   | 1.04       | 34   | 62 | 1.04       | 62   | 1.06       | 64   | 1.04       | 52   |
| 2013  | 5   | 1.06       | 18   | 53 | 1.06       | 53   | 1.09       | 55   | 1.06       | 39   |
| 2012  | 6   | 1.07       | 15   | 43 | 1.07       | 43   | 1.12       | 45   | 1.08       | 27   |
| 2011  | 7   | 1.09       |      | 33 | 1.09       | 33   | 1.15       | 35   | 1.10       | 25   |
| 2010  | 8   | 1.11       |      | 25 | 1.12       | 25   | 1.17       | 25   | 1.12       |      |
|       |     |            |      |    |            |      |            |      |            |      |
|       |     |            |      |    |            |      |            |      |            |      |
|       |     |            |      |    |            |      |            |      |            |      |
|       |     |            |      |    |            |      |            |      |            |      |
|       |     |            |      |    |            |      |            |      |            |      |
|       |     |            |      |    |            |      |            |      |            |      |
|       |     |            |      |    |            |      |            |      |            |      |
|       |     |            |      |    |            |      |            |      |            |      |
|       |     |            |      |    |            |      |            |      |            |      |
|       |     |            |      |    |            |      |            |      |            |      |
|       |     |            |      |    |            |      |            |      |            |      |
|       |     |            |      |    |            |      |            |      |            |      |
|       |     |            |      |    |            |      |            |      |            |      |
|       |     |            |      |    |            |      |            |      |            |      |
|       |     |            |      |    |            |      |            |      |            |      |
|       |     |            |      |    |            |      |            |      |            |      |
|       |     |            |      |    |            |      |            |      |            |      |
|       |     |            |      |    |            |      |            |      |            |      |
|       |     |            |      |    |            |      |            |      |            |      |

Do not apply the trend factors to the percent good factors. The percent good factors already have the trend factors incorporated. This is true for all schedules in this manual.



2018 Cost Index and Depreciation Schedules



|                         |  |  |  |                    |  |  |  |
|-------------------------|--|--|--|--------------------|--|--|--|
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| Property Tax Section    |  |  |  |                    |  |  |  |

Schedules H, I, Valuation Table

Historical (Original) Cost

Percent Good Factors

| Year  |     | Trend<br>Factor | Schedule H |    |    |    |      | Trend<br>Factor | Schedule I |    |    |  |  |
|-------|-----|-----------------|------------|----|----|----|------|-----------------|------------|----|----|--|--|
| Acq'd | Age |                 | 4          | 5  | 10 | 20 | 5    |                 | 8          | 10 | 12 |  |  |
| 2017  | 1   | 1.00            | 75         | 80 | 90 | 95 | 1.00 | 80              | 87         | 90 | 92 |  |  |
| 2016  | 2   | 1.01            | 51         | 61 | 81 | 91 | 1.00 | 60              | 75         | 80 | 83 |  |  |
| 2015  | 3   | 1.01            | 25         | 40 | 71 | 86 | 0.99 | 40              | 62         | 69 | 74 |  |  |
| 2014  | 4   | 1.02            | 25         | 25 | 61 | 82 | 0.99 | 25              | 50         | 59 | 66 |  |  |
| 2013  | 5   | 1.03            |            |    | 52 | 77 | 0.99 |                 | 37         | 50 | 57 |  |  |
| 2012  | 6   | 1.04            |            |    | 42 | 73 | 1.00 |                 | 25         | 40 | 50 |  |  |
| 2011  | 7   | 1.05            |            |    | 32 | 68 | 0.99 |                 |            | 30 | 42 |  |  |
| 2010  | 8   | 1.08            |            |    | 25 | 65 | 0.99 |                 |            | 25 | 33 |  |  |
| 2009  | 9   | 1.09            |            |    |    | 60 | 0.99 |                 |            |    | 25 |  |  |
| 2008  | 10  | 1.10            |            |    |    | 55 | 0.97 |                 |            |    |    |  |  |
| 2007  | 11  | 1.14            |            |    |    | 51 | 0.96 |                 |            |    |    |  |  |
| 2006  | 12  | 1.15            |            |    |    | 46 | 0.95 |                 |            |    |    |  |  |
| 2005  | 13  | 1.19            |            |    |    | 42 | 0.95 |                 |            |    |    |  |  |
| 2004  | 14  | 1.21            |            |    |    | 36 | 0.95 |                 |            |    |    |  |  |
| 2003  | 15  | 1.23            |            |    |    | 31 | 0.93 |                 |            |    |    |  |  |
| 2002  | 16  | 1.23            |            |    |    | 25 | 0.94 |                 |            |    |    |  |  |
| 2001  | 17  | 1.23            |            |    |    |    | 0.94 |                 |            |    |    |  |  |
| 2000  | 18  | 1.23            |            |    |    |    | 0.95 |                 |            |    |    |  |  |

Do not apply the trend factors to the percent good factors. The percent good factors already have the trend factors incorporated. This is true for all schedules in this manual.

2018 Cost Index and Depreciation Schedules



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Schedules J, K, L, Valuation Table

Historical (Original) Cost

Percent Good Factors


| Year   | Acq'd | Age | Schedule J |      |    | Schedule K |        |      | Schedule L |        |      |    |    |    |
|--|-------|-----|------------|------|----|------------|--------|------|------------|--------|------|----|----|----|
|  |       |     | Trend      | Life |    |            | Trend  | Life |            | Trend  | Life |    |    |    |
|  |       |     | Factor     | 5    | 8  | 10         | Factor | 5    | 10         | Factor | 5    | 6  | 14 | 16 |
| 2017   |       | 1   | 1.00       | 80   | 87 | 90         | 1.00   | 80   | 90         | 1.00   | 80   | 83 | 93 | 94 |
| 2016   |       | 2   | 1.01       | 61   | 76 | 81         | 1.02   | 61   | 82         | 0.98   | 59   | 66 | 84 | 85 |
| 2015   |       | 3   | 1.01       | 40   | 64 | 71         | 1.02   | 41   | 71         | 0.98   | 39   | 49 | 77 | 79 |
| 2014   |       | 4   | 1.02       | 25   | 51 | 61         | 1.05   | 25   | 63         | 0.99   | 25   | 33 | 70 | 74 |
| 2013   |       | 5   | 1.03       |      | 38 | 52         | 1.08   |      | 54         | 1.00   |      | 25 | 64 | 69 |
| 2012   |       | 6   | 1.04       |      | 26 | 42         | 1.09   |      | 44         | 1.00   |      |    | 57 | 63 |
| 2011   |       | 7   | 1.06       |      | 25 | 32         | 1.11   |      | 33         | 1.02   |      |    | 51 | 57 |
| 2010   |       | 8   | 1.07       |      |    | 25         | 1.13   |      | 25         | 1.03   |      |    | 44 | 52 |
| 2009   |       | 9   | 1.08       |      |    |            | 1.15   |      |            | 1.03   |      |    | 37 | 45 |
| 2008   |       | 10  | 1.10       |      |    |            | 1.16   |      |            | 1.03   |      |    | 30 | 38 |
| 2007   |       | 11  | 1.14       |      |    |            | 1.20   |      |            | 1.03   |      |    | 25 | 32 |
| 2006   |       | 12  | 1.16       |      |    |            |        |      |            | 1.03   |      |    |    | 26 |
| 2005   |       | 13  | 1.20       |      |    |            |        |      |            | 1.10   |      |    |    | 25 |
|  |       |     |            |      |    |            |        |      |            | 1.10   |      |    |    |    |
|  |       |     |            |      |    |            |        |      |            | 1.03   |      |    |    |    |
| Do not apply the trend factors to the percent good factors. The percent good factors already have the trend factors incorporated. This is true for all schedules in this manual. |       |     |            |      |    |            |        |      |            |        |      |    |    |    |

2018 Cost Index and Depreciation Schedules

|   |                         |  |       |  |     |              |                    |  |
|---|-------------------------|--|-------|--|-----|--------------|--------------------|--|
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|   | Department of Revenue   |  |       |  |     |              | Effective 1/1/2018 |  |
|   | Property Tax Section    |  |       |  |     |              |                    |  |
| Schedule M  |                         |  |       |  |     |              |                    |  |
| Portable Bank Vaults, Vault Doors, Additions, Inner Gates, Vent Fans, Etc.        |                         |  |       |  |     |              |                    |  |
|   |                         |  | Pct.  |  |     |              | Pct.               |  |
|   | Age                     | Depreciation   | Good  |  | Age | Depreciation | Good               |  |
|   | 1                       | 0.0  | 100.0 |  | 26  | 25.0         | 75.0               |  |
|   | 2                       | 0.5  | 99.5  |  | 27  | 26.0         | 74.0               |  |
|   | 3                       | 1.0  | 99.0  |  | 28  | 27.5         | 72.5               |  |
|   | 4                       | 1.5  | 98.5  |  | 29  | 28.5         | 71.5               |  |
|   | 5                       | 2.5  | 97.5  |  | 30  | 30.0         | 70.0               |  |
|   | 6                       | 3.0  | 97.0  |  | 31  | 30.5         | 69.5               |  |
|   | 7                       | 4.0  | 96.0  |  | 32  | 31.5         | 68.5               |  |
|   | 8                       | 5.0  | 95.0  |  | 33  | 32.5         | 67.5               |  |
|   | 9                       | 6.5  | 93.5  |  | 34  | 33.5         | 66.5               |  |
|   | 10                      | 8.0  | 92.0  |  | 35  | 34.5         | 65.5               |  |
|   | 11                      | 9.0  | 91.0  |  | 36  | 36.0         | 64.0               |  |
|   | 12                      | 10.0   | 90.0  |  | 37  | 37.5         | 62.5               |  |
|   | 13                      | 11.0   | 89.0  |  | 38  | 38.5         | 61.5               |  |
|   | 14                      | 12.0   | 88.0  |  | 39  | 40.0         | 60.0               |  |
|   | 15                      | 12.5   | 87.5  |  | 40  | 42.0         | 58.0               |  |
|   | 16                      | 13.5   | 86.5  |  | 41  | 43.5         | 56.5               |  |
|   | 17                      | 14.5   | 85.5  |  | 42  | 44.5         | 55.5               |  |
|   | 18                      | 16.0   | 84.0  |  | 43  | 45.5         | 54.5               |  |
|   | 19                      | 17.5   | 82.5  |  | 44  | 47.0         | 53.0               |  |
|   | 20                      | 18.5   | 81.5  |  | 45  | 48.0         | 52.0               |  |
|   | 21                      | 19.5   | 80.5  |  | 46  | 49.5         | 50.5               |  |
|   | 22                      | 20.0   | 80.0  |  | 47  | 50.5         | 49.5               |  |
|   | 23                      | 21.5   | 78.5  |  | 48  | 52.0         | 48.0               |  |
|   | 24                      | 22.5   | 77.5  |  | 49  | 55.0         | 45.0               |  |
|   | 25                      | 23.5   | 76.5  |  | 50  | 60.0         | 40.0               |  |
|   | Note:                   | Vaults, vault doors, additions, inner gates and vent fans depreciate the same as the main building. The depreciation factors above should only be used when this property is not included in the building valuation. |       |  |     |              |                    |  |



2018 Cost Index and Depreciation Schedules

|   |                         |  |  |  |  |                    |                    |   |  |
|---|-------------------------|--|--|--|--|--------------------|--------------------|---|--|
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|   | Department of Revenue   |  |  |  |  | Effective 1/1/2018 |                    |   |  |
|   | Property Tax Section    |  |  |  |  |                    |                    |   |  |
| Schedule O  |                         |  |  |  |  |                    |                    |   |  |
| Special Properties Life Years   |                         |  |  |  |  |                    |                    |   |  |
| PROFESSIONAL LIBRARIES  |                         |  |  |  |  |                    |                    |   |  |
| Accountants, Architects, Engineers, Law, Medical, Etc.  |                         |  |  |  |  |                    |                    |   |  |
| Used volumes in good, saleable condition are to be appraised at 1/3 of historical cost, regardless of age.  |                         |  |  |  |  |                    |                    |   |  |
| BILLBOARDS - Refer to the "Billboard Structures Valuation Guide" online:<br><a href="https://www.ncdor.gov/reports-and-statistics/billboard-structures-valuation-guide">https://www.ncdor.gov/reports-and-statistics/billboard-structures-valuation-guide</a> |                         |  |  |  |  |                    |                    |   |  |
| SIGNS (other than billboards)   |                         |  |  |  |  |                    | Life years 10 - 20 |   |  |
| TOOLS MOLDS DIES & JIGS   |                         |  |  |  |  |                    | Life years 2 - 7   |   |  |
| The appraiser will have to determine from the individual manufacturer the average life of this type of property. Once the appropriate life is determined, appraise using schedule N with a residual value of 25%.   |                         |  |  |  |  |                    |                    |   |  |
| VENDING EQUIPMENT   |                         |  |  |  |  |                    |                    |   |  |
| Amusement (Bowlers, Pin Ball, Pool, Kiddie Rides, Hobby Horses etc.).....   |                         |  |  |  |  |                    |                    |   |  |
|   |                         |  |  |  |  | 25                 | O                  | 5 |  |
| Automatic Bulk Ice Vending Machines.....  |                         |  |  |  |  |                    |                    |   |  |
|   |                         |  |  |  |  | 18                 | B                  | 8 |  |
| Cigarette Vendors.....  |                         |  |  |  |  |                    |                    |   |  |
|   |                         |  |  |  |  | 25                 | O                  | 6 |  |
| Food Vendors (Soft Drink, Candy, Hot and Cold Foods, Popcorn etc.).....   |                         |  |  |  |  |                    |                    |   |  |
|   |                         |  |  |  |  | 25                 | O                  | 5 |  |
| Leased Ice Machines.....  |                         |  |  |  |  |                    |                    |   |  |
|   |                         |  |  |  |  | 25                 | O                  | 6 |  |
| Miscellaneous (Change, Newspaper, Photo, Stamps, Brethalyzer, Cellphone Analysis, etc.).....  |                         |  |  |  |  |                    |                    |   |  |
|   |                         |  |  |  |  | 25                 | O                  | 6 |  |
| Movie/Game Vending Machines.....  |                         |  |  |  |  |                    |                    |   |  |
|   |                         |  |  |  |  | 25                 | O                  | 6 |  |
| Music Machines.....   |                         |  |  |  |  |                    |                    |   |  |
|   |                         |  |  |  |  | 25                 | O                  | 6 |  |
| Used Electronics Vending Machines.....  |                         |  |  |  |  |                    |                    |   |  |
|   |                         |  |  |  |  | 25                 | O                  | 6 |  |
| <b>Use straight line schedule for the correct life years. (Schedule N)</b>  |                         |  |  |  |  |                    |                    |   |  |

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#### Schedules P, Q, R, S, Valuation Table

Historical (Original) Cost


Percent Good Factors

|       |     | Schedule P |      | Schedule Q |      | Schedule R |      | Schedule S |      |
|-------|-----|------------|------|------------|------|------------|------|------------|------|
| Year  |     | Trend      | Life | Trend      | Life | Trend      | Life | Trend      | Life |
| Acq'd | Age | Factor     | 5    | Factor     | 5    | Factor     | 8    | Factor     | 5    |
| 2017  | 1   | 1.00       | 80   | 1.00       | 80   | 1.00       | 87   | 1.00       | 80   |
| 2016  | 2   | 1.00       | 60   | 1.00       | 60   | 1.01       | 76   | 1.00       | 60   |
| 2015  | 3   | 1.00       | 40   | 1.00       | 40   | 1.02       | 64   | 1.01       | 40   |
| 2014  | 4   | 1.01       | 25   | 1.00       | 25   | 1.03       | 52   | 1.01       | 25   |
| 2013  | 5   | 1.02       |      |            |      | 1.04       | 38   | 1.01       |      |
| 2012  | 6   | 1.03       |      |            |      | 1.06       | 27   | 1.02       |      |
| 2011  | 7   | 1.05       |      |            |      | 1.08       | 25   | 1.02       |      |
|       |     |            |      |            |      |            |      |            |      |
|       |     |            |      |            |      |            |      |            |      |
|       |     |            |      |            |      |            |      |            |      |
|       |     |            |      |            |      |            |      |            |      |
|       |     |            |      |            |      |            |      |            |      |
|       |     |            |      |            |      |            |      |            |      |
|       |     |            |      |            |      |            |      |            |      |
|       |     |            |      |            |      |            |      |            |      |
|       |     |            |      |            |      |            |      |            |      |
|       |     |            |      |            |      |            |      |            |      |
|       |     |            |      |            |      |            |      |            |      |
|       |     |            |      |            |      |            |      |            |      |
|       |     |            |      |            |      |            |      |            |      |
|       |     |            |      |            |      |            |      |            |      |
|       |     |            |      |            |      |            |      |            |      |
|       |     |            |      |            |      |            |      |            |      |
|       |     |            |      |            |      |            |      |            |      |
|       |     |            |      |            |      |            |      |            |      |
|       |     |            |      |            |      |            |      |            |      |
|       |     |            |      |            |      |            |      |            |      |
|       |     |            |      |            |      |            |      |            |      |
|       |     |            |      |            |      |            |      |            |      |
|       |     |            |      |            |      |            |      |            |      |
|       |     |            |      |            |      |            |      |            |      |
|       |     |            |      |            |      |            |      |            |      |
|       |     |            |      |            |      |            |      |            |      |
|       |     |            |      |            |      |            |      |            |      |
|       |     |            |      |            |      |            |      |            |      |
|       |     |            |      |            |      |            |      |            |      |
|       |     |            |      |            |      |            |      |            |      |
|       |     |            |      |            |      |            |      |            |      |
|       |     |            |      |            |      |            |      |            |      |
|       |     |            |      |            |      |            |      |            |      |
|       |     |            |      |            |      |            |      |            |      |
|       |     |            |      |            |      |            |      |            |      |

Do not apply the trend factors to the percent good factors. The percent good factors already have the trend factors incorporated. This is true for all schedules in this manual.



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|   |       | Department of Revenue   |    |      |    | Effective 1/1/2018 |    |    |  |
|   |       | Property Tax Section    |    |      |    |                    |    |    |  |
| Schedule U Valuation Table  |       |                         |    |      |    |                    |    |    |  |
| Historical (Original) Cost  |       |                         |    |      |    |                    |    |    |  |
| Percent Good Factors  |       |                         |    |      |    |                    |    |    |  |
| Year  | Trend | Life in Years           |    |      |    |                    |    |    |  |
| Acq'd   | Age   | Factor                  | 5  | 6    | 8  | 12                 |    |    |  |
| 2017  | 1     | 1.00                    | 80 | 1.00 | 68 | 72                 | 85 |    |  |
| 2016  | 2     | 0.99                    | 60 | 1.00 | 51 | 60                 | 80 |    |  |
| 2015  | 3     | 0.94                    | 38 | 1.00 | 35 | 48                 | 75 |    |  |
| 2014  | 4     | 0.89                    | 18 | 1.00 | 18 | 35                 | 70 |    |  |
| 2013  | 5     | 0.87                    | 5  | 1.00 | 11 | 23                 | 60 |    |  |
| 2012  | 6     | 0.85                    |    | 1.00 | 5  | 15                 | 55 |    |  |
| 2011  | 7     | 0.80                    |    | 1.00 |    |                    | 45 |    |  |
| 2010  | 8     | 0.77                    |    | 1.00 |    |                    | 40 |    |  |
| 2009  | 9     | 0.73                    |    | 1.00 |    |                    | 35 |    |  |
| 2008  | 10    | 0.68                    |    | 1.00 |    |                    |    | 25 |  |
| The 25 percent residual is for combines and cotton harvesters.  |       |                         |    |      |    |                    |    |    |  |
| Use 35 percent for tractors.  |       |                         |    |      |    |                    |    |    |  |
| Do not apply the trend factors to the percent good factors. The percent good factors already have the trend factors incorporated. |       |                         |    |      |    |                    |    |    |  |
| This is true for all schedules in this manual.  |       |                         |    |      |    |                    |    |    |  |