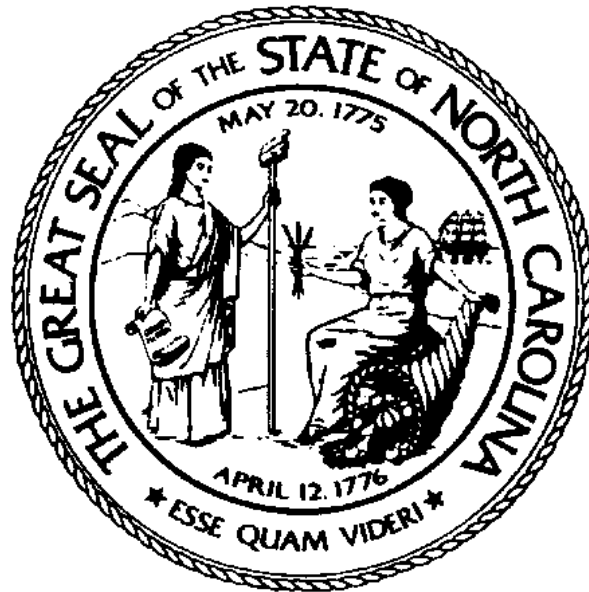
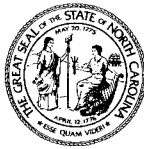


2009
Cost Index &
Depreciation Schedules



North Carolina Department of Revenue
Property Tax Division



STATE OF NORTH CAROLINA
DEPARTMENT OF REVENUE
PROPERTY TAX DIVISION

Introduction
Effective 1/1/2009

Following this introduction is the 2009 Trending 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 Division 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: In their 2009 business listing, a manufacturer of machinery listed \$10,000 machinery and equipment, acquired in 2003. 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, 2009 would be:

$$\$10,000 \times .48 = \$4,800$$

In examining what we have done, the trending factor of 1.20 brings the value of the equipment up to current replacement cost new, which would be:

$$\$10,000 \times 1.20 = \$12,000$$

Then we depreciate RCN assuming the property is six years old with a suggested ten-year life and therefore has 4 years remaining in its useful economic life:

$$\$12,000 \times .40 = \$4,800, \text{ rounded to the nearest 100 is the same answer as above.}$$

The valuation tables show percent good factors (.48) which are simply the products of the trending factors (1.20) and the straight-line depreciation factors (.40). 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, spacecraft, rockets, missiles and component parts.			
<u>AIR CONDITIONING EQUIPMENT</u>			
Large - 20 tons and over	18	B	20
Medium and Small - Under 20 tons	18	B	10
Heat Pumps - All sizes	18	B	7
<u>AIRPORT GROUND EQUIPMENT</u>	18	B	10
Unlicensed Vehicles.....	18	B	10
<u>AMUSEMENT AND RECREATION EQUIPMENT</u>			
A. Amusement Park			
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
Video Rental Tapes & DVD's		See Below ⁽¹⁾	
Video Rental Tape Player.....	18	B	3
⁽¹⁾ Residual Value - Use 10% residual value on all remaining tapes & DVD's after 2nd year or :			
If Cost Data is Given	Tapes/DVD's reported by year		If Number of tapes, DVDs,
<u>YEAR</u> % Good	<u>YEAR</u>	<u>\$ PER TAPE/DVD</u>	<u>and Games is reported</u>
2008 40	2008	\$18.00	Tape \$5
2007 15	2007	\$ 6.75	DVD \$10
2006 10	2006	\$ 4.50	Game \$12
B. Golf Carts.....	18	B	5
C. Miniature Golf Courses.....	18	B	10
D. Average All (Variety)	18	B	7
<u>APARTMENT AND ROOMING HOUSE (FF&E)</u>	20	G	8

*indicates a change from last year



MAJOR CATEGORY

Page Schedule Life

APPAREL AND OTHER FINISHED PRODUCTS
 MANUFACTURED FROM FABRICS, FABRICATED
 TEXTILE PRODUCTS AND SIMILAR MATERIALS

Leather Apparel	17	A	11
Fabrics - Knitwear and Fur	17	A	9
Rubber Apparel	17	A	14
Miscellaneous Textile Products such as draperies and canvas	17	A	9

ASPHALT ROOFING MATERIALS
 (EQUIPMENT USED TO MANUFACTURE)
 (See Petroleum Products Manufacturing)

AUTOMOBILE REPAIR AND SERVICE EQUIPMENT

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

<u>BAKERIES - RETAIL (BAKING AND SELLING)</u>	17	A	10
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BANKS & SAVINGS AND LOAN EQUIPMENT

Automated Teller Machines (ATM)	21	H	5
Drive in Windows	21	H	10
Night Depository	21	H	10
Teller Service Area	21	H	10
Teller Service Systems	21	H	10
Closed Circuit TV - Pneumatic	21	H	4
Visual Pneumatic	21	H	10
Currency Lockers	21	H	20
Safe Deposit Box	21	H	20
Teller Lockers	21	H	20

<u>Note:</u> For vaults, vault doors, inner gates, vent fans and additions, see the 50 year depreciation schedule M	23	M	50
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*indicates a change from last year



<u>MAJOR CATEGORY</u>	<u>Page</u>	<u>Schedule</u>	<u>Life</u>
<u>BAR - RESTAURANT AND SODA FOUNTAIN</u>			
<u>EQUIPMENT</u>	20	E	10
Includes all eating and drinking establishments selling prepared food and drinks.			
<u>BARBER SHOP EQUIPMENT</u>	18	B	10
<u>BEAUTY SHOP EQUIPMENT</u> , Including tanning beds	18	B	8
Includes massage, manicure, pedicure, and other related Salon equipment.			
<u>BOAT BUILDING</u>			
Includes repair and conversion.....	18	B	12
Molds for fiberglass boats	18	B	3
<u>BOAT DOCKS (Where Classified as Personalty)</u>			
Wood and Foam.....	18	B	5
Steel or other Metal Construction	18	B	20
<u>BOTTLING - (PLANT EQUIPMENT)</u>	17	A	12
Manufacture, bottling or canning of soft drinks, fresh fruit drinks, mineral and distilled waters, carbonated beverages, etc.			
<u>BROADCASTING - RADIO AND TV EQUIPMENT</u>			
Analog Television Broadcasting Equipment (10% residual).	18	B	5
Studio Broadcasting Equipment	18	B	6
Transmitting Towers.....	18	B	25
<u>CABLE MANUFACTURING</u>			
Manufacture of fiber optic, coaxial, and data cable	21	I	10
Including coaxial, composite cable, and twisted copper cable.			
<u>CABLE TV EQUIPMENT</u>			
Headend Equipment, Receiving Antennas	18	B	11
Preamplifiers, modulation equipment			
Distribution Systems, Dishes	18	B	10
Subscriber Connection, Set Top Boxes (Converters)	18	B	3
Towers.....	18	B	25

*indicates a change from last year



<u>MAJOR CATEGORY</u>	<u>Page</u>	<u>Schedule</u>	<u>Life</u>
<u>CELLULAR EQUIPMENT</u>			
Towers, structures housing cell equipment.....	18	B	25
Power Supply, PBX (internal phone system), Microwave Antennas.....	18	B	10
<u>Digital</u> -Antenna Cell Site, Cell equip, Microwave Digital, Tools & testing equip., Telephones, pagers, antennas	28	U	6
<u>Analog</u> - Antenna Cell Site, Cell equipment	18	B	3
<u>CEMENT MANUFACTURING AND CONCRETE PRODUCTS</u>			
Ready Mix Concrete Plants.....	17	A	15
Concrete Products Manufacturing, (Blocks, Pipe, etc.)	17	A	12
Cement Manufacturing Plants.....	17	A	20
Portable Ready Mix Plants.....	17	A	8
Mixers (Truck Mounted).....	17	A	6
 <u>Note:</u> Cement manufacturing plants have a combination of quarrying and manufacturing machinery which should be reported and appraised separately			
<u>CHEMICAL AND ALLIED PRODUCTS</u>	17	A	10
Establishments producing basic chemicals and establishments manufacturing products by predominantly chemical processes such as industrial gasses, drugs, pharmaceutical detergents, perfumes, cosmetics, varnishes, cleaning preparations, paints, lacquers, enamels, etc.			
Manufacture of Compressed Gasses.....	17	A	8
<u>COMMUNICATION - TELEPHONE AND INTERCOM SYSTEMS- PAY PHONES</u>	18	B	10
<u>COMPUTER MANUFACTURING</u>			
Manufacturers engaged in the assembly of computers	21	I	8

*indicates a change from last year



<u>MAJOR CATEGORY</u>	<u>Page</u>	<u>Schedule</u>	<u>Life</u>
<u>CONTRACTOR'S EQUIPMENT</u>			
General Construction - Highway, Dams, etc.	17	A	8
Barricades and Warning Devices	17	A	3
Special Trade Contractors			
Electrical Heating, Plumbing,			
Painting, Framing & Carpentry	17	A	10
Cranes to 50 tons, Shovels to 8 cubic yards	17	A	10
Cranes, Shovels, and Drag Lines.....	18	B	25
Portable Asphalt Batch Plants	17	A	6
<u>COTTON GINS AND COMPRESSES</u>	17	A	12
Cotton gin machinery for removing seeds from raw cotton.			
Cotton Compresses are machines used to bale cotton after ginning.			
<u>COPYING AND DUPLICATING EQUIPMENT</u>			
Use Schedule N.....	24	N	5
Use this schedule for manufacturer-lessor as current retail selling price will be reported.			
Use Schedule L	22	L	5
Use this schedule for non-manufacturer-lessor and private owner as historical cost will be reported.			

Note: Certain types of copying and duplicating equipment have replaced computer printers, which are appraised using the “Data Processing Equipment” schedule, below. These types of copying and duplicating equipment are sometimes called “Multi-Function devices”, have the ability to function as network computer printer, copier, and fax and may be appraised using the Data Processing Schedule rather than the N5 or L5.

DATA PROCESSING EQUIPMENT - Non-production computers

This category includes personal computers, midrange and mainframe computers, and their peripherals, used for data processing. Includes standard IBM-compatible PC's used in manufacturing and point-of-sale systems, but not proprietary point-of-sale units such as computers built specifically to be used as point-of sale computers or other proprietary computerized systems. For POS proprietary systems and electronic cash registers, see "Store Equipment". 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 such as proprietary point-of-sale units. Does not include equipment that is an integral part of other capital equipment that is included in other classes of economic activity, i.e., computers used primarily for process or production control, switching, channeling, and automating distributive trades and services such as

Continued
 Next Page

*indicates a change from last year



MAJOR CATEGORY

Page Schedule Life

proprietary point of sale (POS) computer systems. Also, does not include equipment of a kind used primarily for amusement or entertainment of the user.

Use Schedule U (10% residual)	28	U	5
Use this schedule for all reported computer and data processing equip.			
Software (10% residual)	28	U	5

Note: Accelerated depreciation is used on data processing equipment.

DRILLING EQUIPMENT (GAS, PETROLEUM & WATER)

Exploration and Drilling Equipment.....	17	A	6
Includes water well drilling equipment mounted on vehicles.			

DRY CLEANING AND LAUNDRY EQUIPMENT

Commercial.....	18	B	10
Coin Operated.....	18	B	6
Leased and Rented Linens and Uniforms (Not trended).....	24	N	2

ELECTRICAL EQUIPMENT

Manufacture of electrical household appliances, batteries, machinery used in the generation and utilization of electric energy.....

.....	21	I	10
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ELECTRONIC EQUIPMENT

A. Includes the manufacture (50% or more) of Electronic Communication, Detection, Guidance, Control, Radiation Computation, Test and Navigation equipment.....

.....	21	I	8
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B. Manufacturers engaged only in the purchase and assembly of electronic components.....

.....	21	I	12
-------	----	---	----

C. Semi-Conductor Manufacturing.....

.....	28	U	6
-------	----	---	---

Semi-Conductor Testing Equip.....

.....	28	U	8
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D. Vapor Depollution System

.....	17	A	5
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FABRICATED METAL PRODUCTS 17 A 12

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

*indicates a change from last year



MAJOR CATEGORY

Page Schedule Life

FARM AND RANCH MACHINERY AND EQUIPMENT

Tractors, combines, cotton harvesters, and other large farm 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 schedule should be followed.

Tractors, combines, cotton harvesters and other large farm equipment28 U 12
 Use a 25% residual on combines and cotton harvesters.

Farm implements such as hay balers, forage harvesters, plows, harrows, sprinkler equipment, bush hogs, planters, hay rakes and sprayers, landscaping equip., etc...17 A 8

If large equipment is not broken out from the farm implements, use an “A 10 schedule” with a 35% residual.

Machinery and equipment used in the production of crops and livestock and on-the-farm processing of feeds. (portable hammermills) 17 A 8

FIBER OPTICS MANUFACTURING21 I 8
 Manufacturers of glass fiber for fiber optics

Note: For 2008, we recommend an additional 25% economic obsolescence reduction in addition to the value calculated using the I-8 schedule on all temporarily idle fiber optic manufacturing equipment. This adjustment is applicable until the equipment is either in use, planned for use, or meets the definition of idle equipment on Index page 8.

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

Bakery Products 17 A 12
 Brewery and Distillery..... 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
 Grain Mill Products 17 A 17
 Includes assets used in the production of flours, cereals, live-stock feeds, and other grain and grain mill products. (large hammermills)
 Grain Tanks..... 17 A 15

Continued
 Next Page

*indicates a change from last year



<u>MAJOR CATEGORY</u>	<u>Page</u>	<u>Schedule</u>	<u>Life</u>
Miscellaneous Food Preparations such as honey and potato chips	17	A	12
Sugar and Sugar Products.....	17	A	18
Vegetable Oil Products.....	17	A	18
 <u>FURNITURE MANUFACTURING OF WOOD PRODUCTS, EXCEPT LUMBER MANUFACTURING</u>	17	A	10
 <u>GLASS AND GLASS PRODUCTS (EXCLUDES MANUFACTURE OF LENSES)</u>	17	A	14
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, etc., glass containers, plate, safety and window glass.			
Manufacture of Mirrors.....	17	A	10
 <u>HOSPITAL AND NURSING HOME EQUIPMENT</u>	19	C	10
CAT Scan & MRI Equipment.....	19	C	6
 <u>HOTEL, MOTEL AND RESORT EQUIPMENT</u>	20	D	10
Televisions	18	B	5
 <u>HYDRO ELECTRIC GENERATING EQUIPMENT</u>	27	T	50

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

Excludes electronic data processing equipment, portable commercial equipment, and copiers. Includes leased fax machines.

Use Schedule N..... 24

N

5

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

Use Schedule S 26

S

5

Use this schedule for non-manufacturer/lessor as historical cost will be reported. Leased Communication Equipment.

LEATHER AND LEATHER PRODUCTS 17

A

11

Includes the manufacture of finished leather products, the 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 Machinery and Equipment (Permanent Mills)..... 17

A

10

Lumber manufacturing included.

Sawmill (Portable) 17

A

6

MACHINERY (MACHINE SHOPS) 17

A

10

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

*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 & DENTAL EQUIPMENT - INCLUDES VETERINARIAN, MEDICAL & 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>						
A. Mining and quarrying non-metallic minerals such as sand and gravel, ceramic clay, cinder, stone (other than granite), chemicals, fertilizer				17	A	10
Granite Quarrying and Processing				17	A	9
Portable Sand and Gravel Units.				17	A	8
B. Mining, Milling and Processing Plants - (Metal)						
Mining Equipment.				17	A	10
Milling and Chemical Plant Equipment.....				17	A	15
Metal Processing Plants such as custom smelters				17	A	20
C. Foil Manufacturing				17	A	8
D. Environmental Equipment.....				17	A	12
E. Cranes, Shovels and Drag Lines.....				18	B	25
<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, etc., brooms and brushes, etc.						
<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 VEHICLES, 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
Mailing Machines, Postage Machines, Burglar Alarms, etc. Office Furniture.			
<u>Note:</u> This class does not include personal computers.			
<u>PAPER AND ALLIED PRODUCTS</u>			
A. 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.			
B. Paper Finishing and Converting	17	A	12
Includes the finishing and converting of paper into cartons bags, envelopes, and other similar 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>			
Oil and Gas Well production equipment (includes well head equipment, gathering pipelines and related storage facilities).....	17	A	14
Petroleum Refining Plants	17	A	16
Petroleum Storage Facilities.....	17	A	16
Natural Gas and Helium Production Plants	17	A	14
Propane Gas Tanks and Distribution Equipment	17	A	16
<u>PHOTOGRAPHIC</u>	19	C	9
Automatic film processing equipment including the 1 hr 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-engraving, and electrotyping.			
<u>Note:</u> EDP and other Computer equipment used in publishing should be listed and appraised separately.			
<u>PROFESSIONAL EQUIPMENT (MISCELLANEOUS)</u>	18	B	10
Architects, accountants, engineers, photographic studio equipment, Taxidermists, Hobby & Craft Shops, Graphic Design Illustrations, etc.			
<u>PROFESSIONAL LIBRARIES</u>	25	O	
Architects, engineers, accountants 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

*indicates a change from last year



<u>MAJOR CATEGORY</u>	<u>Page</u>	<u>Schedule</u>	<u>Life</u>
<u>RENTAL EQUIPMENT</u>	26	P & Q	5
<p>Use schedule P when historical cost is reported. Use Schedule Q when current replacement cost is supplied. 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, etc. These schedules are for property which is typically rented on an hourly or daily basis.</p>			
<u>REPAIR SHOP EQUIPMENT</u>	17	A	10
<p>Electrical, watch, clock, jewelry radio and TV, upholstery, furniture, household appliances, welding, locksmith, shoe, etc.</p>			
<u>RUBBER PRODUCTS</u>	17	A	14
<p>Includes the manufacture of finished rubber products.</p>			
<u>SCALES</u>			
25 - 10 Ton.....	17	A	20
Less than 10 Ton	17	A	10
Portable	17	A	10
<u>SCHOOL EQUIPMENT</u>	20	D	10
<u>SCRAP METAL</u>	17	A	10
<p>Equipment used in the cutting, wrecking, and storing of scrap metals.</p>			
<u>SIGNS AND BILLBOARDS</u>	25	O	
<p>* <u>Billboards:</u> The valuation of Billboard Structures is outlined in a separate publication of the NC Dept. of Revenue, the "Billboard Structures Valuation Guide" <u>Signs:</u> On and off premise signs are erected for the purpose of information and direction. If the sign is built in a manner similar to a billboard, use the methodology outlined in the "Billboard Structures Valuation Guide". If the sign is considered a "logo" type, it should be listed at historical cost and depreciated on a 10 to 20-year life.</p>			
<u>SPECIAL PROPERTIES</u>	25	O	

*indicates a change from last year



<u>MAJOR CATEGORY</u>	<u>Page</u>	<u>Schedule</u>	<u>Life</u>
<u>STEAM POWERED ELECTRICAL GENERATING EQUIPMENT</u> – Includes assets used in the steam power production of electricity for sale, combustion turbines operated in a combined cycle with a conventional steam unit.	27	T	28
Natural Gas-Fired and Combined Cycle electrical Generating equipment that does not also produce steam for sale	27	T	18
<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 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.			
<u>STORE EQUIPMENT (RETAIL, WHOLESALE, AND SUPPLY)</u>			
General merchandise stores, building materials, hardware, apparel and accessory stores, furniture, home furnishings, equipment and supply, jewelry, miscellaneous retail, wholesale, and supply store equipment, food stores, grocery, etc	20	D	10
POS equipment, proprietary computerized point-of-sale units. Including peripherals and hand held computers. Includes electronic cash registers. Does not include actual PC's used as POS terminals or computers acting as servers, which should be appraised as data processing equipment	20	D	6
<u>STRAIGHT LINE SCHEDULES</u>	24	N	
These schedules are included to assist the appraiser when other schedules are inappropriate. When using the straight line schedules, a residual value of 25% remains in effect unless variation is indicated by the property being appraised.			
<u>TELECOMMUNICATIONS SWITCH MANUFACTURING</u>			
Switch manufacturing equipment	28	U	8
Switch testing equipment	28	U	6
<u>TESTING EQUIPMENT</u>	26	R	8
Includes equipment used in research and development.			

*indicates a change from last year



MAJOR CATEGORY

Page Schedule Life

TEXTILE MILL PRODUCTS

Includes the manufacture of spun, woven or processed yarns and fabrics from natural or synthetic fibers.	17	A	10
Textile finishing and dying.....	17	A	8

Note: Effective 1-1-2003 a 5% residual value and additional obsolescence will apply to textile mill products manufacturing equipment appraised under this schedule. A special section under schedule A is provided on page 17 to provide for the 5% residual and the additional obsolescence. For idle textile equipment see Index page 8.

<u>THEATER EQUIPMENT</u>	20	D	10
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TOBACCO AND TOBACCO PRODUCTS

<u>MANUFACTURING</u>	17	A	15
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<u>TOOLS, MOLDS, DIES AND JIGS</u>	25	O	2 - 7
---	----	---	-------

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 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 does not include general-purpose small tools.

It will be necessary to determine from the particular 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
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This category includes the manufacture of Motor Homes, Campers, and Motorcycles.

VENDING EQUIPMENT

Amusement (Bowlers, Pin Ball, Pool, Kiddie Rides, Hobby Horses etc.).....	25	O	5
Cigarette Vendors.	25	O	6
Food Vendors (Soft Drink, Candy, Hot and Cold Foods, Popcorn etc.)	25	O	5
Music Machines.....	25	O	6
Miscellaneous (Change, Newspaper, Photo, Stamps etc.).....	25	O	6
Leased Ice Machines	25	O	6

Use straight line schedule for the correct life years. (Schedule N)


*indicates a change from last year



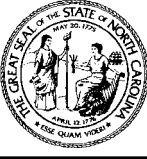
<u>MAJOR CATEGORY</u>	<u>Page</u>	<u>Schedule</u>	<u>Life</u>
<u>WAREHOUSE MATERIALS HANDLING EQUIPMENT</u> 17 Forklifts & Pallets	17	A	10
<u>WASTE MANAGEMENT</u> 18 Includes assets and equipment used in the collection and management of household garbage and similar waste. Includes greenbox containers, toters, and similar equipment.	18	B	8
<u>WIRE PRODUCTS MANUFACTURING</u> 17 Establishments primarily engaged in the manufacture of wire.	17	A	14
<u>WOODWORKING EQUIPMENT</u> 20	20	F	10

*indicates a change from last year


2009 Cost Index and Depreciation Schedules

		State of North Carolina								Page 17								
		Department of Revenue								Effective 1/1/2009								
		Property Tax Division																
Schedule A Valuation Table																		
Historical (Original) Cost																		
Percent Good Factors																		
Year	Acq'd	Age	Trend Factor	Life in Years														
				3	5	6	8	9	10	11	12	14	15	16	17	18	20	
2008	1	1.00	67	80	83	87	89	90	91	92	93	93	94	94	94	95		
2007	2	1.05	35	63	70	79	83	84	86	87	90	91	91	92	93	95		
2006	3	1.08	25	43	54	68	72	76	79	81	85	86	87	89	90	92		
2005	4	1.11		25	37	56	62	67	71	74	79	81	83	84	87	89		
2004	5	1.16			25	43	51	58	63	67	74	78	80	82	84	87		
2003	6	1.20				30	40	48	53	60	68	72	76	78	80	84		
2002	7	1.22					25	27	37	44	51	61	65	68	72	74	79	
2001	8	1.22						25	25	33	40	52	57	61	65	68	73	
2000	9	1.23								25	31	44	49	54	58	62	68	
1999	10	1.24									25	36	41	46	51	55	62	
1998	11	1.25										26	34	39	44	49	56	
1997	12	1.28											25	26	32	37	42	51
1996	13	1.30												25	25	30	36	46
1995	14	1.32														25	29	40
1994	15	1.38															25	35
1993	16	1.40																28
1992	17	1.43																25
2008	1	1.00				8	10											
2007	2	1.05				78	81											
2006	3	1.08				67	71											
2005	4	1.11				54	60											
2004	5	1.16				42	50											
2003	6	1.20				30	41											
2002	7	1.22				20	31											
2001	8	1.22				10	22											
2000	9	1.23				5	13											
							6											
							5											
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.																		


2009 Cost Index and Depreciation Schedules

		State of North Carolina										Page 18			
		Department of Revenue										Effective 1/1/2009			
		Property Tax Division													
Schedule B Valuation Table															
Historical (Original) Cost															
Percent Good Factors															
Year	Trend	Life in Years													
Acq'd	Age	Factor	3	5	6	7	8	10	11	12	20	25	5*		
2008	1	1.00	67	80	83	86	87	90	91	92	95	96	80		
2007	2	1.04	34	62	70	74	78	83	85	86	94	96	62		
2006	3	1.06	10	42	53	60	67	74	77	80	90	93	42		
2005	4	1.08		25	36	46	54	65	69	72	86	91	22		
2004	5	1.10			25	32	41	55	59	64	83	88	10		
2003	6	1.13				25	28	45	50	57	79	86			
2002	7	1.14					25	34	41	48	74	82			
2001	8	1.13						25	31	37	68	77			
2000	9	1.14							25	29	63	73			
1999	10	1.14								25	57	68			
1998	11	1.14									51	64			
1997	12	1.14									46	59			
1996	13	1.14									40	55			
1995	14	1.17									35	51			
1994	15	1.19									30	48			
1993	16	1.22									25	44			
1992	17	1.24									25	40			
1991	18	1.26										35			
1990	19	1.29										31			
1989	20	1.37										27			
1988	21	1.42										25			
1987	22	1.49										25			
1986	23	1.52													
1985	24	1.53													
<p>* This special 5 year schedule is only for equipment identified as Analog Broadcasting Equipment. which will be unusable after analog television broadcasting is ended by the FCC.</p>															
<p>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.</p>															

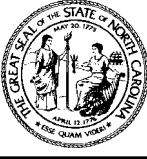
2009 Cost Index and Depreciation Schedules

		State of North Carolina								Page 20	
		Department of Revenue								Effective 1/1/2009	
		Property Tax Division									
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		
Acq'd	Age	Factor	6	10	Factor	10		Factor	10		
2008	1	1.00	83	90	1.00	90		1.00	90		
2007	2	1.04	70	83	1.05	84		1.05	84		
2006	3	1.06	53	74	1.11	78		1.09	76		
2005	4	1.09	36	65	1.14	68		1.13	68		
2004	5	1.12	19	56	1.20	60		1.16	58		
2003	6	1.15	15	46	1.25	50		1.18	47		
2002	7	1.15		35	1.27	38		1.19	36		
2001	8	1.15		25	1.27	25		1.20	25		
<p>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.</p>											


2009 Cost Index and Depreciation Schedules

		State of North Carolina						Page 21					
		Department of Revenue						Effective 1/1/2009					
		Property Tax Division											
Schedules H, I, Valuation Table													
Historical (Original) Cost													
Percent Good Factors													
		Schedule H						Schedule I					
Year		Trend	Life				Trend	Life					
Acq'd	Age	Factor	4	5	10	20	Factor	5	8		10	12	
2008	1	1.00	75	80	90	95	1.00	80	87		90	92	
2007	2	1.04	52	62	83	94	0.99	59	74		79	82	
2006	3	1.05	26	42	74	89	0.98	39	62		69	74	
2005	4	1.08	25	25	65	86	0.98	25	49		59	66	
2004	5	1.10			55	83	0.98		36		49	57	
2003	6	1.12			45	78	0.96		25		38	48	
2002	7	1.12			34	73	0.97		25		29	41	
2001	8	1.12			25	67	0.97				25	32	
2000	9	1.12				62	0.98					25	
1999	10	1.12				56	0.99					25	
1998	11	1.12				50	1.00						
1997	12	1.15				46	1.02						
1996	13	1.17				41	1.04						
1995	14	1.19				36	1.05						
1994	15	1.25				31	1.07						
1993	16	1.25				25	1.07						
1992	17	1.29				25	1.10						
1991	18	1.33					1.11						
		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.											


2009 Cost Index and Depreciation Schedules

		State of North Carolina						Page 22						
		Department of Revenue						Effective 1/1/2009						
		Property Tax Division												
Schedules J, K, L, Valuation Table														
Historical (Original) Cost														
Percent Good Factors														
		Schedule J				Schedule K				Schedule L				
Year		Trend	Life			Trend	Life			Trend	Life			
Acq'd	Age	Factor	5	8	10	Factor	5	10		Factor	5	6	14	16
2008	1	1.00	80	87	90	1.00	80	90		1.00	80	83	93	94
2007	2	1.04	62	78	83	1.04	62	83		1.01	61	68	87	88
2006	3	1.06	42	67	74	1.04	42	73		1.08	43	54	85	87
2005	4	1.09	25	55	65	1.04	25	62		1.08	25	36	77	81
2004	5	1.13		42	57	1.08		54		1.01		25	65	70
2003	6	1.15		29	46	1.12		45		1.01			58	64
2002	7	1.20		25	36	1.13		34		1.01			51	57
2001	8	1.18			25	1.14		25		1.02			44	51
2000	9	1.19				1.15				1.03			37	45
1999	10	1.19				1.16				1.03			30	38
1998	11	1.20				1.18				1.07			25	33
1997	12	1.23								1.07				27
1996	13	1.25								1.08				25
										1.08				
										1.11				
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.														


2009 Cost Index and Depreciation Schedules

	State of North Carolina						Page 23		
	Department of Revenue						Effective 1/1/2009		
	Property Tax Division								
Schedule M									
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	23	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							


2009 Cost Index and Depreciation Schedules

	State of North Carolina					Page 25			
	Department of Revenue					Effective 1/1/2009			
	Property Tax Division								
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"							<u>Page</u>	<u>Sch</u>	<u>Life</u>
*	Digital & Tri-Vision Billboard Displays.....						21	I	8
SIGNS							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
Cigarette Vendors.....							25	O	6
Food Vendors (Soft Drink, Candy, Hot and Cold Foods, Popcorn etc.).....							25	O	5
Music Machines.....							25	O	6
Miscellaneous (Change, Newspaper, Photo, Stamps etc.).....							25	O	6
Leased Ice Machines.....							25	O	6
Use straight line schedule for the correct life years. (Schedule N)									

2009 Cost Index and Depreciation Schedules

		State of North Carolina				Page 26			
		Department of Revenue				Effective 1/1/2009			
		Property Tax Division							
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
2008	1	1.00	80	1.00	80	1.00	87	1.00	80
2007	2	1.03	62	1.00	60	1.02	77	1.02	61
2006	3	1.05	42	1.00	40	1.03	65	1.00	40
2005	4	1.09	25	1.00	25	1.05	53	1.00	25
2004	5	1.11				1.06	39	0.98	
2003	6	1.14				1.07	27	0.99	
2002	7	1.14				1.08	25	0.99	
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.									

2009 Cost Index and Depreciation Schedules

	State of North Carolina									Page 27			
	Department of Revenue									Effective 1/1/2009			
	Property Tax Division												
Schedule T													
			Year	Age	Trend	Life Years			Year	Age	Trend	Life Years	
			Acq'd	Yrs	Factor	18	28	50	Acq'd	Yrs	Factor	28	50
			2008	1	1.00	94	96	98	1983	26	1.87	25	90
			2007	2	1.11	98	103	106	1982	27	1.93	25	89
			2006	3	1.15	96	103	108	1981	28	2.07		91
Note: This schedule			2005	4	1.22	95	105	112	1980	29	2.21		93
is for hydro-electric			2004	5	1.25	90	103	113	1979	30	2.28		91
generating equipment			2003	6	1.28	85	101	113	1978	31	2.72		103
used in dams. The 50			2002	7	1.29	79	97	111	1977	32	2.96		107
year life schedule			2001	8	1.28	71	91	108	1976	33	3.10		105
increases because the			2000	9	1.30	65	89	107	1975	34	3.32		106
positive trend is greater			1999	10	1.32	58	85	105	1974	35	3.77		113
than the 2 percent annual			1998	11	1.33	52	81	104	1973	36	3.94		110
straight line depreciation			1997	12	1.36	45	78	103	1972	37	4.66		121
rate. The 28 year life			1996	13	1.38	38	74	102	1971	38	4.83		116
schedule may have an			1995	14	1.38	31	69	99	1970	39	5.03		111
increasing trend in some			1994	15	1.42	25	66	99	1969	40	5.36		107
years as well.			1993	16	1.45		62	99	1968	41	5.75		104
			1992	17	1.47		58	97	1967	42	6.03		96
			1991	18	1.49		53	95	1966	43	6.30		88
			1990	19	1.51		49	94	1965	44	6.56		79
			1989	20	1.58		45	95	1964	45	6.58		66
			1988	21	1.65		41	96	1963	46	6.87		55
			1987	22	1.71		37	96	1962	47	6.95		42
			1986	23	1.76		31	95	1961	48	6.97		25
			1985	24	1.81		26	94	1960	49	7.02		25
			1984	25	1.85		25	92	1959	50	7.04		25

2009 Cost Index and Depreciation Schedules

Name:					Effective 1/1/2009		
Addr:					Page 29		
C/S/Z:					Rate Code:		
Account #:					Billboard Valuation Worksheet		
Age	Year	Wood	Steel	RCN(wd)	RCN(st)	Value(wd)	Value (st)
1	2008	96	100				
2	2007	92	99				
3	2006	88	99				
4	2005	84	98				
5	2004	80	97				
6	2003	76	97				
7	2002	72	96				
8	2001	68	95				
9	2000	64	95				
10	1999	60	94				
11	1998	56	93				
12	1997	52	92				
13	1996	48	91				
14	1995	44	90				
15	1994	40	89				
16	1993		88				
17	1992		87				
18	1991		86				
19	1990		84				
20	1989		83				
21	1988		82				
22	1987		80				
23	1986		79				
24	1985		77				
25	1984		75				
26	1983		73				
27	1982		72				
28	1981		70				
29	1980		68				
30	1979		66				
31	1978		62				
32	1977		57				
33	1976		52				
34	1975		47				
35	1974		42				
36	Prior		40				