

Loudoun County Business Personal Property Tax Guide for **B&B and Short-Term Rental Businesses**

Business personal property is all furniture, fixtures, or equipment owned or used by the business with an original capitalized cost of \$25 or more that was in the county as of January 1, of the filing year.

- This includes all equipment expensed or fully depreciated for federal income tax purposes, equipment gifted or donated to the business, equipment converted from personal use to business use, and leased equipment depending on the stipulations of the lease agreement.
- Equipment with an original cost of less than \$500 may be grouped together, but taxpayers should track which assets are grouped together, so retired equipment may be removed from reporting subsequent to its disposal.
- If original cost information is not available, the taxpayer should provide a reasonable estimate of the fair market value for the year the asset was originally purchased.

Taxable Property

- Furniture, fixtures, or equipment that has been claimed as depreciable assets of the business for federal and state income tax purposes and is not otherwise exempt, even if located in a “residential” property.
- Furniture, fixtures, and equipment in a residential property that are used for business activities (lodging rentals, meeting rooms).
- Equipment used in support of service activities (weddings, parties, meetings, festivals, etc.) including tables, chairs, cooking and serving equipment, and decorations.
- If an entire home is offered for rent, all furniture, fixtures, and equipment is reportable for taxation. If the property is not occupied by the taxpayer as their household, all property including house or patio furniture, televisions, game room or exercise equipment is reportable for tax purposes unless the property is otherwise exempted by state code or local ordinances (i.e. household appliances).
- If the owner occupies the property and only rooms are rented, then furniture in the bedrooms utilized exclusively for rent is reportable for taxation. The property owner should also report furniture or other equipment in other areas of the home that are available for use by the transient.
- Appliances in a lodging establishment.

Exempt Property

- Household appliances in a residential rental property incidental to maintaining an abode.
- Furniture, fixtures, or equipment used exclusively by the homeowner in a residential property.