

LEGAL ENTITY ANNUAL REPORT/PERSONAL PROPERTY RETURN Form 1 - Frequent Filing Mistakes

Avoid these common errors to help ensure the efficient filing and processing of your personal property return.

Location Reporting Errors

- Not providing a breakdown of property by multiple locations.
- Inaccurate or missing address information, especially regarding towns.
- Reporting the mailing address instead of the actual property location in Section II, A of Form 1.
- Reporting property not located in Maryland.

Property Reporting Errors

- Property reported in wrong depreciation category.
- Failure to report commercial inventory.
- Reporting certain exempt registered vehicles as taxable under line item 1 or 6 on Form 1. Some registered vehicles are taxable, such as those with interchangeable registrations.
- Failure to meet the September 1st deadline for manufacturing applications.
- Failure to notify the Department by October 1st when a transfer/sale/disposal of all personal property occurs between January 1st and June 30th. Sometimes assessments are made after the date of transfer.

Annual Report and Other Errors

- Filing under the wrong Department ID#, especially after a merger, dissolution or when several entities under the same management or ownership are involved.
- Filing fee check missing, made out for incorrect amount, or made out to the Comptroller.
- Attempting to pre-pay an anticipated late filing penalty. These penalties are billed at the time the assessment is made.
- Returns not signed by officer/principal.
- Officers/directors names omitted from corporate return.
- Incorrect page 1 information (old address, wrong officers/directors, etc.), especially when software is used to prepare the return.
- Remitting property tax payments to the Department instead of the county/town finance offices that generated the bill.