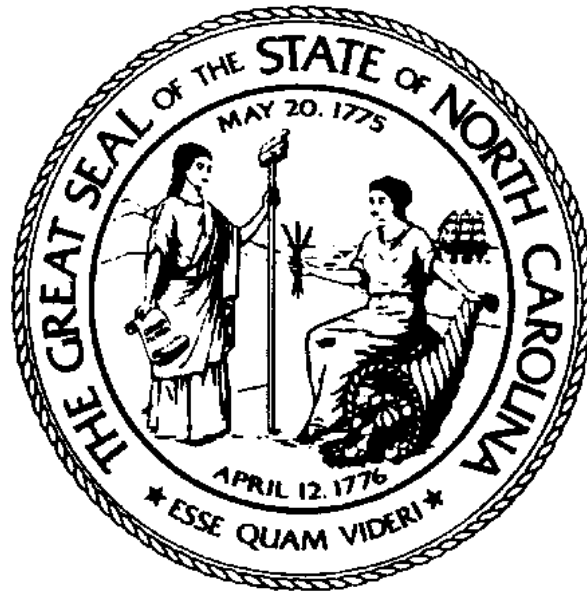


2012  
Cost Index &  
Depreciation Schedules

Revised March 2, 2012



North Carolina Department of Revenue  
Local Government Division  
Property Tax Section



STATE OF NORTH CAROLINA  
DEPARTMENT OF REVENUE  
PROPERTY TAX SECTION

Introduction  
Effective 1/1/2012

Following this introduction is the 2012 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: In their 2012 business listing, a manufacturer of machinery listed \$10,000 in machinery and equipment, acquired in 2005. 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, 2012 would be:

$$\$10,000 \times .35 = \$3,500$$

In examining what we have done, the trending factor of 1.16 brings the value of the equipment up to current replacement cost new, which would be:

$$\$10,000 \times 1.16 = \$11,600$$

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:

$$\$11,600 \times .30 = \$3,500, \text{ rounded to the nearest 100 is the same answer as above.}$$

The valuation tables show percent good factors (.35) which are simply the products of the trending factors (1.16) 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, 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 <sup>(1)</sup>	
Video Rental Tape Player.....	18	B	3
<sup>(1)</sup> 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>
2011 40	2011	\$18.00	Tape \$5
2010 15	2010	\$ 6.75	DVD \$10
2009 10	2009	\$ 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&amp;E)</u> .....	20	G	8

\* indicates a change from last year



<u>MAJOR CATEGORY</u>	<u>Page</u>	<u>Schedule</u>	<u>Life</u>
<u>APPAREL AND OTHER FINISHED PRODUCTS</u>			
<u>MANUFACTURED FROM FABRICS, FABRICATED</u>			
<u>TEXTILE PRODUCTS AND SIMILAR MATERIALS</u>			
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
 <u>ASPHALT ROOFING MATERIALS</u>			
<u>(EQUIPMENT USED TO MANUFACTURE)</u>			
(See Petroleum Products Manufacturing)			
 <u>AUTOMOBILE REPAIR AND SERVICE EQUIPMENT</u>			
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
 <u>BANKS &amp; SAVINGS AND LOAN EQUIPMENT</u>			
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

\* 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>BILLBOARDS</u>			
Use the "Billboard Structures Valuation Guide"			
Link: <a href="http://www.dornc.com/publications/billboard/index.html">www.dornc.com/publications/billboard/index.html</a>			
<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.....	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 and SATELLITE COMPANY EQUIPMENT</u>			
* Subscriber Connections (Set-top Boxes, Modems, .....	28	U	5
External House Drops)			
* Distribution Systems—Cable (Coaxial and Fiber Optic).....	18	B	10
* Distribution Systems—Electronics (Node Electronics, .....	28	U	5
Amplifiers, Couplers, Splitters)			

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<u>MAJOR CATEGORY</u>	<u>Page</u>	<u>Schedule</u>	<u>Life</u>
* Head-end Equipment, Hub Equipment.....	28	U	5
* Towers, Antennas, Dishes .....	18	B	25
<u>CELLULAR EQUIPMENT</u>			
* Towers, concrete structures housing cell equipment.....	18	B	25
* Power Supply, PBX (internal phone system), Microwave Antennas, Cabinets .....	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

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**MAJOR CATEGORY**

**Page Schedule Life**

**CONTRACTOR'S EQUIPMENT**

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

**COPYING AND DUPLICATING EQUIPMENT**

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.

**COTTON GINS AND COMPRESSES.....** 17      A      12

Cotton gin machinery for removing seeds from raw cotton.  
 Cotton Compresses are machines used to bale cotton after ginning.

**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

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**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

**ELECTRIC ENERGY GENERATION EQUIPMENT**

A. Hydro-electric generating equipment .....	27	T	50
B. Natural Gas-Fired and Combined Cycle Electrical Generating Equipment that does not also produce steam for sale.....	27	T	18
C. Photovoltaic Solar Electric Generating Equipment.....	27	T	18
D. Steam powered electric generating equipment 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
* E. Wind Power Electricity Generation Systems.....	27	T	18
Includes wind turbines, support shafts and foundations, and ancillary lines, transformers, and other equipment necessary to move the electricity from the wind turbines to the utility's transmission line.			
* F. Biomass-Renewable Organic Matter Electric Generating Equipment.....	27	T	18

**ELECTRICAL EQUIPMENT** (Manufacturing equipment)

Manufacture of electrical household appliances, batteries, machinery used in the generation and utilization of electric energy.....	21	I	10
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**MAJOR CATEGORY** **Page Schedule** **Life**

**ELECTRONIC EQUIPMENT**

A. Includes the manufacture (50% or more) of Electronic Communication, Detection, Guidance, Control, Radiation Computation, Test and Navigation equipment.....	21	I	8
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
D. Vapor Depollution System .....	17	A	5

**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.

**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 equipment .....	28	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
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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 animals and on-the-farm processing of feeds (portable hammermills) .....	17	A	8
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<u>MAJOR CATEGORY</u>	<u>Page</u>	<u>Schedule</u>	<u>Life</u>
* <u>FIBER OPTICS MANUFACTURING</u> .....	21	I	8
Manufacturers of glass fiber for fiber optics			
 <u>FOOD, BEVERAGE AND KINDRED PRODUCTS</u> <u>(MANUFACTURING, PACKAGING, AND PROCESSING)</u>			
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
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
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,</u> <u>EXCEPT LUMBER MANUFACTURING</u> .....			
	17	A	10
 <u>GLASS AND GLASS PRODUCTS (EXCLUDES</u> <u>MANUFACTURE OF LENSES)</u> .....			
	17	A	14
The manufacture of glassware, pressed or blown, and the manu- facture 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

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**MAJOR CATEGORY**

**Page Schedule Life**

**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.

**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, hand-bags, saddles, harnesses, luggage, etc.

\* indicates a change from last year



<u>MAJOR CATEGORY</u>	<u>Page</u>	<u>Schedule</u>	<u>Life</u>
<u>LUMBERING</u>			
Logging Equipment.....	17	A	8
Sawmill Machinery and Equipment (Permanent Mills).....	17	A	10
Lumber manufacturing included.			
Sawmill (Portable).....	17	A	6
<u>MACHINERY (MACHINE SHOPS)</u> ..... 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.			
<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>			
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			

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<u>MAJOR CATEGORY</u>	<u>Page</u>	<u>Schedule</u>	<u>Life</u>
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, brooms and brushes, etc.			
* <u>MODULAR OFFICE SPACE--TRANSPORTABLE</u> .....	18	B	10
<u>MORTUARY AND CEMETERY EQUIPMENT</u> .....	18	B	10
<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.			

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<u>MAJOR CATEGORY</u>	<u>Page</u>	<u>Schedule</u>	<u>Life</u>
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</u>			
<u>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	B	25
 <u>PHOTOGRAPHIC</u>			
Automatic film processing equipment including the 1-hr photo type .....	19	C	9
Self-service digital input photo equipment.....	19	C	6
 <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

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<u>MAJOR CATEGORY</u>	<u>Page</u>	<u>Schedule</u>	<u>Life</u>
<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	
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> .....	26	P & Q	5
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. <b>These schedules are for property which is typically rented on an hourly or daily basis.</b>			
<u>REPAIR SHOP EQUIPMENT</u> .....	17	A	10
Electrical, watch, clock, jewelry radio and TV, upholstery, furniture, household appliances, welding, locksmith, shoe, etc.			
<u>RUBBER PRODUCTS</u> .....	17	A	14
Includes the manufacture of finished rubber products.			
<u>SCALES</u>			
25 - 10 Ton .....	17	A	20
Less than 10 Ton .....	17	A	10
Portable .....	17	A	10

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<u>MAJOR CATEGORY</u>	<u>Page</u>	<u>Schedule</u>	<u>Life</u>
<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 AND BILLBOARDS</u> .....	25	O	
<u>Billboards (whether on or off premises):</u>			
Use the "Billboard Structures Valuation Guide"			
Link: <a href="http://www.dornrc.com/publications/billboard/index.html">www.dornrc.com/publications/billboard/index.html</a>			
<u>Signs (other than billboards):</u>			
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 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 stores, 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

\* indicates a change from last year



<u>MAJOR CATEGORY</u>	<u>Page</u>	<u>Schedule</u>	<u>Life</u>
<u>STRAIGHT LINE SCHEDULES</u> .....	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.			
<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.			
<u>TEXTILE MILL PRODUCTS</u>			
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: For idle equipment see Index page 9.			
<u>THEATER EQUIPMENT</u> .....	20	D	10
<u>TOBACCO AND TOBACCO PRODUCTS</u>			
<u>MANUFACTURING</u> .....	17	A	15
<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
This category includes the manufacture of Motor Homes, Campers, and Motorcycles.			

\* indicates a change from last year




<u>MAJOR CATEGORY</u>	<u>Page</u>	<u>Schedule</u>	<u>Life</u>
<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
Music Machines.....	25	O	6
Miscellaneous (Change, Newspaper, Photo, Stamps etc.).....	25	O	6
Movie/Game Vending Machines .....	25	O	6
Leased Ice Machines .....	25	O	6
<u>WAREHOUSE MATERIALS HANDLING EQUIPMENT</u> .....	17	A	10
Forklifts & Pallets			
<u>WASTE MANAGEMENT</u> .....	18	B	8
Includes assets and equipment used in the collection and management of household garbage and similar waste. Includes greenbox containers, toters, and similar equipment.			
<u>WIRE PRODUCTS MANUFACTURING</u> .....	17	A	14
Establishments primarily engaged in the manufacture of wire.			
<u>WOODWORKING EQUIPMENT</u> .....	20	F	10

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\* indicates a change from last year


2012 Cost Index and Depreciation Schedules

		State of North Carolina						Page 17								
		Department of Revenue						Effective 1/1/2012								
		Property Tax Section														
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
2011	1	1.00	67	80	83	87	89	90	91	92	93	93	94	94	94	95
2010	2	1.03	34	62	69	77	81	82	84	85	89	90	90	91	92	93
2009	3	1.04	25	42	52	66	70	73	76	78	82	83	84	85	86	88
2008	4	1.05		25	35	53	59	63	67	70	75	77	79	80	82	84
2007	5	1.10			25	41	48	55	59	64	70	74	76	78	79	83
2006	6	1.13				28	37	45	50	57	64	68	71	73	76	79
2005	7	1.16				25	26	35	42	49	58	61	65	68	71	75
2004	8	1.21					25	25	33	40	52	57	61	64	68	73
2003	9	1.25							25	31	45	50	55	59	63	69
2002	10	1.27								25	37	42	47	52	56	64
2001	11	1.27									27	34	39	44	50	57
2000	12	1.28									25	26	32	37	42	51
1999	13	1.29										25	25	30	36	45
1998	14	1.31												25	29	39
1997	15	1.35													25	34
1996	16	1.37														27
1995	17	1.39														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.													






2012 Cost Index and Depreciation Schedules


		State of North Carolina								Page 20	
		Department of Revenue								Effective 1/1/2012	
		Property Tax Section									
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		
2011	1	1.00	83	90	1.00	90		1.00	90		
2010	2	1.02	68	82	1.03	82		1.02	82		
2009	3	1.02	51	71	1.04	73		1.04	73		
2008	4	1.03	34	62	1.05	63		1.04	62		
2007	5	1.07	18	54	1.12	56		1.09	55		
2006	6	1.09	15	44	1.18	47		1.13	45		
2005	7	1.13		34	1.21	36		1.18	35		
2004	8	1.16		25	1.27	25		1.21	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>											

2012 Cost Index and Depreciation Schedules

		State of North Carolina						Page 21					
		Department of Revenue						Effective 1/1/2012					
		Property Tax Section											
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	
2011	1	1.00	75	80	90	95	1.00	80	87		90	92	
2010	2	1.03	52	62	82	93	1.00	60	75		80	83	
2009	3	1.04	26	42	73	88	1.00	40	63		70	75	
2008	4	1.05	25	25	63	84	0.98	25	49		59	66	
2007	5	1.09			55	82	0.97		36		49	56	
2006	6	1.10			44	77	0.96		25		38	48	
2005	7	1.14			34	74	0.96				29	40	
2004	8	1.16			25	70	0.96				25	32	
2003	9	1.18				65	0.94					25	
2002	10	1.18				59	0.95						
2001	11	1.18				53	0.95						
2000	12	1.18				47	0.96						
1999	13	1.18				41	0.97						
1998	14	1.18				35	0.98						
1997	15	1.21				30	1.00						
1996	16	1.23				25	1.02						
1995	17	1.25					1.03						
1994	18	1.32					1.05						
		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.											

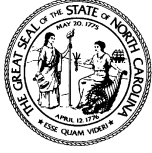


2012 Cost Index and Depreciation Schedules


	State of North Carolina						Page 23	
	Department of Revenue						Effective 1/1/2012	
	Property Tax Section							
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	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.						




2012 Cost Index and Depreciation Schedules

	State of North Carolina					Page 25			
	Department of Revenue					Effective 1/1/2012			
	Property Tax Section								
Schedule O									
Special Properties Life Years									
<b>PROFESSIONAL LIBRARIES</b>									
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.									
<b>BILLBOARDS</b> - Refer to the "Billboard Structures Valuation Guide".									
Link: <a href="http://www.dorn.nc.com/publications/billboard/index.html">www.dorn.nc.com/publications/billboard/index.html</a>									
<b>SIGNS</b> (other than billboards)							Life years 10 - 20		
<b>TOOLS MOLDS DIES &amp; JIGS</b>							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%.									
<b>VENDING EQUIPMENT</b>									
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
Movie/Game Vending Machines.....									
							25	O	6
Leased Ice Machines.....									
							25	O	6
<b>Use straight line schedule for the correct life years. (Schedule N)</b>									

2012 Cost Index and Depreciation Schedules

		State of North Carolina				Page 26			
		Department of Revenue				Effective 1/1/2012			
		Property Tax Section							
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
2011	1	1.00	80	1.00	80	1.00	87	1.00	80
2010	2	1.02	61	1.00	60	1.02	77	1.00	60
2009	3	1.02	41	1.00	40	1.02	64	1.00	40
2008	4	1.04	25	1.00	25	1.04	52	1.00	25
2007	5	1.07				1.06	39	1.02	
2006	6	1.09				1.07	27	1.00	
2005	7	1.13				1.09	25	1.00	
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.									

2012 Cost Index and Depreciation Schedules

	State of North Carolina									Page 27			
	Department of Revenue									Effective 1/1/2012			
	Property Tax Section												
Schedule T Valuation Table													
Historical (Original) Cost													
Percent Good Factors													
			Year	Age	Trend	Life Years			Year	Age	Trend	Life Years	
			Acq'd	Yrs	Factor	18	28	50	Acq'd	Yrs	Factor	28	50
			2011	1	1.00	94	96	98	1986	26	1.90	91	
			2010	2	1.02	91	95	98	1985	27	1.96	90	
			2009	3	1.03	86	92	97	1984	28	2.00	88	
			2008	4	1.08	84	93	99	1983	29	2.02	85	
			2007	5	1.20	86	98	108	1982	30	2.09	84	
			2006	6	1.24	83	98	109	1981	31	2.24	85	
Note: The 50-year			2005	7	1.32	81	99	113	1980	32	2.39	86	
life schedule increases			2004	8	1.35	75	97	113	1979	33	2.46	84	
because the positive			2003	9	1.38	69	94	113	1978	34	2.94	94	
trend is greater than			2002	10	1.39	62	89	111	1977	35	3.20	96	
the 2 percent annual			2001	11	1.38	54	84	108	1976	36	3.35	94	
straight line depreciation			2000	12	1.41	47	81	107	1975	37	3.59	93	
rate. The 18 and 28-yr life			1999	13	1.42	39	76	105	1974	38	4.07	98	
schedules may have an			1998	14	1.44	32	72	103	1973	39	4.25	94	
increasing trend in some			1997	15	1.47	25	68	103	1972	40	5.03	101	
years as well.			1996	16	1.49		64	101	1971	41	5.22	94	
			1995	17	1.49		59	99	1970	42	5.44	87	
			1994	18	1.53		55	98	1969	43	5.79	81	
			1993	19	1.57		50	97	1968	44	6.21	75	
			1992	20	1.59		45	95	1967	45	6.51	65	
			1991	21	1.60		40	93	1966	46	6.81	54	
			1990	22	1.64		35	92	1965	47	7.08	43	
			1989	23	1.71		31	92	1964	48	7.11	28	
			1988	24	1.79		26	93	1963	49	7.42	25	
			1987	25	1.85		25	92	1962	50	7.51		

