



**Joaquín Torres | 郭華健**  
**ASSESSOR-RECORDER**

SAN FRANCISCO  
OFFICE OF THE ASSESSOR-RECORDER

# Form 571L-R-STR Business Property Statement Manual

Prepared by:  
Business Personal Property

Email  
[askbpp@sfgov.org](mailto:askbpp@sfgov.org)

Phone  
[\(628\) 652-8100](tel:(628)652-8100)

## CONTENTS

<b>CONTENTS</b> .....	2
Statement .....	4
<b>I. OVERVIEW FOR FILING A BUSINESS PROPERTY STATEMENT</b> .....	2
Why are you taxing my business assets? .....	2
What is Business Personal Property? .....	2
What personal property is exempt? .....	3
Types of property that are exempt: .....	3
Who is required to file the Form 571-L? .....	3
What is the “lien date”? .....	4
Why am I getting a Notice of Requirement to File Form 571-L, I am no longer in business? .....	4
When are the filing deadlines? .....	4
What if I file after May 7 <sup>th</sup> ? .....	4
What if I do not file at all? .....	5
What information is needed? .....	5
Confidentiality .....	5
Using Community Portal For Filing a Form Electronically (e-File) .....	6
<b>II. USING COMMUNITY PORTAL FOR FILING A FORM ELECTRONICALLY (E-FILE)</b> .....	7
<b>II (A). COMMUNITY PORTAL USER’S GUIDE (INSTRUCTIONS FOR ELECTRONIC FILING)</b> .....	8
<b>III (B). INSTRUCTIONS FOR FILING THE FORM 571-L</b> .....	9
Owner name and DBA name .....	9
Property location and mailing address .....	9
Part I. General Information (a) through (g) .....	9
Part II. Declaration of Property Belonging to You .....	9
Supplies .....	9
Schedule A – Cost Details: Equipment .....	10
1. Machinery and Equipment for Industry, Profession, or Trade (Schedule A, column 1) .....	10
2. Office Furniture and Equipment (Schedule A, column 2) .....	10
3. Other Equipment (Schedule A, column 3) .....	10
4. Tools, Molds, Dies and Jigs (Schedule A, column 4) .....	11
5. (a) Personal Computers (Schedule A, column 5a) .....	11
(b) Local Area Network (LAN) Equipment and Mainframes (Schedule A, column 5b) .....	11
Schedule B – Cost Detail: Buildings, Building Improvements, and/or Leasehold Improvements, Land Improvements, Land & Land Developments .....	11
1. Structure Item Only .....	11
Examples: .....	11

2. Fixture Only.....	11
Examples: .....	12
571-D Supplemental Schedule for Reporting Acquisitions and Disposals of Property Reported in Schedule B .....	12
Part III. Declaration of Property Belonging to Others .....	12
Signature Requirements .....	13
Business Property Statement that is not signed and executed in accordance with the instructions is considered an invalid filing. The 10% penalty imposed by Section 463 of the Revenue and Taxation Code for failure to file or late filing is applicable to an unsigned or invalid Business Property Statement. ....	13
<b>III (C). INSTRUCTIONS FOR FILING THE FORM 571-STR</b> .....	14
Part 1. General Information .....	14
Owner name.....	14
Property location and mailing address .....	14
Part 3. Declaration of Property Belonging to You.....	14
Rental Supplies .....	14
Signature Requirements .....	15
A Short-Term Rental Property Statement that is not signed and executed in accordance with the instructions is considered an invalid filing. The 10% penalty imposed by Section 463 of the Revenue and Taxation Code for failure to file or late filing is applicable to an unsigned or invalid Short-Term Rental Property Statement. ....	15
<b>IV. FILING THROUGH THE STANDARD DATA RECORD (SDR) SYSTEM</b> .....	17
<b>IV (A). E-FILE AND SDR CAPABILITIES OVERVIEW</b> .....	18
Business Personal Property Frequently Asked Questions (FAQs).....	73
<b>V. GENERAL BUSINESS PERSONAL PROPERTY FREQUENTLY ASKED QUESTIONS (FAQs)</b> .....	20
<b>V(A). GENERAL BUSINESS PERSONAL PROPERTY FAQs</b> .....	20
<b>V (B). APARTMENTS (571-R) and SHORT-TERM RENTAL (571-STR) FAQs</b> .....	26
Contact Information.....	29
<b>VI. CONTACT INFORMATION</b> .....	30



# **Overview for Filing a Business Property Statement**

**I**

## I. OVERVIEW FOR FILING A BUSINESS PROPERTY STATEMENT

### **Purpose**

This user-friendly reference guide provides an overview of the statutory requirements, answers to frequently asked questions (FAQs), and step-by-step instructions for filing a business property statement. The guide is divided into eight sections – (I) Overview for Filing a Business Property Statement, (II) Filing a Form 571-L Electronically (e-File), (II-B) Business Moved/Closed/Sold, (III) Filing a Form 571-L Paper Document, (IV) Filing through the Standard Data Record (SDR) System, (V) Filing a Form 571-STR Paper Document, (VI) General Business Personal Property Frequently Asked Questions (FAQs), (VI-A) E-File FAQ, (VI-B) Short-Term Rental FAQ, (VII) Contact Information, and (VIII) Appendix with samples of common forms related to the 571-L filing process.

### **Why are you taxing my business assets?**

The State Constitution says all property is subject to property tax unless otherwise exempt. Homeowners are familiar with the property taxes on their home. The assets of a business are also subject to assessment and taxation.

### **What is Business Personal Property?**

Business Property is any tangible property owned, claimed, used, possessed, managed or controlled in the conduct of a trade or business. This includes all machinery, fixtures, office furniture and equipment. In general, business personal property is all property owned or leased by a business except licensed vehicles, business inventory, intangible assets, and application software.

**Examples** of business property that would be assessed as personal property include but are not limited to:

- Operating Supplies
- Machinery & Equipment
- Office Furniture
- Copiers and Fax Machines
- Telephones
- Computers
- Restaurant Equipment
- Cameras
- Printing Equipment
- Leasehold Fixtures

In essence, Business Personal Property is all property used in the course of doing business that is not exempt.

### **What personal property is exempt?**

Personal Property is and can be exempt by reason of its ownership, use and/or type.

### **Types of property that are exempt:**

- Business Inventories held for sale or lease
- DMV licensed vehicles
- Application software (Word, Excel, PowerPoint, etc.)
- Fire suppression systems
- Solar panels

Equipment owned by banks and financial institutions and insurance companies are exempt by **ownership**, while churches, public libraries and schools are exempt by **use**.

### **Who is required to file the Form 571-L?**

Per Revenue and Taxation Code, Section 441, you must file a statement if:

- a) The Assessor's Office has sent you a Notice of Requirement to File Form 571-L Business Property Statement, OR
- b) You have taxable business property with a total cost of \$100,000 or more, located in the City and County as of January 1<sup>st</sup> of each year, even if the Assessor's Office did not send you a notice or otherwise request you to file a Business Property Statement; OR
- c) If you have not filed a Form 571-L in past years because you were on Direct Billing (assessed based on existing information in our records), you will receive a Notice of Requirement to File Form 571-L Business Property Statement this year because State Law requires a periodic update of Direct Bill accounts. Please file a Form 571-L to reaffirm your business' assessed value has stayed the same or to reflect changes that have taken place resulting in increases or decreases in value of your business property.

Failure to complete and return the property statement will result in the Assessor's Office estimating the value of your business property and adding a 10% penalty to the assessment (R&T Code Sections 441, 463 and 501). Additionally, upon discovery, we are required by law to go back four years and impose the tax on your business, plus penalties and interest (R&T Code Sections 506, 531, and 531.3).

We encourage you to e-File (electronic filing) using your Account Number and Personal Identification Number (PIN) which are pre-printed on the top right of your Notice of Requirement to File Form 571-L Business Property Statement. If you prefer to file your Business Property Statement by mailing it in, you must download and print a hard copy using your business Account Number and PIN. Both the e- Filing and mail in options can be accessed from our website. For more information, please refer to Part II - Filing a Form 571-L Electronically (e-File).

**What is the “lien date”?**

The lien date is January 1<sup>st</sup> 12:01 a.m. every year. All personal property costs are to be reported or declared as of that date. Since the lien date is 12:01 a.m., you will report all personal property in your possession as of December 31<sup>st</sup> of the previous calendar year. For example, if the lien date is January 1<sup>st</sup>, , then you would report all personal property in your possession as of December 31<sup>st</sup>, 2020.

**Why am I getting a Notice of Requirement to File Form 571-L, I am no longer in business?**

Even though you are no longer in business or have moved out of this location as of lien date January 1<sup>st</sup>, you received a Notice of Requirement to File Form 571-L and you are required by law to respond.

**When are the filing deadlines?**

All property statements are due April 1<sup>st</sup> annually. The last day to file the statements without penalty for this year is May 7<sup>th</sup>. When mailed through the post office, the forms are required to be postmarked by May 7<sup>th</sup>. For your protection, it is helpful to get a postage paid receipt for the statements mailed on the deadline day or close to that day. This will help eliminate the possibility of receiving a late filing penalty, because you will have proof of the date it was mailed. For statements filed electronically, the May 7<sup>th</sup> deadline also applies.

**What if I file after May 7<sup>th</sup>?**

May 7<sup>th</sup> is the last day to file without incurring a penalty. Section 463 of the Revenue and Taxation Code states “that any person who is required by law or is requested by the assessor to make an annual property statement fails to file the business property statement within the time specified, will be subject to a penalty of **10% of the assessed value of the property.**”

**What if I do not file at all?**

The penalty for not filing the business property statement is also 10% of the assessed value. However, the assessor is also allowed by law to estimate the value of the property based on the information in his possession. This generally is based on the prior year's filing or a site inspection of the business at the physical location.

**What information is needed?**

The most useful item to aid in completing the Form 571-L is an accurate and up to date asset listing. This list should include:

- The date of acquisition of the equipment
- The total cost (purchase price plus sales tax, freight and installation charges)
- Location of the equipment if you have multiple locations
- Disposal dates of equipment removed

Other records that could be helpful in completing the Form 571-L are the California State Tax Depreciation Schedule-form 4562, General Ledger, Balance Sheet and Income Statement. Some business owners may have purchased an existing business. The information needed in this situation would be the purchase agreement or the escrow papers that would show the breakdown of the equipment, fixtures and leasehold improvement acquired through the purchase of the business.

**Confidentiality**

The Form 571-L is not a public document. Therefore, the information declared on the Form will be held confidential by the assessor.





# **Using Community Portal For Filing a Form Electronically (e-File)**

## II. USING COMMUNITY PORTAL FOR FILING A FORM ELECTRONICALLY (E-FILE)

There are many benefits of e-Filing:

- E-File is a free online application that allows businesses to quickly and securely file the Form via the internet.
- No new software is needed to e-File.
- Businesses are allowed to save the statement in progress and complete it at a later time.
- E-Filing allows businesses to receive an immediate online confirmation once a statement is submitted. In addition, the business will receive an email confirming receipt of filed statement on the email address on file. If you do not see the confirmation number after submitting, it means that your e-File statement is incomplete and did not go through. Please go back and resubmit it.
- Once a business has e-Filed, the Form statements are stored online, allowing businesses the ability to retrieve, view and print prior year e-Filed statements.

We mail out several types of Notices, along with the assigned Account Number(Entity ID) and PIN. By using the Account Number(Entity ID) and PIN provided, you can meet your filing requirements by submitting a completed statement online or by requesting a hardcopy form and returning a completed statement to our office. We strongly encourage you to file your Form electronically using e-File system.

The [online portal](#) at our website will begin accepting online statements beginning **mid February**, . When logging in, enter the Account Number(Entity ID) and PIN. The Account Number(Entity ID) and PIN are unique to your business and provides secure access to your statement, guards your confidential information and protects your privacy. The PIN is only good for this year, , and is non-transferable.

You may also send a written request, on your company's letterhead with an authorized signature. Include the Account Number(Entity ID), ownership name, DBA, mailing address, and location of the property, to the Business Personal Property Division. Please note that once we receive this request, the Assessor's Office will only mail the PIN to the address that we have in our records. If you are an agent of a taxpayer, an authorization letter from the business owner is required.

If you still have additional questions, please contact the Business Personal Property Division by submitting an inquiry to [askBPP@sfgov.org](mailto:askBPP@sfgov.org) in our online portal. Your Business Property Statement is due by April 1<sup>st</sup>, . The last day to e-File without incurring a penalty is May 7<sup>th</sup>, . The late filing penalty is 10% of the total assessed value.

## II (A). COMMUNITY PORTAL USER'S GUIDE (INSTRUCTIONS FOR ELECTRONIC FILING)

A comprehensive user's guide on how to electronically file (e-File) is available at our website, [Taxpayer Help Pages](#) and it includes a step-by-step instruction with sample screens.

- BPP Filing using Forms: 571-L, 571-LA, 571-R and 571-STR
- Vessels Filing using Form: 576-D
- Exemptions Filing using Forms: BOE-267-A, BOE-267, BOE-267-S, BOE-262-AH, BOE-268-B, BOE-260, BOE-576-E, and BOE-264-AH

The Community Portal is supported by the latest version of following web browsers:

- Google Chrome (recommended web browser)
- Mozilla Firefox
- Microsoft Edge (Windows only)
- Apple Safari (Apple Mac OS)
- Adobe PDF Reader should also be installed on the computer.

**Note: Microsoft Internet Explorer and Mobile devices are NOT supported.**

## III (B). INSTRUCTIONS FOR FILING THE FORM 571-L

### **Owner name and DBA name**

Please make sure that the information regarding the Owner Name and DBA name are pre-printed correctly on the Form 571-L. If the assessor's information regarding your property is not up to date on the pre-printed Form, please line through the incorrect information and write the correct information on the Form.

### **Property location and mailing address**

It is important that this information is kept up to date with the Assessor's Office. The property location is the address of the business. The mailing address is the address you would like to have the Notice and Tax Bill mailed. It is our office policy not to mail the Notice to agents' addresses. However, if you are a sole proprietor and would like to have the Notice to be mailed to your home, or P.O. Box, that is perfectly acceptable. If your mailing address has changed, please contact our office immediately to update the information.

### **Part I. General Information (a) through (g)**

All the information pre-printed under this section of the Business Property Statement is vital to the Assessor's Office in keeping accurate records of your business as well as mailing out the Tax Bill. Although the email address is optional, it would be helpful information to assist us in contacting you.

### **Part II. Declaration of Property Belonging to You**

This section of the Business property Statement is where you declare the equipment that belongs to you and the equipment that you may be leasing to others. For most small businesses, you will only need to complete sections 1, 2 and 4 of Part II of the Business Property Statement.

#### **Supplies**

Supplies are those items that are used in the ordinary course of business and are not intended for sale or lease. The reportable supplies are those supplies on hand as of the January 1<sup>st</sup> lien date. Types of supplies could include stationary and office supplies, janitorial supplies, chemical supplies and computer supplies. Your business may be small to estimate the amount of supplies. If your business maintains an Income statement, you would use the year-end balances as of December 31<sup>st</sup> of the previous calendar year and take the average of 12 months. For example, you would take the

Office Supplies year-end total of cost \$12,000/12 months=\$1,000 worth of supplies to be reported on Page 1, Part II line 1 of the Form.

### **Schedule A – Cost Details: Equipment**

Everything reported under Schedule A of the Form relates to Part II, line 2, Equipment on page 1 of the Form 571-L. Include expensed equipment and fully-depreciated equipment on this Schedule. Also include sales or use tax, freight and installation costs. Equipment should be reported by each calendar year of acquisition. To calculate this, add the totals of all equipment acquired in any specific year. Do not report equipment that has been removed from the site or disposed of. The disposal should be deducted from the year the equipment was originally acquired. Please do not report negative numbers or cents. Each cost should be rounded to the nearest dollar.

The equipment reported on this schedule is divided into five categories:

1. Machinery and Equipment for Industry, Profession or Trade
2. Office Furniture and Equipment
3. Other Equipment
4. Tools, Molds, Dies and Jigs
5. (a) Personal Computers  
(b) Local Area Network (LAN) Equipment and Mainframes

#### **1. Machinery and Equipment for Industry, Profession, or Trade (Schedule A, column 1)**

The equipment reported under this category would include equipment specific to your trade, industry, or profession. If your business is a restaurant, the type of equipment you would report is restaurant equipment. This might include refrigerators, stoves, freezers and various other pieces of equipment related to the restaurant industry. This is why it is important to list the type of business under (a) in Part I. General Information section of the Form. This will assist the assessor in determining the life of the equipment.

#### **2. Office Furniture and Equipment (Schedule A, column 2)**

This category consists of furniture and office equipment.

#### **3. Other Equipment (Schedule A, column 3)**

This category includes the special types of equipment that do not fit into any other categories. This section of the Form asks you to describe the type of equipment that you report. Some types of the equipment that would fit into this category are: telephones, lab equipment, exercise equipment, fax machines, copiers, unlicensed vehicles and point of sales equipment.

**4. Tools, Molds, Dies and Jigs (Schedule A, column 4)**

This category would include tools, molds, dies and jigs.

**5. (a) Personal Computers (Schedule A, column 5a)**

This category mainly includes desktops, printers, laptops, monitors, notebooks, scanners and non-production computer components. **Application software should not be reported. However, operational software should be included.** Any computers used in any application directly related to manufacturing or used to control or monitor machinery and equipment should be reported in column 1 and should not be reported in this section.

**(b) Local Area Network (LAN) Equipment and Mainframes (Schedule A, column 5b)**

This category includes external storage devices, hubs, mainframes, routers, servers, switches, and LAN components. **Do not include application software in this category.**

**Schedule B – Cost Detail: Buildings, Building Improvements, and/or Leasehold Improvements, Land Improvements, Land & Land Developments**

Most small business would only have information for columns 1 and 2 of Schedule B. This is the section of Leasehold Tenant Improvement. It is divided into two types of leasehold improvements: structures and fixtures.

**1. Structure Item Only**

Improvements are classified as “structure item” when its primary use or purpose is for housing or accommodation of personnel, personalty or fixtures; or when the improvement has no direct application to the process or function of the trade, industry, or profession.

**Examples:**

- Air conditioning – office and building cooling
- Conveyors – for moving people
- Partitions – floor to ceiling
- Refrigeration systems – that are an integral part of the building

**2. Fixture Only**

Improvement is classified as “fixture” if its use or purpose directly applies to or augments the process or function of a trade, industry, or profession.

**Examples:**

- Air conditioning – process cooling
- Conveyors – for moving materials and products
- Partitions – annexed- less than floor to ceiling
- Refrigerators – walk in – unitized – including operating equipment

**571-D Supplemental Schedule for Reporting Acquisitions and Disposals of Property Reported in Schedule B**

This form is where you report all acquisitions or disposals from Schedule B, columns 1, 2, 3 or 4. For all practical purposes, you will only be dealing with columns 1 and 2. The form is divided into two sections. The first section is for **Additions**, and the second section is for **Disposals**. This form has space for information regarding both situations.

**Part III. Declaration of Property Belonging to Others**

If property belonging to others or their business entities is located on your premises, report the owner's name and mailing address. If it is leased equipment, read your agreement carefully and enter A (Lessor) or B (Lessee), and whether lessor or lessee has the tax obligation. For assessment purposes, the Assessor will consider, but is not bound to, the contractual agreement.

1. **LEASED EQUIPMENT.** Report the year of acquisition, the year of manufacture, description of the leased property, the lease contract number or other identification number, the total installed cost to purchase (including sales tax), and the annual rent; do not include in Schedule A or B (see No. 3, below).
2. **LEASE-PURCHASE OPTION EQUIPMENT.** Report here all equipment acquired on lease-purchase option on which the final payment remains to be made. Enter the year of acquisition, the year of manufacture, description of the leased property, the lease contract number or other identification number, the total installed cost to purchase (including sales tax), and the annual rent. If final payment has been made, report full cost in Schedule A or B (see No. 3, below).
3. **CAPITALIZED LEASED EQUIPMENT.** Report here all leased equipment that has been capitalized at the present value of the minimum lease payments on which a final payment remains to be made. Enter the year of acquisition, the year of manufacture, description of the leased property, the lease contract number or other identification number, and the total installed cost to purchase (including sales tax). Do not include in Schedule A or B unless final payment has been made.
4. **VENDING EQUIPMENT.** Report the model and description of the equipment; do not include in Schedule A.

5. OTHER BUSINESSES. Report other businesses on your premises.
6. GOVERNMENT-OWNED PROPERTY. If you possess or use government-owned land, improvements, or fixed equipment, or government-owned property is located on your premises, report the name and address of the agency which owns the property, and a description of the property.

## Signature Requirements

The law requires that the Form 571-L Business Property Statement, regardless of where it is executed, shall be declared to be true under the **penalty of perjury** under the laws of the State of California. The Business Property Statement must be signed by the **business owner**, a duly-appointed fiduciary, or a person authorized on behalf of the owner.

In the case of a **corporation**, the Form 571-L must be signed by an officer or by an employee or agent who has been designated in writing by the board of directors, by name or by title, to sign on behalf of the corporation. In the case of **partnership**, the Form 571-L must be signed by a partner or an authorized employee or agent.

In the case of a **Limited Liability Company (LLC)**, the Form 571-L must be signed by an LLC manager. If the Form 571-L is signed by someone other than a member of the bar, certified public accountant, a public accountant, and enrolled agent or a duly-appointed fiduciary, the San Francisco County Assessor-Recorder's Office requires a written authorization from the owner.

**Business Property Statement that is not signed and executed in accordance with the instructions is considered an invalid filing. The 10% penalty imposed by Section 463 of the Revenue and Taxation Code for failure to file or late filing is applicable to an unsigned or invalid Business Property Statement.**



## III (C). INSTRUCTIONS FOR FILING THE FORM 571-STR

### Part 1. General Information

#### Owner name

Please make sure that the information regarding the Owner Name is pre-printed correctly on the Form 571-STR. If the assessor's information regarding your property is not up to date on the pre-printed Form, please line through the incorrect information and write the correct information on the Form.

#### Property location and mailing address

It is important that this information is kept up to date with the Assessor's Office. The property location is the address of the business. The mailing address is the address you would like to have the Notice and Tax Bill mailed. It is our office policy not to mail the Notice to agents' addresses. If your mailing addresses changes, please contact our office immediately to update the information.

### Part 2. Leased Property

If you own the personal property (i.e., furnishings and supplies) used / consumed by operating your short term rental business, then check YES. Otherwise, check NO and list the name and address of the owner along with a description of such personal property.

### Part 3. Declaration of Property Belonging to You

This section of the Short Term Rental Statement is where you declare the furnishings and supplies used / consumed by operating your short term rental business.

#### Rental Supplies

This category is reported on page 1, line 4 of the 571-STR form, as one aggregated line item of total annual estimated cost of short term rental incidentals, including toilet paper, paper towels and other supplies consumed by the short term rental business.

#### Rental Furnishings

This category is listed by asset item, grouped by type and then reported as a total sum per grouping on page 1 of the 571-STR on lines 5, 6 and 7. As shown on page 2, Schedule A, of the 571-STR form, each short term rental asset shall be reported one by one per asset grouping along with the estimate cost and year that items were acquired.

Short term rental asset groupings are:

- Furniture and belongings, includes sofas, tables, chairs, mattresses, bed frames, etc. The total of this asset grouping is reported on page 1, line 5.
  - Bedroom #1
  - Bedroom #2
  - Bedroom #3
  - Bathroom
  - Living area
  - Dining and Kitchen
- Kitchen appliances, includes fridge, stove, microwave, toaster, dish washer, etc. The total of this asset grouping is reported on page 1, line 6.
- Other equipment, includes clothes washer & dryer, vacuum, computers, bikes, etc. The total of this asset grouping is reported on page 1, line 5.

## Signature Requirements

The law requires that the Form 571-STR Business Property Statement, regardless of where it is executed, shall be declared to be true under the **penalty of perjury** under the laws of the State of California. The Business Property Statement must be signed by the **business owner**, a duly-appointed fiduciary, or a person authorized on behalf of the owner.

In the case of a **corporation**, the Form 571-STR must be signed by an officer or by an employee or agent who has been designated in writing by the board of directors, by name or by title, to sign on behalf of the corporation. In the case of **partnership**, the Form 571-STR must be signed by a partner or an authorized employee or agent.

In the case of a **Limited Liability Company (LLC)**, the Form 571-STR must be signed by an LLC manager. If the Form 571-STR is signed by someone other than a member of the bar, certified public accountant, a public accountant, and enrolled agent or a duly-appointed fiduciary, the San Francisco County Assessor-Recorder's Office requires a written authorization from the owner.

**A Short-Term Rental Property Statement that is not signed and executed in accordance with the instructions is considered an invalid filing. The 10% penalty imposed by Section 463 of the Revenue and Taxation Code for failure to file or late filing is applicable to an unsigned or invalid Short-Term Rental Property Statement.**



# **Filing through the SDR System**

**IV**

#### **IV. FILING THROUGH THE STANDARD DATA RECORD (SDR) SYSTEM**

Large business filers with multiple locations in one or more counties should use the SDR network to submit statements (data files) all in one upload. Programming and/or special software is required to create SDR data files in the approved XML schema. SDR users are required to register on-line at [www.calbpfiler.org](http://www.calbpfiler.org). To request a copy of the XML schema, print and submit a Schema Request Form from the Links menu on the homepage.

Filing instructions, help screens, and reference materials are provided on the SDR website. Filers using SDR can print a completed Form 571-L with schedules, filing confirmation and the exact time it was submitted. Statements are stored on-line for seven (7) years, so you can get a copy whenever you need one. Access to your statement(s) is protected with Login ID and Password. Statements are encrypted and transmitted on a secured site to protect confidential information.

## IV (A). E-FILE AND SDR CAPABILITIES OVERVIEW

<b>E-FILING</b>	<b>SDR</b>
<p><b>File One Statement at a Time</b> Complete one statement at a time online (recommended for businesses with 1 to 20 locations in up to 10 counties)</p>	<p><b>File Many Statements at One Time</b> One to 4000 statements (XML files) can be filed in 1 to 58 counties all at once.</p>
<p><b>View Statement Data Before Filing</b> Use the PRINT function within e-File to review and print your statement before submitting the statement for certification.</p>	<p><b>View Statement Data Before Filing</b> Use the SDR-style sheet.</p>
<p><b>Print Statement After Filing</b> Print the Certification page with the confirmation number and date/time stamp. Use the PRINT function within e-File to print the submitted statement.</p>	<p><b>Print Statements After Filing</b> No statement print capability available.</p>
<p><b>Confirmation and Date</b> Each certified statement is assigned a confirmation number and date/time stamp.</p>	<p><b>Confirmation and Date</b> Each statement is assigned an SDR confirmation number and date/time stamp.</p>
<p><b>Account Number</b> Account Number is provided on the hardcopy statement/Invitation to e-File. You must use this number to file a statement. The Account Number is unique to each statement.</p>	<p><b>Account Number</b> Account number is provided by the Assessor. A filer must use this number to submit a statement. The Account Number is unique to each statement.</p>
<p><b>PIN</b> PIN is provided on the hardcopy statement/Invitation to e-File and must be used with the Account Number to e-File. The PIN is unique to each statement/account number.</p>	<p><b>PIN</b> Not required to file.</p>
<p><b>Address</b> Mail to address is required. Situs/property address is required.</p>	<p><b>Address</b> Mail to address is required. Situs/property address is required.</p>
<p><b>Statement Type</b> E-File provides fill-in support to create the Form 571-L. E-File does not support Forms 571-A, 571-F, 571-R, 571-STR, 571-P or LEQ; these forms must be submitted on hard copy.</p>	<p><b>Statement Type</b> SDR supports 571-A, 571-F, Form 571-L, 571-P and 571-R, plus LEQ. Supports all schedules A, B, C, D, E, Alt A and CIP and spare parts.</p>
<p><b>Registration</b> Not required. Use the Account Number and PIN.</p>	<p><b>Registration</b> Required.</p>
<p><b>Amendment/Changes</b> Amendments must be submitted on hardcopy. Notes to Assessor are recommended.</p>	<p><b>Amendment/Changes</b> Re-file a complete statement for amendments or changes. The new statement will get a new confirmation number and date/time stamp. Notes to Assessor are recommended.</p>
<p><b>Prior Year Statements</b> Prior year e-File statements are accessible for viewing and printing.</p>	<p><b>Prior Year Statements</b> None</p>



# **Business Personal Property Frequently Asked Questions (FAQs)**

V

## V. GENERAL BUSINESS PERSONAL PROPERTY FREQUENTLY ASKED QUESTIONS (FAQs)

### V(A). GENERAL BUSINESS PERSONAL PROPERTY FAQs

#### 1. I would like to e-file this year. Am I eligible to e-file?

Starting in all business and vessel owners are now eligible to use our e-filing portal to file their Business Property Statements. You may participate in e-Filing your statement this year if you received one of the following documents in the mail: 1) a Notice to file, or 2) a Direct Bill Notice, or 4) a Low Value Exemption Notice. If you received one of those notices, your Account Number and PIN are located on the top right corner of your notice and you may proceed to the e-filing portal to submit your Business Property Statement.

#### 2. I have my PIN from last year. Can I use it to e-file this year?

No. For security reasons, your business is assigned a new PIN on an annual basis. Use the PIN printed on your Notice.

#### 3. Am I going to receive a hard copy of the tax form for filing my Business Property Statement?

No, our Office will only mail out hard copies upon request. The Notice you received is sent in lieu of a hard copy of the statement, and your Account Number and Online PIN are printed on the Notice so you can e-file.

#### 4. I didn't receive a Notice; what should I do?

Please e-mail [askbpp@sfgov.org](mailto:askbpp@sfgov.org) or give us a call at (628) 652-8100

#### 5. What are the advantages of e-Filing?

- **Accessible** : You can access your current and previous years' e-filed statements anytime and anywhere there is an Internet connection.
- **Accurate** : Fewer mistakes in processing the statement because data is loaded electronically.
- **Convenient** : The ability to e-file 24 hours a day, 7 days a week. You may save your data anytime and complete your e-filing later.
- **Efficient** : Faster than mailing, save on postage and minimize usage of paper.
- **Reliable** : A confirmation certification indicating the date and time of filing is issued after the return is submitted.
- **Green**: Let's go green together. Use technology not paper.
- **Confidential** : Only the owner of the Account Number and PIN can view the statement, and it is not a public document.

#### 6. Have questions? Here are some additional resources to assist business owners.

Please e-mail [askbpp@sfgov.org](mailto:askbpp@sfgov.org) or give us a call at (628) 652-8100

---

**7. I'm unable to log on successfully. I continue to receive an error message when I enter in my company's Account Number and PIN.**

---

Please email us at [askbpp@sfgov.org](mailto:askbpp@sfgov.org) or call (628) 652-8100

---

**8. I forgot my PIN, how do I retrieve it?**

Please find your notice sent to you, or email us at [askbpp@sfgov.org](mailto:askbpp@sfgov.org) or call (628) 652-8100

---

**9. I don't have time to complete the entire form right now. How do I exit the e-file program without completing the final certification step?**

You do not have to complete your form at one time. You may save your data at any time by clicking "Save." To exit the e-file program without completing the final certification step, click "Save" and then click "Log Off" from the top center of the e-file screen. Next time you log in to e-file, you can continue at the last uncompleted step.

**10. Can I attach documents to e-file?**

---

Yes, you now can attach documents to e-file.

---

**11. How do I know that the Assessor-Recorder's Office received my filing submission?**

If you e-filed, then you will receive e-mail confirmation and your filing submission is received same day.

If you mailed hardcopy, then you should wait 10 business days to check that your filing submission has been received into our system. You can use your notice sent to you to check our taxpayer portal to access your account by Account Number and PIN, as provided in the notice.

**12. Can I amend my Business Property Statement? And when is the deadline?**

---

Yes, you can amend on line at our taxpayer portal, as provided in the notice, or you can mail us a hardcopy with AMENDED written on the submission.

Pursuant to California [Revenue and Taxation Code Section 441\(i\)](#), statements may be amended without penalty until May 31<sup>st</sup>.

---



### **13. What is the due date for the Business Property Statement?**

---

The due date for filing the Business Property Statement is April 1<sup>st</sup>.

---

### **14. What is the last date to file the Business Property Statement without penalty?**

The last day to file your Business Property Statement without a penalty is May 7<sup>th</sup> (postmarked). Pursuant to California Revenue and Taxation Code Sections 441 (b) & 463, if a business fails to file Business Property Statement or it is filed late, a 10% penalty will be added to the assessment.

---

### **15. What is the last date to electronically file the Business Property Statement?**

---

For taxpayers' convenience, the e-file site will allow a taxpayer with privileges to access and file their statements electronically until May 31<sup>st</sup> (a 10% penalty will be added to the assessment for all statements electronically filed after May 7<sup>th</sup>). Thereafter, the site will become unavailable for e-Filing statements, and you must file by hard copy (a 10% penalty will be added to the assessment).

---

### **16. What if the Business Property Statement is filed after May 8<sup>th</sup>?**

If the Business Property Statement is filed or postmarked after May 7<sup>th</sup>, regardless of submission method, a 10% penalty will be added to the assessment.

---

### **17. How can I get a copy of my current and/or prior year Business Property Statement?**

---

Please use your notice to find your Account Number and PIN to access our taxpayer portal, as provided on the notice. If you e-filed, then you will be able to print out your e-filed statements at our taxpayer portal. If you mailed in hardcopy, then you can send us a customer request for statement copies at our taxpayer portal. Otherwise, please email us at [askbpp@sfgov.org](mailto:askbpp@sfgov.org) or call (628) 652-8100

---

### **18. How is the assessed value determined?**

Assessment begins with an analysis of the asset cost, including sales tax, freight and installation costs. The Assessor applies a valuation factor to the asset cost to arrive at the assessed value. The valuation factor is based on the expected economic life of the asset and is different from the depreciation schedule used by Internal Revenue Service, Franchise Tax Board, and tax accountants.

---

### **19. If the Business Property Statement is not filed, how will my business' assessed value be determined?**

---

If you do not file a Business Property Statement, the Assessor's Office, directed by state law, will determine an assessable value. In addition, a 10% penalty for failure to file will be added to the assessment, pursuant to California Revenue and Taxation Code Sections 441, 463 and 501. Visit our website for current information on the tax rate and when tax bills be received.

## 20. What if I disagree with my assessment?

If you disagree with an assessment made by the Assessor, we recommend you first discuss it with an Auditor-Appraiser at the Assessor's Office. An Auditor-Appraiser is available Monday through Friday, 8 A.M. to 5 P.M. at (628) 652-8100, or in person at Office of the Assessor-Recorder, Business Personal Property Division 1 Dr Carlton B Goodlett Place, Rm 190, San Francisco, CA 94102. Whether or not you discuss the matter with the Assessor, you also have the right to file an assessment appeal with the Assessment Appeals Board. The Appeals Board is an independent agency representing the Board of Supervisors and is not connected with, nor is it under the control of, the Assessor's Office.

### **If I file an appeal do I still have to pay the property tax bill?**

Yes. Filing an appeal does not exempt you from paying your property taxes as due because the assessment of your property is deemed correct until a change is made by the Assessment Appeals Board.

### **How do I file an Application for Changed Assessment?**

An application must be filed, in writing with the Assessment Appeals Board at 1 Dr. Carlton B. Goodlett Pl., City Hall, Rm #405, San Francisco, CA 94102. You may request an application by calling the Assessment Appeals Board Clerk at 415-554-6778 or by mail at that address. The Assessment Appeals website is: [sfgov.org/aab](http://sfgov.org/aab)

### **When can I file an "Application for Changed Assessment"?**

The normal filing period for filing an Application for Changed Assessment is July 2 to September 15th of the current fiscal year. The filing period applies to any assessment produced for the annual assessment roll. If a bill for an assessment roll is mailed to you after the normal filing period has expired, filing period is extended and you must then file an application within 60 days of the date of mailing of that tax bill.

*Even if you file an appeal, you must still pay the bill by August 31st to avoid late payment penalties; a refund will be issued if the Assessment Appeals Board rules in your favor.*

## 21. Is my Business Property Statement confidential?

Yes. By law, the Business Property Statement is a confidential document. It is not a public document and will be held confidential by the Assessor.

## 22. When is the lien date?

12:01 a. m., January 1<sup>st</sup>. (R & T 2192)

---

**23. I was not open for business on January 1. Do I still have to complete the statement?**

---

Yes. A business does not have to be open for its taxable personal property to be subject to assessment. For example, let's presume that on the lien date, January 1<sup>st</sup>, a new pizza parlor is under construction and nearly ready for its grand opening. Even though the pizza parlor was not open for business on the lien date, taxable business personal property (such as furniture, ovens and supplies) was in the owner's possession on the lien date and the Assessor is required to assess it.

---

**24. I received a Notice from your office but I went out of business prior to January 1. Do I still have to complete the statement?**

Yes, you need to notify our office the closure of your business. Please use your notice to find your Account Number and PIN to send customer request for closure with explanation at our taxpayer portal, as provided on the notice. Otherwise, please email us at [askbpp@sfgov.org](mailto:askbpp@sfgov.org) or call (628) 652-8100

---

**25. I went out of business after January 1. Do I need to complete the Business Property Statement?**

---

Yes. The law specifies that all taxable personal property must be assessed as of 12:01 A.M. January 1<sup>st</sup> (regardless of what transpires after that date). Even if closed shortly after the lien date (January 1<sup>st</sup>), a business must still file a Business Property Statement.

---

**26. My business has moved to a new location within San Francisco City and County. Can I still e-file?**

Yes, you need to notify our office the movement of your business. Please use your notice to find your Account Number and PIN to send customer request for closure with explanation at our taxpayer portal, as provided on the notice. Otherwise, please email us at [askbpp@sfgov.org](mailto:askbpp@sfgov.org) or call (628) 652-8100

---

**27. My business has moved to a new location outside of San Francisco City and County. Can I still e-file?**

Yes, you need to notify our office the movement of your business. Please use your notice to find your Account Number and PIN to send customer request for closure with explanation at our taxpayer portal, as provided on the notice. Otherwise, please email us at [askbpp@sfgov.org](mailto:askbpp@sfgov.org) or call (628) 652-8100

---

## 28. Are non-profit organizations required to file the Business Property Statement?

Yes, the filing laws apply to non-profit organizations. Please use your notice to find your Account Number and PIN and refer to Exemptions on our taxpayer portal, as provided on the notice. Otherwise, please contact (628) 652-8100 and ask for the Exemptions Division of the Assessor's Office.

## 29. What is a supply item?

Any items that are used in the normal operation of the business and are not intended for sale or lease on the lien date. Examples of assessable supply items include stationery and office supplies, chemicals, precious metals used to produce a chemical or physical reaction, janitorial and lavatory supplies, fuel, and sandpaper. If you are a manufacturer, supplies do not include anything that becomes part of the finished product. You should report the cost of the supplies on hand, recorded during a physical inventory, as of 12:01 a.m., January 1<sup>st</sup>. An estimated cost can be used if physical inventory is not available.

## 30. How do I report disposals?

If you disposed business personal property before 12:01 a.m., January 1<sup>st</sup>, exclude the original cost of the disposed property from its year of acquisition. If you disposed leasehold improvement, structure or fixture, you should also exclude the original cost of the disposed improvement from its year of acquisition. In this case, you should also complete the 'Supplemental Schedule for Reporting Monthly Acquisitions and Disposals of Property Reported on Schedule B. Information on the disposed improvements should include the disposal date, method of disposal (transfer, scrapped, abandoned, sold, etc.), and name and addresses of the purchasers when items are either sold or transferred.

## 31. Is there any property that is exempt or that I do not have to report on my Business Property Statement?

The following are some common exempt items that should not be reported: Business Inventory ( [Revenue & Taxation Code 129](#) ) and Application Software ( [Property Tax Rule 152](#) ) and Licensed Motor Vehicles ( [R&T Code 10751](#) ) and First \$50,000 of Employee-owned Hand Tools ( [R&T Code 241](#) ).

## Short Term Rentals (571-STR)

**1. What is the 571-STR form and why did I receive it?** The 571-STR is a State of California tax form required to be completed by rental businesses, including Short-Term Rental businesses. You received this form because as of January 1, , you were a registered business with the City and County of San Francisco, or it became known to our office that you are engaging in property rental activity. Rental of all or a portion of your property, including a residential unit, *means that you are subject to business property tax assessment on furnishings, including furniture, appliances, equipment, and supplies used in the rental activity.* The California Revenue and Taxation Code Section 441(a) requires business owners with personal property of less than \$100,000 in value to file a property statement upon the Assessor-Recorder's request.

**2. Why are you taxing my furnishings in my Short-Term Rental, including my furniture?** Under the State Constitution, all property is subject to property tax unless otherwise exempt. In California, numerous types of property are subject to taxation. The most common property subject to taxation is real property, usually thought of as land and improvements or buildings. *A second type of taxable property is business personal property, which is property used to operate a business, (a short-term rental is considered a registered business), excluding land and improvements. For example, items such as furnishings, includes furniture, kitchen appliances, and washing/drying machines in rentals are considered business personal property.*

**3. I never received this before, why am I receiving this now, and why must I file by May 7, ?** Property used in all businesses, including short-term residential rental businesses, is subject to property tax unless an exemption applies. *You received a notice to file a 571-STR form because your taxable business is registered with the City and County of San Francisco. The Form 571-STR is due on April 1, . The last day to file without incurring a penalty is May 7, ; the penalty for filing after May 7, is 10% of the total assessed value.*

**4. What do I need to report on the 571-STR form?** You are required to report the cost and acquisition year of all physical assets used in the rental activity. *This includes, but is not limited to, the cost and acquisition year of each piece of furniture, equipment, and supplies used in renting your residence, including furnishings from the kitchen, living room, dining room, and bedroom, such as televisions, computers, bed frames, mattresses, tables, chairs, stoves, fridges, appliances, dish washers, clothes washers and dryers, entertainment units, artwork, and any other property that you provide to your renters as part of the rental activity.*

**5. How is the taxable assessed value determined, including \$7,500 estimated basis used for valuation of a 1 bedroom apartment?** Business property is assessed each year. The assessed value of business property is based on the cost of the asset, which includes but not limited to sales tax, freight and installation. The Assessor-Recorder applies a State Board of Equalization valuation factor to the asset cost to determine the assessed value, while taking into account depreciation. *To establish a uniform assessment baseline citywide, the Assessor-Recorder researched the approximate costs of personal property and furnishings of a typical 1 bedroom apartment in the City and County of San Francisco, and estimated an assessed personal property value of \$7,500 for Short-Term Rental taxable furnishings, for which this \$7,500 value is used as the basis when such required filings are not received by due date.* The State Board of Equalization provides a valuation schedule based on the expected economic life of different assets that informs the depreciation. For short-term rental business failed to file their Form 571-STR before May 8, the baseline value is applied with penalty and necessary adjustments. The assessed value is used to determine the tax due by multiplying the assessed value by the applicable tax rate. Visit our website for current information on tax rate and when tax bills be received.

**6. I did not buy new furniture for the rental room(s). I used old furniture from my house. How do I report the cost?** Use your best knowledge to estimate the year each item was purchased, and your total cost (including sales tax, freight, and installation).

**7. The furniture in the rental room is old. Can I report that it has zero value?** No. You are required to report the original acquisition cost and acquisition year of the assets even if they are old. If you don't know the acquisition cost and year, use your best knowledge to estimate the year each item was purchased, and your total cost (including sales tax, freight, and installation).

**8. I only rent out my residence on a part time basis, or sometimes only 1 room of my residence. Do I need to file the 571-STR form?** Yes. You are required to file the 571-STR form if you are engaged in any rental activity. You are also required to report property within the rented room, and any property in other rooms (e.g., bathroom, kitchen, living room, laundry room) that your guests are permitted to use.

**9. I registered with the Office of Short-Term Rental and as a business with the Office of the Treasurer-Tax Collector, but I have not rented my residence at all. Do I need to file the 571-STR form?** Yes. As long as either registration was active as of January 1, , you are required to file the 571-STR form.

**10. I discontinued my rental business prior to January 1, . Do I need to file the 571-STR form?** You are required to respond to the notice using the 571-STR form to indicate the dates that your rental business was active and the date of closure with your signature and date by the filing deadline. Please use your notice to find your Account Number and PIN to send customer request for closure with explanation at our taxpayer portal, as provided on the notice. Otherwise, please email us at [askbpp@sfgov.org](mailto:askbpp@sfgov.org) or call (628) 652-8100. In addition, you must close your business account with the Office of the Treasurer-Tax Collector. Please also notify the Office of Short-Term Rental: (415) 575-9179 or [shorttermrentals@sfgov.org](mailto:shorttermrentals@sfgov.org).

## **APARTMENTS (571-R)**

### **Why are you taxing my business assets?**

The State Constitution states that all property is subject to property tax unless otherwise exempt. Homeowners are familiar with the property taxes on their home. The assets of a business are also subject to assessment and taxation, includes apartment business personal property.

### **What is Business Personal Property?**

Business Personal Property is any tangible property owned, claimed, used, possessed, managed, or controlled in the conduct of a trade or business. In general, business personal property is all property owned or leased by a business except licensed vehicles, business inventory, intangible assets, or application software. This includes apartment fixtures, furniture and furnishings, appliances and equipment, and related supplies.

### **How is the assessed value determined?**

Assessment begins with an analysis of the cost of the asset, including sales tax, as well as the freight and installation costs. The Assessor applies a valuation factor to the asset cost to arrive at the assessed value. The valuation factor is based on the expected economic life of the asset and is different from the depreciation schedule used by Internal Revenue Service, Franchise Tax Board, and tax accountants.

### **What is the tax rate and when will my bill be received?**

Visit our website for current information on tax rate and when tax bills be received.

### **Is my Apartment House Property Statement confidential?**

Yes, by law the 571-R Apartment House Property Statement is a confidential document. It is not a public document and will be held confidential by the Assessor.

### **If the Apartment House Property Statement is not filed, how will my business' assessed value be determined?**

If you do not file a Form 571-R Apartment House Property Statement, the Assessor's Office, directed by state law, will determine an assessable value. In addition, a 10% penalty for failure to file will be added to your assessment.

### **How can I receive a copy of my prior year's valuation?**

Email us at [askbpp@sfgov.org](mailto:askbpp@sfgov.org) to request for a copy of prior year's valuation. If you are an agent of a taxpayer, we require authorization from the business owner.

### **I closed or sold my property before January 1, . Do I still need to file the Apartment House Property Statement?**

Yes. Anytime a person receives a statement from the Assessor and their business is no longer in operation, the statement must still be signed and returned to the Assessor. Make a notation on the statement that the business has closed and note the closing date. Please indicate name and mailing address of new owner, sign the front page, and return form to Office of the Assessor-Recorder, Business Personal Property Division 1 Dr Carlton B Goodlett Place, Rm 190, San Francisco, CA 94102.



# Contact Information

VI



## VI. CONTACT INFORMATION

Please feel free to contact our office using the information below. You may ask for an auditor on duty who will be able to answer your questions.

**Address:** Office of the Assessor-Recorder, Business Personal Property Division 1 Dr Carlton B Goodlett Place, Rm 190, San Francisco, CA 94102

Telephone: (628) 652-8100

Email: [askbpp@sfgov.org](mailto:askbpp@sfgov.org)

**Hours:** Monday thru Friday  
8:00 A.M. to 5:00 P.M.  
Excluding legal holidays