

THE APPRAISER

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AMEA

Association Machinery
and Equipment
Appraisers

ASSET VALUES DECLINE-SURPLUS ALL TIME HIGH

A frequently asked question of appraisers today is how big is the surplus of machine tools and what impact it's having on the economy.

According to government reports and speaking with auctioneers across the country, it's apparent that a glut of machine tools exists. Auctioneers report an increase in the number of auctions, but prices are way down. In fact most machinery older than 10 years are bringing way below market price, and in some cases not selling.

This is a double edge sword. On one side, the value of your company's assets may be at an all time low. On the other hand if you have extra capital, now is the time to take advantage of this recessionary economy. Now is the time to replace older equipment by purchasing later machinery or purchasing an entire company which maybe having financial difficulties.

Interest rates are at an all time low. This we know, will not last indefinitely. Banks and finance institutions are looking to place loans to qualified companies. Banks are complaining of the decrease in loan making since September 11th, do to a wait and see attitude. The advantage goes to the company or individual that can see beyond the recession, and prepares for the future.

COUNTY PERSONAL PROPERTY TAXES

If your business is located in a county that charges property tax on your capital assets, **now** is the time to do something about it!

You can make an appeal to your county tax assessor to have your tax bill changed! If the value of your personal property has significantly dropped, you have a right to have this change reflected in your next tax bill.

The process to lower your taxes starts with an appraisal done by a certified appraiser, then submit this information to the proper department in your county. The savings to your company can be in the thousands of dollars every year.

We have been involved in these types of appraisals, and have stood before the tax boards of many counties with nothing but a positive outcome for our clients.