



## North Carolina Department of Revenue

Roy Cooper  
Governor

Ronald G. Penny  
Secretary

### **MEMORANDUM**

To: Users of the Cost Index and Depreciation Schedules  
From: Tony Simpson  
Director, Local Government Division  
Date: December 6, 2018  
Re: 2019 Cost Index and Depreciation Schedules

Attached you will find the 2019 Cost Index and Depreciation Schedules. The document is also located online at <https://www.ncdor.gov/documents/2019-cost-index-and-depreciation-schedules>.

We recommend the use of these schedules in the valuation of business personal property and certain taxable personal property listed as of January 1, 2019.

There were a few minor changes this year, other than the usual percent good factor adjustments. These changes are for appraisals as of January 1, 2019, and forward, and are not retroactive. The changes have been marked with an asterisk in the Cost Index and are as follows:

1. On Index page 1, under the category *Amusement and Recreation Equipment*, we added internet sweepstakes and video poker machines with a B-5 recommended schedule. Also under this category, amusement rides and games, mobile gaming units, and music machines were relocated from the previous category of *Vending Equipment*, with a B-5 recommended schedule.
2. On Index page 2, under the category *Automobile Repair and Service Equipment*, we have added electric vehicle charging stations with a J-8 recommended schedule.
3. On Index page 5, the category *Copying and Printing Equipment* replaced the previous category *Copying and Duplicating Equipment*. The descriptions have been simplified and all equipment was placed on a U-5 recommended schedule, with the exception of industrial/commercial 3-D printers on an A-11 recommended schedule.

4. On Index page 5, under the category *Data Processing Equipment*, we updated the description to include smartboards.
5. On Index page 5, the category *Drones* was added with a B-5 recommended schedule.
6. On Index page 6, under the category *Dry Cleaning and Laundry Equipment*, we updated the description for coin operated machines.
7. On Index page 7, under the category *Farm and Ranch Machinery and Equipment*, we have updated the description and placed all equipment on an A-10 schedule with a 25% residual.

**Important! Per Session Law 2018-113, NC Farm Act of 2018, counties are required to use the A-10 schedule and 25% residual if valuing equipment in this category using the cost approach. (If additional depreciation is warranted, the county appraiser may value below the 25% residual.) This law is in effect for the 2019 tax listings.**

8. On Index page 9, under the category *Leased Office Business Machines*, the description was simplified and all equipment was placed on an S-5 recommended schedule.
9. On Index page 9, the category *Medical Equipment* was added. This category includes the previous category of *Hospital and Nursing Home Equipment* and the description was updated to include medical, dental, veterinarian, laboratory and pharmaceutical equipment.
10. On Index page 12, under the category *Rental Equipment*, the description was simplified and all equipment was placed on a P-5 recommended schedule.
11. On Index page 12, under the category *Restaurant, Bar and Soda Fountain Equipment*, we updated the description to include equipment installed on food trucks.
12. On Index page 15, under the category *Vending Equipment*, the description was simplified and all equipment was placed on an O-6 recommended schedule.

Reminder(s):

1. Schedule N shows a straight-line schedule that depreciates down to zero, for illustrative purposes. However, you should always use a 25% residual when applying Schedule N unless you have analyzed a particular situation and decided to do otherwise.

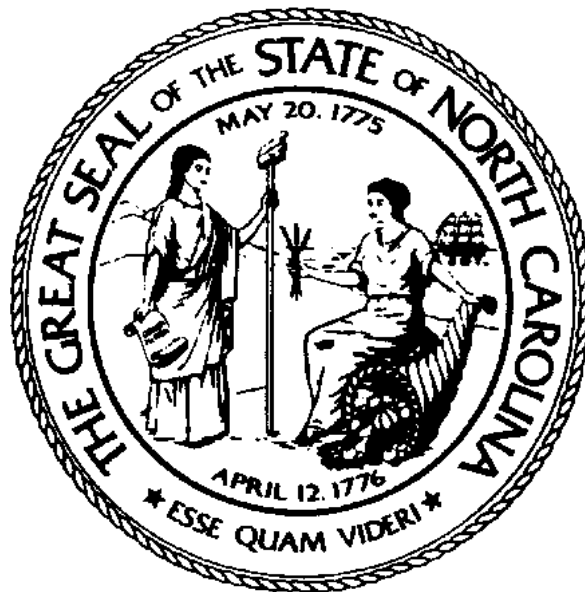
In 2005, the North Carolina Court of Appeals affirmed the North Carolina Property Tax Commission's decision in the matter of the appeal of Westmoreland—LG&E Partners from the decision of the Halifax County Board of Commissioners for the tax years 1996-2001. In its decision, the North Carolina Court of Appeals opinion quoted excerpts from the Property Tax Commission's decision. The opinion quotes, "The Tax Administrator properly applied the Cost Index and Depreciation Schedules developed by the North Carolina Department of Revenue..." The Court also writes, "It is well-settled in this State that ad valorem tax assessments are presumed

correct.” This and other previous cases have solidified our opinion that, when used properly, the Cost Index and Depreciation Schedules are well accepted by the Courts.

These schedules have been prepared by this office as a general guide to be used in the valuation of business personal property, utilizing the replacement cost approach to value. It is important to remember that the schedules are only a guide. There may be situations where the appraiser will need to make adjustments for additional, or less, functional or economic obsolescence; or for other factors.

These schedules are provided to aid in the overall uniformity and equity of property tax assessment practices, as required by North Carolina statutes. If you have any questions about these schedules, please contact the Personal Property Section at (919) 814-1129.

2019  
Cost Index &  
Depreciation Schedules



North Carolina Department of Revenue  
Local Government Division  
Property Tax Section



Following this introduction is the 2019 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:

On their 2019 business listing, a manufacturer of machinery listed \$10,000 in machinery and equipment, acquired in 2012. 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, 2019 would be:

$$\$10,000 \times .33 = \$3,300$$

In examining what we have done, the trending factor of 1.10 brings the value of the equipment up to current replacement cost new, which would be:

$$\$10,000 \times 1.10 = \$11,000$$

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:

$$\$11,000 \times .30 = \$3,300, \text{ is the same answer as above.}$$

The valuation tables show percent good factors (.33) which are simply the products of the trending factors (1.10) 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> .....	17	B	8
Primarily engaged in the manufacture of aircraft, spacecraft, rockets, missiles and component parts.			
<u>AIR CONDITIONING EQUIPMENT</u>			
Heat Pumps - All Sizes.....	17	B	7
Large - 20 Tons and Over .....	17	B	20
Medium and Small - Under 20 Tons.....	17	B	10
<u>AIRPORT GROUND EQUIPMENT</u> .....	17	B	10
Unlicensed Vehicles.....	17	B	10
<u>AMUSEMENT AND RECREATION EQUIPMENT</u>			
A. Entertainment and Sports Venues			
* Amusement Rides and Games (Bowlers, Pin Ball, Hobby Horses, etc.) .....			
	17	B	5
Billiards and Pool.....	17	B	10
Boats.....	17	B	5
Bowling Alleys & Lottery Ticket Sales Equipment .....	17	B	8
Coin Operated Electronic Games (Video Games) .....	17	B	3
Dance Studio.....	17	B	10
Gymnasium (Health Clubs).....	17	B	10
* Internet Sweepstakes, Video Poker Machines .....	17	B	5
* Mobile Gaming Units .....	17	B	5
Museum .....	17	B	10
* Music Machines, Pay-per-play Jukeboxes (includes digital), Karaoke Machines.....	17	B	5
Race Track .....	17	B	10
Rental Video Tapes, DVD's and Games.....	17	B	3
Video Rental Tape Player.....	17	B	3
B. Golf Carts .....	17	B	5
C. Miniature Golf Courses .....	17	B	10
D. Average All (Variety) .....	17	B	7
<u>APARTMENT AND ROOMING HOUSE (FF&amp;E)</u> .....	19	G	8
<u>APPAREL AND OTHER FINISHED PRODUCTS MANUFACTURED FROM FABRICS, FABRICATED TEXTILE PRODUCTS AND SIMILAR MATERIALS</u>			
Fabrics - Knitwear and Fur .....	16	A	9

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\* Indicates a change from last year.



**MAJOR CATEGORY** **Page Schedule Life**

Leather Apparel.....	16	A	11
Miscellaneous Textile Products - Draperies and Canvas .....	16	A	9
Rubber Apparel.....	16	A	14

**ASPHALT ROOFING MATERIALS**  
**(EQUIPMENT USED TO MANUFACTURE)**

*See Petroleum Products Manufacturing Equipment.*

**AUTOMOBILE REPAIR AND SERVICE EQUIPMENT**

Car Wash (Automatic or Coin Operated).....	21	J	5
* Electric Vehicle Charging Stations.....	21	J	8
Portable Service Station Equipment .....	21	J	10
Recapping, Retreading and Rebuilding Tires.....	21	J	8
Service Stations, Garages and Body Shops .....	21	J	10
Service Station Leak Detection Equipment.....	21	J	8
Service Station Test Equipment.....	21	J	8

**BAKERIES - RETAIL (BAKING AND SELLING)** ..... 16      A      10

**BANKS & SAVINGS AND LOAN EQUIPMENT**

Automated Teller Machines (ATM).....	20	H	5
Check Scanners .....	20	H	10
Closed Circuit TV - Pneumatic.....	20	H	4
Currency Lockers.....	20	H	20
Currency Processing Solution Safe.....	20	H	20
Drive in Windows and Night Depository .....	20	H	10
Inner Gates .....	22	M	50
Portable Vaults, Vault Doors .....	22	M	50
Safe Deposit Box .....	20	H	20
Teller Lockers .....	20	H	20
Teller Service Areas and Systems .....	20	H	10
Vent Fans and Additions.....	22	M	50
Visual Pneumatic .....	20	H	10

**BARBER SHOP EQUIPMENT** ..... 17      B      10

**BEAUTY SHOP EQUIPMENT** ..... 17      B      8

Includes tanning, massage, manicure, pedicure, and other related salon equipment.

**BILLBOARDS** - See the *Billboard Structures Valuation Guide* online at:  
<https://www.ncdor.gov/reports-and-statistics/billboard-structures-valuation-guide>

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<u>MAJOR CATEGORY</u>	<u>Page</u>	<u>Schedule</u>	<u>Life</u>
<u>BOAT BUILDING</u>			
Boat Construction, Repair and Conversion .....	17	B	12
Fiberglass Boat Molds .....	17	B	3
<u>BOAT DOCKS</u> (Where Classified as Personalty)			
Steel or Other Metal Construction .....	17	B	20
Wood and Foam .....	17	B	5
<u>BOTTLING PLANT EQUIPMENT</u> .....	16	A	12
Manufacture, bottling or canning of soft drinks, fresh fruit drinks, mineral and distilled waters, carbonated beverages.			
<u>BROADCASTING - RADIO AND TV EQUIPMENT</u>			
Analog Television Broadcasting Equipment .....	17	B	5
Studio Broadcasting Equipment .....	17	B	6
Transmitting Towers .....	17	B	25
<u>CABLE MANUFACTURING</u> .....	20	I	10
Manufacture of fiber optic, coaxial, and data cable. Includes coaxial, composite, and twisted copper cable.			
<u>CABLE AND SATELLITE COMPANY EQUIPMENT</u>			
Distribution Systems - Cable (Coaxial and Fiber Optic).....	17	B	10
Distribution Systems - Electronics (Node Electronics, Amplifiers, Couplers, Splitters) .....	27	U	5
Head-end Equipment, Hub Equipment.....	27	U	5
Subscriber Connections (Set-top Boxes, Modems, External House Drops).....	27	U	5
Towers, Antennas, Dishes.....	17	B	25
<u>CELLULAR EQUIPMENT</u>			
A. Analog .....	17	B	3
Includes antenna cell site and cell equipment.			
B. Digital .....	27	U	6
Includes antenna cell site, cell equipment, microwave digital, tools and testing equipment, telephones, pagers, and antennas. (Includes 2G and 3G equipment in jurisdictions where the carrier <b>HAS NOT</b> deployed 4G or newer generation equipment in that jurisdiction.)			

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<u>MAJOR CATEGORY</u>	<u>Page</u>	<u>Schedule</u>	<u>Life</u>
C. Digital: Certain Obsolete Equipment.....	17	B	3
Includes obsolete, yet functioning, 2G and 3G equipment if the carrier <b>HAS</b> deployed 4G or newer generation equipment in that jurisdiction.			
D. Power Supply, PBX (Internal Phone System), Cabinets, Microwave Antennas .....	17	B	10
E. Towers, Concrete Structures Housing Cell Equipment....	17	B	25
<u>CEMENT MANUFACTURING AND CONCRETE PRODUCTS</u>			
Cement Manufacturing Plants .....	16	A	20
Concrete Products Manufacturing (Blocks, Pipe, etc.) .....	16	A	12
Mixers (Truck Mounted).....	16	A	6
Portable Ready Mix Plants.....	16	A	8
Ready Mix Concrete Plants .....	16	A	15
<u>Note: Cement manufacturing plants have a combination of quarrying and manufacturing machinery which should be reported and appraised separately.</u>			
<u>CHEMICAL AND ALLIED PRODUCTS</u> .....	16	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.....	16	A	8
<u>COMMUNICATION - TELEPHONE AND INTERCOM SYSTEMS- PAY PHONES</u> .....	17	B	10
<u>COMPUTER MANUFACTURING</u> .....	20	I	8
Includes manufacturers engaged in the assembly of computers.			
<u>CONTRACTOR'S EQUIPMENT</u>			
Barricades and Warning Devices.....	16	A	3
Cranes to 50 Tons, Shovels to 8 Cubic Yards .....	16	A	10
Cranes, Shovels, and Drag Lines .....	17	B	25
General Construction - Highway, Dams, etc.....	16	A	8
Portable Asphalt Batch Plants.....	16	A	6

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<u>MAJOR CATEGORY</u>	<u>Page</u>	<u>Schedule</u>	<u>Life</u>
Special Trade Contractors: Electrical Heating, Plumbing, Painting, Framing & Carpentry.....	16	A	10
Stationary Asphalt Batch Plants.....	16	A	14
<u>* COPYING AND PRINTING EQUIPMENT</u> .....	27	U	5
Includes computer printers, network computer printers, copiers, multi-functioning devices, and desktop 3-D printers.			
Industrial/Commercial 3-D Printers.....	16	A	11
<u>COTTON GINS AND COMPRESSES</u> .....	16	A	12
Cotton gin machinery for removing seeds from raw cotton. Cotton compresses are machines used to bale cotton after ginning.			
<u>* DATA PROCESSING EQUIPMENT</u> .....	27	U	5
This category is for non-production computers. It includes personal computers, taxable software, <b>smartboards</b> , midrange and mainframe computers, and their peripherals used for data processing. Includes standard IBM compatible personal computers used in manufacturing and point of sale (POS) systems, but not proprietary POS units, such as computers built specifically to be used as POS computers or other proprietary computerized systems. For POS proprietary systems and electronic cash registers, see <i>Store Equipment</i> .			
This category <u>does not</u> 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. It does not include equipment that is an integral part of other capital equipment that is included in other classes of economic activity, such as computers used primarily for process or production control, switching, channeling, and automating distributive trades and services, such as proprietary POS computer systems.			
This category <u>does not</u> include equipment of a kind used primarily for the amusement or entertainment of the user.			
<u>Note:</u> Accelerated depreciation is used on data processing equipment. The residual is 5%.			
<u>DRILLING EQUIPMENT (GAS, PETROLEUM &amp; WATER)</u>			
Exploration and Drilling Equipment.....	16	A	6
Includes water activated well drilling equipment that is mounted on vehicles.			
<u>* DRONES</u> .....	17	B	5

\* Indicates a change from last year.




<u>MAJOR CATEGORY</u>	<u>Page</u>	<u>Schedule</u>	<u>Life</u>
<u>DRY CLEANING AND LAUNDRY EQUIPMENT</u>			
* Self-Serve (Coin/Card Operated).....	17	B	6
Commercial.....	17	B	10
Leased and Rented Linens and Uniforms (Not trended).....	23	N	2
<u>ELECTRIC ENERGY GENERATION EQUIPMENT</u>			
A. Biomass-Renewable Organic Matter Electricity Generating Equipment .....	26	T	18
B. Hydro-electric Generating Equipment .....	26	T	50
C. Natural Gas-Fired and Combined Cycle Electrical Generating Equipment.....	26	T	18
D. Photovoltaic Solar Electric Generating Equipment.....	26	T	18
E. 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.	26	T	28
F. Thermal Solar Electric Generating Equipment.....	26	T	18
G. Wind Power Electricity Generation Systems .....	26	T	18
Includes wind turbines, support shafts and foundations, ancillary lines, transformers, and other equipment necessary to move the electricity from the wind turbines to the utility's transmission line.			
<u>ELECTRICAL EQUIPMENT</u> .....	20	I	10
Includes the manufacture of electrical household appliances, batteries, and machinery used in the generation and utilization of electric energy.			
<u>ELECTRONIC EQUIPMENT</u>			
A. Manufacturing (50% or more) of electronic communication, detection, guidance, control, radiation computation, test and navigation equipment.....	20	I	8
B. Manufacturers engaged only in the purchase and assembly of electronic components.....	20	I	12
C. Semi-Conductor Manufacturing .....	27	U	6

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<u>MAJOR CATEGORY</u>	<u>Page</u>	<u>Schedule</u>	<u>Life</u>
D. Semi-Conductor Testing Equip.....	27	U	8
E. Vapor De-pollution System .....	16	A	5
<u>FABRICATED METAL PRODUCTS</u> .....	16	A	12
Includes the manufacture of fabricated metal products such as cans, tin ware, hardware, metal structural products, architectural and ornamental metalwork, nuts, bolts, metal awnings, portable metal structures, etc.			
* <u>FARM AND RANCH MACHINERY AND EQUIPMENT</u> ..	16	A	10
Includes all farm implements, machinery and equipment used in the production of crops and animals, on the farm processing of feeds, poultry and swine house equipment, tractors, combines, and cotton harvesters.			
<p> <b>Note:</b> Whenever possible, this equipment should be appraised using the market (sales comparison) approach. There are several good pricing guides available which provide market values of farm equipment based on sales. <b>If the county appraises farm equipment using the cost approach, the A-10 schedule with a 25% residual is statutorily required for <u>all</u> equipment in this category!</b></p>			
<u>FIBER OPTICS MANUFACTURING</u> .....	20	I	8
Manufacturers of glass fiber for fiber optics.			
<u>FOOD, BEVERAGE AND KINDRED PRODUCTS</u>			
<u>(MANUFACTURING, PACKAGING, AND PROCESSING)</u>			
Bakery Products .....	16	A	12
Brewery and Distillery, Winery Equipment .....	16	A	12
Canned, Preserved Fruits and Vegetables .....	16	A	12
Confectionery and Related Products .....	16	A	12
Creamery and Dairy Products.....	16	A	12
Grain Mill Products.....	16	A	17
Includes assets used in the production of flours, cereals, livestock feeds, and other grain and grain mill products; large hammer mills.			
Grain Tanks.....	16	A	15
Miscellaneous Food Preparations (Examples: Honey and Potato Chips) .....	16	A	12
Sugar and Sugar Products .....	16	A	18
Vegetable Oil Products .....	16	A	18

\* Indicates a change from last year.



**MAJOR CATEGORY** **Page Schedule** **Life**

FURNITURE MANUFACTURE OF WOOD PRODUCTS,  
 (EXCLUDES LUMBER MANUFACTURING) ..... 16      A      10

GLASS AND GLASS PRODUCTS  
 (EXCLUDES MANUFACTURE OF LENSES) ..... 16      A      14

Includes the manufacture of glassware, pressed or blown, and the manufacture of products from purchased glass, such as quartz and Pyrex, laboratory apparatus, art glass, doors made from purchased glass, glass containers, plate, safety and window glass.

Manufacture of Mirrors..... 16      A      10

HOTEL, MOTEL AND RESORT EQUIPMENT ..... 19      D      10

Televisions ..... 17      B      5

LANDSCAPING EQUIPMENT ..... 16      A      8

**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) ..... 17      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.

\* Indicates a change from last year.



<u>MAJOR CATEGORY</u>	<u>Page</u>	<u>Schedule</u>	<u>Life</u>
* <u>LEASED OFFICE BUSINESS MACHINES</u> .....	25	S	5
<p>This category also includes leased fax machines and communication equipment. It <u>does not</u> include electronic data processing equipment, portable commercial equipment, copiers, and mailing and postage machines.</p>			
<u>LEATHER AND LEATHER PRODUCTS</u> .....	16	A	11
<p>Includes the manufacture of finished leather products; tanning, currying and finishing of hides and skins; and the processing of fur pelts. For example: footwear, handbags, saddles, harnesses, luggage, etc.</p>			
<u>LUMBERING</u>			
Logging Equipment. ....	16	A	8
Sawmill (Portable) .....	16	A	6
Sawmill Machinery and Equipment (Permanent Mills).....	16	A	10
Includes lumber manufacturing.			
<u>MACHINERY (MACHINE SHOPS)</u> .....	16	A	10
<p>Includes the manufacture of machinery such as engines and turbines; ball and roller bearings; farm, construction, mining, food products, office, and paper industry machinery; compressors, pumps, blowers, industrial patterns, process furnaces and ovens, service industry machines, and equipment used in machine shops. Excludes the manufacture of electrical machinery.</p>			
<u>MANUFACTURED HOME MANUFACTURING</u> .....	17	B	10
<u>MEAT PRODUCTS - MANUFACTURING, PACKAGING AND PROCESSING</u> .....	16	A	12
* <u>MEDICAL EQUIPMENT</u> .....	18	C	10
<p>Includes medical, dental, nursing home, hospital, veterinarian, laboratory and pharmaceutical machinery and equipment.</p>			
CAT Scan & MRI Equipment. ....	18	C	6
<u>METAL WORKING MACHINERY</u> .....	16	A	12
<p>Manufacture of metal cutting, grinding, forming machines, jigs, dies, fixtures and accessories.</p>			

\* Indicates a change from last year.



<u>MAJOR CATEGORY</u>	<u>Page</u>	<u>Schedule</u>	<u>Life</u>
<u>MINING, QUARRYING AND PROCESSING (METAL AND NON-METAL)</u>			
Cranes, Shovels and Drag Lines .....	17	B	25
Environmental Equipment .....	16	A	12
Foil Manufacturing .....	16	A	8
A. <u>Metal:</u>			
Metal Processing Plants (Ex. Custom Smelters) .....	16	A	20
Milling and Chemical Plant Equipment.....	16	A	15
Mining Equipment.....	16	A	10
B. <u>Non-Metal:</u>			
Granite Quarrying and Processing .....	16	A	9
Mining and Quarrying.....	16	A	10
Includes non-metallic minerals such as sand and gravel, ceramic clay, cinder, stone (other than granite), chemicals, and fertilizers.			
Portable Sand and Gravel Units.....	16	A	8
<u>MISCELLANEOUS MANUFACTURING</u> .....	16	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> .....	17	B	10
<u>MORTUARY AND CEMETERY EQUIPMENT</u> .....	17	B	10
<u>MOTOR VEHICLE PARTS AND ACCESSORIES</u> .....	17	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> .....	21	K	10
Includes mailing and postage machines, fax machines, burglar alarms, fire alarms, office furniture, security systems, etc. It <u>does not</u> include personal computers.			

\* Indicates a change from last year.



<u>MAJOR CATEGORY</u>	<u>Page</u>	<u>Schedule</u>	<u>Life</u>
<u>PAPER AND ALLIED PRODUCTS</u>			
A. Paper Finishing and Converting.....	16	A	12
Includes the finishing and converting of paper into cartons, bags, envelopes, and other similar products.			
B. Pulp and Paper.....	16	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.			
<u>PETROLEUM PRODUCTS MANUFACTURING EQUIPMENT</u> .....			
	16	A	14
Includes equipment used in manufacturing asphalt shingles, roofing materials etc.			
<u>PETROLEUM AND GAS</u>			
Natural Gas and Helium Production Plants .....	16	A	14
Oil and Gas Well Production Equipment .....	16	A	14
Includes well head equipment, gathering pipelines and related storage facilities.			
Petroleum Refining Plants .....	16	A	16
Petroleum Storage Facilities .....	16	A	16
Propane Gas Tanks and Distribution Equipment .....	17	B	25
<u>PHOTOGRAPHIC</u>			
Automatic Film Processing Equipment.....	18	C	9
Includes 1-hour photo type.			
Self-service Digital Input Photo Equipment.....	18	C	6
<u>PLASTIC PRODUCTS</u> .....	16	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 .....	16	A	18
Non-ferrous - Aluminum, Copper .....	16	A	14

\* Indicates a change from last year.





**MAJOR CATEGORY** **Page Schedule Life**

**PRINTING AND PUBLISHING** ..... 16      A      11  
 Includes printing, publishing, lithography, and printing services such as bookbinding, typesetting, photo engravings, and electrotyping.

Note: Electronic data processing and other computer equipment used in publishing should be listed and appraised separately.

**PROFESSIONAL EQUIPMENT (MISCELLANEOUS)**..... 17      B      10  
 Includes architects, accountants, engineers, photographic studio equipment, taxidermists, hobby and craft shops, graphic design illustrations, etc.

**PROFESSIONAL LIBRARIES** ..... 24      O  
 Accountants, Architects, Engineers, Law, Medical, etc.

Note: Used volumes in good saleable condition should be appraised at 1/3 of original cost, regardless of age.

**REFRIGERATION EQUIPMENT** ..... 17      B      10  
 Vacuum Cooling Stationary..... 17      B      10  
 Vacuum Cooling Portable..... 17      B      8

**\* RENTAL EQUIPMENT**..... 25      P      5  
 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, leased furniture and fixtures, etc. These schedules are also for property which is typically rented on an hourly or daily basis.

**REPAIR SHOP EQUIPMENT** ..... 16      A      10  
 Includes electrical, watch, clock, jewelry, radio, TV, upholstery, furniture, household appliances, welding, locksmith, shoe, etc.

**\* RESTAURANT, BAR AND SODA FOUNTAIN EQUIPMENT** ..... 19      E      10  
 Includes all eating and drinking establishments selling prepared food and/or drinks, as well as **equipment installed on food trucks.**

\* Indicates a change from last year.



<u>MAJOR CATEGORY</u>	<u>Page</u>	<u>Schedule</u>	<u>Life</u>
<u>RUBBER PRODUCTS</u> .....	16	A	14
Includes the manufacture of finished rubber products.			
<u>SCALES</u>			
10 - 25 Tons .....	16	A	20
Less than 10 Tons .....	16	A	10
Portable .....	16	A	10
<u>SCHOOL EQUIPMENT</u> .....	19	D	10
<u>SCRAP METAL</u> .....	16	A	10
Equipment used in the cutting, wrecking, and storing of scrap metals.			
<u>SIGNS OTHER THAN BILLBOARDS</u> .....	24	O	10 - 20
Includes 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> .....	24	O	
<u>STONE AND CLAY PRODUCTS EXCEPT CEMENT</u> .....	16	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</u>			
A. Retail, Wholesale and Supply .....	19	D	10
Includes general merchandise, building materials, hardware, apparel, accessory, furniture, home furnishings, equipment, jewelry, food, grocery, wholesale, supply, and miscellaneous retail store equipment, etc.			
B. Point of Sale (POS) and Proprietary Computerized POS Units .....	19	D	6
Includes peripherals, hand held computers and electronic cash registers. It <u>does not</u> include personal			

Continued  
 Next Page

\* Indicates a change from last year.



<u>MAJOR CATEGORY</u>	<u>Page</u>	<u>Schedule</u>	<u>Life</u>
computers used as POS terminals or computers acting as servers. See <i>Data Processing Equipment</i> .			
<u>STRAIGHT LINE SCHEDULES</u> .....	23	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 .....	27	U	8
Switch Testing Equipment .....	27	U	6
<u>TESTING EQUIPMENT</u> .....	25	R	8
Includes equipment used in research and development.			
<u>TEXTILE MILL PRODUCTS</u> .....	16	A	10
Includes the manufacture of spun, woven or processed yarns and fabrics from natural or synthetic fibers.			
Textile finishing and dyeing .....	16	A	8
 <i>Note:</i> For idle equipment see <i>Idle Equipment</i> . A 5% residual for equipment acquired in 2009 and earlier remains applicable if deemed appropriate by the appraiser.			
<u>THEATER EQUIPMENT</u> .....	19	D	10
<u>TOBACCO AND TOBACCO PRODUCTS MANUFACTURING</u> .....	16	A	15
<u>TOOLS, MOLDS, DIES AND JIGS</u> .....	24	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 a 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 excludes general purpose small tools.			

*Note:* It will be necessary to determine from the manufacturer the average life of this category of property. Once the proper life has been determined, apply the straight-line Schedule N.

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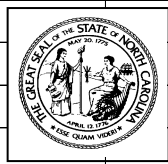
\* Indicates a change from last year.



<u>MAJOR CATEGORY</u>	<u>Page</u>	<u>Schedule</u>	<u>Life</u>
<u>TRANSPORTATION EQUIPMENT</u> .....	17	B	12
This category includes the manufacture of motor homes, campers, and motorcycles.			
* <u>VENDING EQUIPMENT</u> .....	24	O	6
Includes food, beverages, cigarettes, change, newspapers, photo, stamps, breathalyzer, cellphone analysis, movies, games, tools, keys, and used electronics.			
Automatic Bulk Ice Vending Machines .....	17	B	8
<u>WAREHOUSE MATERIALS HANDLING EQUIPMENT</u> .....	16	A	10
Includes forklifts and pallets.			
<u>WASTE MANAGEMENT</u> .....	17	B	8
Includes assets and equipment used in the collection and management of household garbage and similar waste; Green Box containers; toters; and similar equipment.			
<u>WIRE PRODUCTS MANUFACTURING</u> .....	16	A	14
Establishments primarily engaged in the manufacture of wire.			
<u>WOODWORKING EQUIPMENT</u> .....	19	F	10

\* Indicates a change from last year.

2019 Cost Index and Depreciation Schedules



State of North Carolina  
 Department of Revenue  
 Property Tax Section


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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
2018	1	1.00	67	80	83	87	89	90	91	92	93	93	94	94	94	95
2017	2	1.03	34	62	69	77	81	82	84	85	89	90	90	91	92	93
2016	3	1.04	25	42	52	66	70	73	76	78	82	83	84	85	86	88
2015	4	1.05		25	35	53	59	63	67	70	75	77	79	80	82	84
2014	5	1.07			25	40	47	54	58	62	68	72	74	76	77	80
2013	6	1.09				27	36	44	48	55	62	65	69	71	73	76
2012	7	1.10				25	25	33	40	46	55	58	62	65	67	72
2011	8	1.12					25	25	30	37	48	53	56	59	63	67
2010	9	1.15							25	29	41	46	51	54	58	63
2009	10	1.16								25	34	38	43	48	51	58
2008	11	1.17									25	32	36	41	46	53
2007	12	1.23									25	25	31	36	41	49
2006	13	1.26										25	25	29	35	44
2005	14	1.29												25	28	39
2004	15	1.34													25	34
2003	16	1.39														28
2002	17	1.41														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.

2019 Cost Index and Depreciation Schedules

		State of North Carolina					Page 17								
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		Property Tax Section													
		Schedule B Valuation Table													
		Historical (Original) Cost													
		Percent Good Factors													
Year		Trend	Life in Years												
Acq'd	Age	Factor	3	5	6	7	8	10	11	12	20	25			
2018	1	1.00	67	80	83	86	87	90	91	92	95	96			
2017	2	1.03	34	62	69	73	77	82	84	85	93	95			
2016	3	1.04	5	42	52	59	66	73	76	78	88	92			
2015	4	1.05		25	35	45	53	63	67	70	84	88			
2014	5	1.07			25	31	40	54	58	62	80	86			
2013	6	1.09				25	27	44	48	55	76	83			
2012	7	1.11					25	33	40	47	72	80			
2011	8	1.13						25	31	37	68	77			
2010	9	1.15							25	29	63	74			
2009	10	1.16								25	58	70			
2008	11	1.17									53	66			
2007	12	1.21									48	63			
2006	13	1.23									43	59			
2005	14	1.26									38	55			
2004	15	1.28									32	51			
2003	16	1.31									26	47			
2002	17	1.32									25	42			
2001	18	1.31										37			
2000	19	1.32										32			
1999	20	1.32										26			
1998	21	1.32										25			
1997	22	1.32													
1996	23	1.32													
1995	24	1.35													
			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.												

## 2019 Cost Index and Depreciation Schedules

		State of North Carolina							Page 18					
		Department of Revenue							Effective 1/1/2019					
		Property Tax Section												
Schedule C Valuation Table														
Historical (Original) Cost														
Percent Good Factors														
Year	Trend	Life in Years												
Acq'd	Age	Factor	3	6	9	10	11	12	14					
2018	1	1.00	67	83	89	90	91	92	93					
2017	2	1.01	33	68	80	81	83	84	87					
2016	3	1.01	25	51	68	71	74	76	80					
2015	4	1.02		34	57	61	65	68	72					
2014	5	1.03		25	45	52	56	60	66					
2013	6	1.04			34	42	46	52	59					
2012	7	1.04			25	31	37	44	52					
2011	8	1.05				25	28	35	45					
2010	9	1.06					25	27	38					
2009	10	1.06						25	31					
2008	11	1.08							25					
2007	12	1.11												
2006	13	1.16												
2005	14	1.16												
			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.											





2019 Cost Index and Depreciation Schedules



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Schedules H, I, Valuation Table

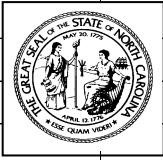
Historical (Original) Cost

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		
2018	1	1.00	75	80	90	95	1.00	80	87	90	92		
2017	2	1.02	51	61	82	92	1.01	61	76	81	84		
2016	3	1.03	26	41	72	88	1.01	40	64	71	76		
2015	4	1.03	25	25	62	82	1.00	25	50	60	67		
2014	5	1.04			52	78	1.00		37	50	58		
2013	6	1.05			42	74	1.00		25	40	50		
2012	7	1.06			32	69	1.01			30	42		
2011	8	1.07			25	64	1.00			25	33		
2010	9	1.10				61	1.00				25		
2009	10	1.11				56	1.00						
2008	11	1.12				50	0.98						
2007	12	1.17				47	0.97						
2006	13	1.18				41	0.96						
2005	14	1.22				37	0.96						
2004	15	1.24				31	0.96						
2003	16	1.26				25	0.94						
2002	17	1.26					0.95						
2001	18	1.26					0.95						

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.

2019 Cost Index and Depreciation Schedules



Schedules J, K, L, Valuation Table													
Historical (Original) Cost													
Percent Good Factors													

Year	Acq'd	Age	Schedule J			Schedule K			Schedule L					
			Trend	Life			Trend	Life		Trend	Life			
			Factor	5	8	10	Factor	5	10	Factor	5	6	14	16
2018		1	1.00	80	87	90	1.00	80	90	1.00	80	83	93	94
2017		2	1.03	62	77	82	1.03	62	82	1.02	61	68	88	89
2016		3	1.04	42	66	73	1.05	42	74	1.00	40	50	79	81
2015		4	1.04	25	52	62	1.05	25	63	1.00	25	33	71	75
2014		5	1.05		39	53	1.08		54	1.01		25	65	70
2013		6	1.06		27	42	1.11		44	1.02			58	64
2012		7	1.07		25	32	1.12		34	1.02			51	57
2011		8	1.09			25	1.14		25	1.04			45	52
2010		9	1.10				1.16			1.05			38	46
2009		10	1.11				1.18			1.05			30	39
2008		11	1.13				1.19			1.05			25	33
2007		12	1.17							1.05				26
2006		13	1.19							1.05				25
										1.12				
										1.12				

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.



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State of North Carolina  
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Schedule N

Straight Line Depreciation Table

Year Acq'd	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	20	25	Age (yrs)
2018	50	67	75	80	83	86	87	89	90	91	92	92	93	93	94	94	95	96	1
2017	0	33	50	60	67	71	75	79	80	82	83	84	86	87	87	88	90	92	2
2016		0	25	40	50	57	63	67	70	73	75	77	79	80	81	82	85	88	3
2015			0	20	33	43	50	56	60	64	67	69	71	73	75	76	80	84	4
2014				0	17	29	37	44	50	54	58	61	64	67	69	71	75	80	5
2013					0	14	25	33	40	44	50	54	57	60	63	65	70	76	6
2012						0	13	22	30	36	42	46	50	53	56	59	65	72	7
2011							0	11	20	27	33	38	43	47	50	53	60	68	8
2010								0	10	18	25	31	36	40	44	47	55	64	9
2009									0	9	17	23	29	33	37	41	50	60	10
2008										0	8	15	21	27	31	35	45	56	11
2007											0	8	14	20	25	29	40	52	12
2006												0	7	13	19	23	35	48	13
2005													0	7	13	18	30	44	14
2004														0	6	12	25	40	15
2003															0	6	20	36	16
2002																0	15	32	17
2001																	10	28	18
2000																	5	24	19
1999																	0	20	20
1998																		16	21
1997																		12	22
1996																		8	23
1995																		4	24
1994																		0	25

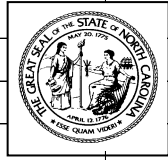
**Note: Use a 25% residual value when applying these schedules.**

2019 Cost Index and Depreciation Schedules

	State of North Carolina					Page 24			
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	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" online:									
<a href="https://www.ncdor.gov/reports-and-statistics/billboard-structures-valuation-guide">https://www.ncdor.gov/reports-and-statistics/billboard-structures-valuation-guide</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>									
Automatic Bulk Ice Vending Machines.....							17	B	8
Cigarette Vendors.....							24	O	6
Food Vendors (Soft Drink, Candy, Hot and Cold Foods, Popcorn etc.).....							24	O	6
Leased Ice Machines.....							24	O	6
Miscellaneous (Change, Newspaper, Photo, Stamps, Breathalyzer, Cellphone Analysis, etc.).....							24	O	6
Movie/Game Vending Machines.....							24	O	6
Used Electronics Vending Machines.....							24	O	6
<b>Use straight line schedule for the correct life years. (Schedule N)</b>									



2019 Cost Index and Depreciation Schedules



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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
		2018	1	1.00	94	96	98	1993	26	1.87	25	90
		2017	2	1.03	92	96	99	1992	27	1.94	25	89
		2016	3	1.04	87	93	98	1991	28	1.99	25	88
		2015	4	1.07	83	92	99	1990	29	2.05		86
		2014	5	1.08	78	89	97	1989	30	2.09		84
		2013	6	1.13	75	89	99	1988	31	2.11		80
		2012	7	1.25	77	94	108	1987	32	2.19		79
		2011	8	1.30	72	93	109	1986	33	2.34		80
		2010	9	1.38	69	94	113	1985	34	2.50		80
		2009	10	1.41	63	91	113	1984	35	2.57		77
		2008	11	1.45	56	88	113	1983	36	3.08		86
		2007	12	1.46	49	83	111	1982	37	3.35		87
		2006	13	1.45	40	78	107	1981	38	3.50		84
		2005	14	1.47	33	74	106	1980	39	3.75		83
		2004	15	1.49	25	69	104	1979	40	4.26		85
		2003	16	1.50		64	102	1978	41	4.45		80
		2002	17	1.54		60	101	1977	42	5.26		84
		2001	18	1.56		56	100	1976	43	5.46		76
		2000	19	1.56		50	97	1975	44	5.69		68
		1999	20	1.61		46	96	1974	45	6.06		61
		1998	21	1.64		41	95	1973	46	6.50		52
		1997	22	1.66		36	93	1972	47	6.81		41
		1996	23	1.68		30	91	1971	48	7.12		28
		1995	24	1.71		25	89	1970	49	7.41		25
		1994	25	1.79		25	89	1969	50	7.44		25

Note: The 50-year life schedule increases because the positive trend is greater than the 2 percent annual straight line depreciation rate. The 18 and 28-yr life schedules may have an increasing trend in some years as well.

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.

2019 Cost Index and Depreciation Schedules

		State of North Carolina							Page 27				
		Department of Revenue							Effective 1/1/2019				
		Property Tax Section											
										Schedule U Valuation Table			
										Historical (Original) Cost			
										Percent Good Factors			
Year	Trend				Life in Years								
Acq'd	Age	Factor	5		6	8	12						
2018	1	1.00	80	1.00	68	72	85						
2017	2	0.99	60	1.00	51	60	80						
2016	3	0.99	40	1.00	35	48	75						
2015	4	0.93	19	1.00	18	35	70						
2014	5	0.88	5	1.00	11	23	60						
2013	6	0.87		1.00	5	15	55						
2012	7	0.84		1.00			45						
2011	8	0.80		1.00			40						
2010	9	0.77		1.00			35						
2009	10	0.72		1.00			25						
<p>Do not apply the trend factors to the percent good factors. The percent good factors already have the trend factors incorporated.</p> <p>This is true for all schedules in this manual.</p>													