

MANCHESTER CT INCOME AND EXPENSE REPORT

INSTRUCTIONS

IMPORTANT: It will be assumed anyone who signs and/or files an Income and Expense report has read these instructions.

Connecticut General Statute (C.G.S.) Sections 12-63b & 12-63c requires the **property owner** of any income producing property, to report the income and operating expenses annually with the Assessor by **JUNE 1st**. (This year June 1 is on a Sunday, so Manchester will accept filings by **Monday, June 2nd**.) *Income and Expense reports filed with the Town are confidential and not subject to public disclosure under the Freedom of Information Act (FOIA).*

If you are a tenant leasing the property and have received this mailing, please do not complete this report, instead call or send the Assessor's Office the property owner's current mailing address. We will update our records and mail a report out to the property owner.

WHAT TO REPORT:

- Income from *all* sources for the previous *calendar year* (i.e., collected rents, expense reimbursements, parking rents, cell tower income, etc.).
- All *operating expenses* of the property for the previous *calendar year*.
- A list of all tenants in the previous *calendar year*; and a separate list of any new tenants that commenced on or after January 1st (see Page 2 on Income and Expense report).

WHEN TO FILE: The due date for filing is **JUNE 2nd**. **Postmarks are NOT considered timely filing.** Failing to file a completed Income and Expense report; filing late; or filing an incomplete report will result in a penalty! If you are unable to file the report by the deadline *an extension must be requested not later than May 1st* (see section entitled EXTENSIONS).

HOW TO FILE:

- Complete and return an Income and Expense report **not later than Monday, JUNE 2nd**.
- Income Statements and Profit & Loss Statements may be submitted as supporting documentation but ***will not be accepted in lieu of a completed Income and Expense report.***
- Attach one of these IRS forms as supporting documentation: **Form 8825, Schedule E**, or **Form 1120** (be sure to attach the *Supplemental Statement* if one was filed with the IRS return as it shows the breakdown of expenses).

PENALTIES: Any property owner failing to file a report, files late or who files an *incomplete* report or false information, is subject to a penalty equal to ten percent (10%) of the assessment of the property (Section 12-63c, Connecticut General Statutes).

**AVOID THE PENALTY! FILE A COMPLETE REPORT BY JUNE 2!
POSTMARKS ARE NOT CONSIDERED TIMELY FILING!**

EXTENSIONS: May be approved for *not more than thirty (30) days, for good cause.*

- 1) A request must be submitted in writing addressed to the Assessor, Tami Nomack and must be received ***not later than May 1st*** (an email is acceptable: tnomack@manchesterct.gov).
- 2) Any request must include *a valid reason* why the extension is needed. Note: “My accountant is on vacation” or “Our IRS tax filing is on extension” **are NOT valid reasons**. Having an extension to file your IRS tax return **does not eliminate the requirement to file an Income & Expense Report by the deadline of JUNE 2nd.**

FILING BY A THIRD PARTY: If you are a third party (i.e., property tax firm, accountant, attorney, etc.) and are filing an Income & Expense report on behalf of a property owner, *it is your responsibility to obtain all information including supporting IRS documentation* from the owner, just the same as if the property owner was completing the report themselves.

PARTIAL YEAR OWNERSHIP: If you did not own the property for the entirety of the previous *calendar year*, ***you must still file an Income and Expense report.*** At the very minimum, complete the tenant listing section; also report any operating expenses for the portion of the year that you owned it.

MULTIPLE PROPERTIES: When the same individual(s) or entity owns more than one property, which are legally separate properties and that can be sold independently, then ***a separate Income & Expense Report is required for each property.*** This is necessary for our valuation analysis using the income approach, even if a group of properties is owned.

OWNER-OCCUPIED PROPERTIES: If the property was *100%* owner-occupied for the entirety of the previous *calendar year*, check the box on Page 1, sign and date on Page 2, and return the report to the Assessor.

100% “owner-occupied” properties are those where the owner of the property is the same person/entity that owns the business occupying/leasing the (entire) property.

Any property that is *partially owner occupied*, the property owner is still required to file a completed Income & Expense report.

To simplify completing the Income and Expense report, it is in a ***fillable format*** and it will compute all of the math for you and can be found on the Assessor’s page on the Town of Manchester Assessor website at: www.manchesterct.gov

Return completed reports to:

Assessor’s Office
41 Center Street
Manchester, CT 06040

You may scan and Email to: assessor@manchesterct.gov

There is also a drop box behind Town Hall.

Faxes are no longer accepted. Please use email, dropbox or deliver in person to ensure timely delivery.

**AVOID THE PENALTY! FILE A COMPLETE REPORT BY JUNE 2!
POSTMARKS ARE NOT CONSIDERED TIMELY FILING!**