

# **PROPERTY TAX ASSESSMENT REPORT - OFFICE EQUIPMENT**

**Summit Digital Solutions, Inc.**

Assessment Period: January 1, 2024 - December 31, 2024

Report Date: January 9, 2024

## **1. EXECUTIVE SUMMARY**

This Property Tax Assessment Report documents the valuation and tax liability assessment for office equipment and technology assets owned by Summit Digital Solutions, Inc. ("Company") for the 2024 tax year. This assessment has been prepared in accordance with Delaware Code Title 30 and applicable municipal tax regulations.

## **2. SCOPE OF ASSESSMENT**

1. This assessment covers all qualifying office equipment and technology assets located at:

- Corporate Headquarters: 1200 Technology Drive, Suite 400, Wilmington, DE 19801
- Regional Office: 555 Innovation Park, Austin, TX 78701
- Development Center: 789 Digital Way, Boston, MA 02110

2. Asset Categories Included:

- Computer hardware and workstations
- Networking equipment
- Telecommunications systems
- Office furniture and fixtures
- Testing and development equipment
- IoT demonstration units
- Conference room technology
- Security systems

## **3. VALUATION METHODOLOGY**

1. The assessed value has been determined using:

- Original acquisition cost
- Straight-line depreciation schedules

- Current market value assessments
- Manufacturer specifications
- Industry-standard useful life estimates

## 2. Depreciation Schedule:

- Computer Equipment: 3-year schedule
- Networking Infrastructure: 5-year schedule
- Office Furniture: 7-year schedule
- Specialized Testing Equipment: 5-year schedule

## **4. ASSET INVENTORY AND VALUATION**

### 1. Computer Hardware and Workstations

- Total Units: 472
- Original Cost: \$2,124,000
- Current Assessed Value: \$1,486,800

### 2. Networking Equipment

- Infrastructure Components: 187 units
- Original Cost: \$875,000
- Current Assessed Value: \$656,250

### 3. Office Furniture and Fixtures

- Workstations: 385 sets
- Conference Rooms: 12 complete sets
- Original Cost: \$1,250,000
- Current Assessed Value: \$937,500

### 4. Specialized Equipment

- IoT Testing Units: 45
- Development Platforms: 28
- Original Cost: \$1,875,000
- Current Assessed Value: \$1,406,250

## **5. TAX COMPUTATION**

1. Total Assessed Value: \$4,486,800

2. Applicable Tax Rates:

- Delaware State: 0.75%
- New Castle County: 0.35%
- Municipal (Wilmington): 0.45%

3. Annual Tax Liability:

- State Tax: \$33,651
- County Tax: \$15,704
- Municipal Tax: \$20,191
- Total Annual Tax Liability: \$69,546

## **6. EXEMPTIONS AND CREDITS**

1. Qualified exemptions applied:

- Research & Development Equipment Credit: \$12,500
- Technology Investment Tax Credit: \$7,500
- Total Credits Applied: \$20,000

2. Net Tax Liability After Credits: \$49,546

## **7. CERTIFICATION AND DISCLAIMERS**

1. This assessment has been prepared in accordance with:

- Delaware Property Tax Code
- GAAP Standards
- International Association of Assessing Officers (IAAO) guidelines

2. Limitations:

This assessment is based on information provided by Summit Digital Solutions, Inc. and public records available as of the report date. Any material changes in asset composition, location, or applicable tax regulations may impact the assessed values and tax liability calculations contained herein.

## **8. AUTHORIZATION**

This Property Tax Assessment Report is hereby submitted for filing with applicable tax authorities.

**PREPARED BY:**

Davidson & Associates, LLP

Tax Assessment Division

License #: DE-TAX-2024-0789

*/s/ Jennifer Davidson, CPA*

Jennifer Davidson

Senior Tax Assessor

Date: January 9, 2024

*/s/ Michael Chang*

Michael Chang

Chief Technology Officer

Summit Digital Solutions, Inc.

Date: January 9, 2024

**9. ATTACHMENTS**

- Detailed Asset Inventory (Schedule A)
- Depreciation Calculations (Schedule B)
- Tax Credit Documentation (Schedule C)
- Property Location Certificates (Schedule D)

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