



Application for Exemption of Goods Exported from Texas ("Freeport Exemption")

Property Tax
Form 50-113

Appraisal District's Name

Phone (area code and number)

Address, City, State, ZIP Code

GENERAL INSTRUCTIONS: This exemption applies to "freeport goods" as governed by Texas Constitution, Article VIII, Section 1-j and Tax Code, Section 11.251. The exemption applies to items in your inventory that (1) are or will be forwarded out of Texas within 175 days of the date you acquire them or bring them into Texas and (2) are in Texas for assembling, storing, manufacturing, repair, maintenance, processing or fabricating purposes. The exemption does not apply to oil, natural gas, or liquid or gaseous materials that are immediate derivatives of refining of oil or natural gas. The phrase "liquid or gaseous materials that are the immediate derivatives of the refining of oil or natural gas" is defined in Comptroller Rule 9.4201. The amount of the exemption for this year is normally based on the percentage of your inventory made up by such goods last year.

APPLICATION DEADLINES: You must file the completed exemption application form between January 1 and no later than April 30 of the year for which you are requesting an exemption. You must furnish all information required by the application. You may file a late application up to midnight the day before the appraisal review board approves the appraisal records for the year for which you are requesting an exemption. Pursuant to Tax Code, §11.4391, if you do file a late application and your application is approved, you are liable to each taxing unit for a penalty equal to 10 percent of the difference between the amount of tax imposed by the taxing unit on the inventory or property, a portion of which consists of freeport goods, and the amount that would otherwise have been imposed.

ANNUAL APPLICATION REQUIRED: You must apply for this exemption each year you claim entitlement to the exemption.

OTHER IMPORTANT INFORMATION

Pursuant to Tax Code §11.45, after considering this application and all relevant information, the chief appraiser may request additional information from you. You must provide the additional information within 30 days of the request or the application is denied. For good cause shown, the chief appraiser may extend the deadline for furnishing the additional information by written order for a single period not to exceed 15 days.

STEP 1: State the Year for Which You are Seeking an Exemption

State the year for which you are seeking an exemption

STEP 2: Provide Name and Mailing Address of Property Owner and Identity of Person Preparing Application

Name of Property Owner

Mailing Address

City, State, ZIP Code

Phone (area code and number)

Property Owner is a(n) (check one):

Individual Partnership Corporation Other (specify): _____

Name of Person Preparing this Application

Title

Driver's License, Personal I.D. Certificate,
or Social Security Number*

If this application is for an exemption from ad valorem taxation of property owned by a charitable organization with a federal tax identification number, that number may be provided here in lieu of a driver's license number, personal identification certificate number, or social security number:

* Unless the applicant is a charitable organization with a federal tax identification number, the applicant's driver's license number, personal identification certificate number, or social security account number is required. Pursuant to Tax Code Section 11.48(a), a driver's license number, personal identification certificate number, or social security account number provided in an application for an exemption filed with a chief appraiser is confidential and not open to public inspection. The information may not be disclosed to anyone other than an employee of the appraisal office who appraises property, except as authorized by Tax Code Section 11.48(b). If the applicant is a charitable organization with a federal tax identification number, the applicant may provide the organization's federal tax identification number in lieu of a driver's license number, personal identification certificate number, or social security account number.

STEP 3: Authorized Agent's Name

Authorized Agent's Name (if different for above)

Mailing Address

City, State, ZIP Code

Phone (area code and number)

STEP 4: Describe the Property for Which You are Seeking an Exemption

Appraisal District Account Number (if known) (Or attach tax bill or copy of appraisal or tax office correspondence concerning this account. If unavailable, give the street address at which the property is located)

Location of Inventory (street address, city, ZIP code)

Give a general description of the types of items in this inventory. (use additional sheets if necessary)

STEP 5: Answer these Questions About Your Property

For the purposes of this application, "inventory" means your inventory of finished goods, supplies, raw materials and work in progress.

Will portions of this inventory be transported out of state this year? Yes No

Have you applied for appraisal of your inventory on September 1? Yes No

Were portions of your inventory transported out of this state throughout last year? Yes No

If "No," because inventory transported only part of year, give the months during which portions of your inventory were transported out of the state last year.

1. Give the total cost of goods sold for the entire year ending December 31, _____ \$ _____

2. Give the total cost of goods sold that were shipped out of Texas within 175 days of the date you acquired them in or brought them into Texas last year, less the cost of any goods, raw materials or supplies incorporated into them that were not eligible for the freeport exemption or were in Texas more than 175 days. _____ \$ _____

3. On what types of records do you base the amounts given above? (Check as many as apply.)

- Audited financial statement Sales records Internal reports
 Bills of lading Texas franchise tax reports Other (describe) _____

4. Percentage of last year's value represented by freeport goods (divide 2 by 1). _____ %

5. Will the percentage of goods transported out of Texas this year be significantly different than the percentage transported out last year? Yes No

6. If "Yes," why? _____

7. What was the market value of your inventory on January 1 of this year (or September 1 of last year, if you have qualified for September 1 inventory appraisal)? _____ \$ _____

8. What is the value of the inventory you claim will be exempt this year _____ \$ _____

STEP 6: Read, Sign, and Date

By signing this application, you certify that the information provided in this application and all attachments is true and correct to the best of your knowledge and belief.

sign here ➔

Authorized Signature

Date

Title

If you make a false statement on this application, you could be found guilty of a Class A misdemeanor or a state jail felony under Section 37.10, Penal Code.

For more information, visit our Web site: www.window.state.tx.us/taxinfo/proptax