



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

This document must be filed with the appraisal district office in the county in which your property is located. Do not file this document with the office of the Texas Comptroller of Public Accounts. Location and address information for the appraisal district office in your county may be found at www.window.state.tx.us/propertytax/references/directory/cad.

GENERAL INSTRUCTIONS: This application is for use in claiming a property tax exemption for "freeport goods" pursuant to Texas Constitution Article VIII, Section 1-j and Tax Code Section 11.251. The amount of the exemption for this year is normally based on the percentage of your inventory made up by such goods last year.

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.

For aircraft parts, the governing body of a taxing unit may, by official action, extend the deadline by which freeport goods must be transported outside of the state to no more than 730 days after acquiring or importing the property into the state.

This exemption does not apply to oil, natural gas, or liquid or gaseous materials that are immediate derivatives of the refining of oil or natural gas as defined by Comptroller Rule 9.4201.

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

WHERE TO FILE: This document, and all supporting documentation, must be filed with the appraisal district office in the county in which your property is located. Location and address information for the appraisal district office in your county may be found at www.window.state.tx.us/propertytax/references/directory/cad.

APPLICATION DEADLINES: You must file the completed application with all required documentation beginning Jan. 1 and no later than April 30 of the year for which you are requesting an exemption. 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, Section 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 Section 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.

State the Year for Which You are Applying

Tax Year

STEP 1: Ownership Information

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):

STEP 2: Applicant Information

Name of Person Preparing this Application

Title

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

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

* Pursuant to Tax Code Section 11.48(a), a driver's license, personal I.D. certificate, or social security 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).

STEP 3: Authorized Agent

Authorized Agent's Name (if different from above)

Mailing Address

City, State, ZIP Code

Phone (area code and number)

STEP 4: Property Information

Provide the following information regarding the location of inventory. Attach a description of the types of items in this inventory.

Address, City, State, ZIP Code

Legal Description (if known)

Appraisal District Account Number (if known)

STEP 5: Questions About Your Property

1. Will portions of this inventory be transported out of state this year? ☐ Yes ☐ No
2. Have you applied for Sept. 1 inventory appraisal? ☐ Yes ☐ No
3. Were portions of your inventory transported out of this state throughout last year? ☐ Yes ☐ No

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

4. Total cost of goods sold for the entire year ending Dec. 31, \$

5. Total cost of goods sold that were shipped out of Texas within the applicable time frame after 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 for more than the applicable number of days. \$

6. On what types of records do you base the amounts given above? (Check all that apply.)

- | | | |
|--|--|---|
| <input type="checkbox"/> Audited financial statement | <input type="checkbox"/> Sales records | <input type="checkbox"/> Internal reports |
| <input type="checkbox"/> Bills of lading | <input type="checkbox"/> Texas franchise tax reports | <input type="checkbox"/> Other (describe) |

7. Percentage of last year's value represented by freeport goods (line 5 divided by line 4). %

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

If yes, why? _____

9. What was the market value of your inventory on Jan. 1 of this year, or Sept. 1 of last year, if you have qualified for Sept. 1 inventory appraisal? \$ _____

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

STEP 6: Certification and Signature

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.

**print
here** ➔

Print Name _____

Title _____

**sign
here** ➔

Authorized Signature _____

Date _____

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 Penal Code Section 37.10.