

Bexar Appraisal District
PO Box 839946
San Antonio, Texas 78283-3946
(210) 224-8511
(210) 242-2452 fax #

“GOODS - IN - TRANSIT” EXEMPTION APPLICATION

***Do not use this form to apply
for the “Freeport Exemption”***

INSTRUCTIONS: For the purposes of this application, “location” means a physical address and “inventory” means your finished goods, raw materials, work in process, and supplies. This exemption applies to items in your inventory on January 1 (or September 1 of last year, if applicable) that (1) are acquired in or imported into Texas to be forwarded to another location; (2) are temporarily stored at a location that you do not have direct or indirect ownership interest; (3) are in Texas for assembling, storing, manufacturing, processing or fabricating; and (4) are transported to another location inside or outside of Texas within 175 days of your acquiring or importing them into the state. The exemption does not apply to oil, to natural gas or to liquid gases that are immediate derivatives of refining oil or natural gas. The amount of the Goods-In-Transit exemption for this year is based on the percentage of your inventory made up of such goods last year. This application covers property you owned on January 1 of this year (or September 1 of the preceding year if you receive September 1 inventory appraisal). You must file the completed form between January 1 and no later than April 30 of this year. Be sure to attach any additional documents requested. You must apply for the exemption each year you claim entitlement. **Property which receives an exemption from taxation as “Goods-In-Transit” is not eligible to receive an exemption from taxation as “Freeport” goods.**

Step 1: Owner's Name and Address	Owner's name							
	Current mailing address							
	City, state, ZIP Code		Phone (area code and number)					
	Name of person preparing this application	Driver's License, Personal I.D. Certificate, or Social Security Number*	Title					
Step 2: Describe the Property	Appraisal district account number	Location of inventory (<i>street address, city, ZIP Code</i>)						
	Give a general description of the types of items in this inventory. (<i>Use additional sheets if necessary</i>)							
Step 3: Answer These Questions About Your Property	Please answer the following questions regarding your inventory:							
	A. Are you applying for the Freeport exemption this year? Yes ___ No ___							
	B. Will portions of this inventory be transported in and/or out of the state this year? Yes ___ No ___							
	C. Have you applied for appraisal of your inventory on September 1? Yes ___ No ___							
	D. Were portions of your inventory transported to another location throughout last year? Yes ___ No ___							
	If you checked “No” because inventory was transported for part of the year, list the months during which portions of your inventory were transported to another location last year. _____							
E. Will the percentage of goods-in-transit this year be significantly different than the percentage of goods-in-transit last year? Yes ___ No ___								
If yes, why? _____ _____								
F. On what types of records do you base the amounts given? (Check as many as apply.) Attach copies that clearly verify the above entries.								
<table style="width:100%; border:none;"> <tr> <td style="width:50%;">_____ Audited Financial Statements</td> <td style="width:50%;">_____ Sales Records</td> </tr> <tr> <td>_____ Internal Reports</td> <td>_____ Bills of Lading</td> </tr> <tr> <td>_____ Texas Franchise Tax Reports</td> <td>_____ Other (describe) _____</td> </tr> </table>			_____ Audited Financial Statements	_____ Sales Records	_____ Internal Reports	_____ Bills of Lading	_____ Texas Franchise Tax Reports	_____ Other (describe) _____
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_____ Internal Reports	_____ Bills of Lading							
_____ Texas Franchise Tax Reports	_____ Other (describe) _____							

Step 4: Calculate The Exemption	A. INVENTORY TURNOVER TEST 1. Total Cost of Goods Sold from Inventory for the year ended December 31, 2008... 2. Average Inventory (1-1-2008 Inv plus 12-31-2008 Inv divided by 2) 3. Inventory Turnover Factor (A1 divided by A2) 4. Inventory Turnover in days (365 divided by A3) NOTE: If turnover in days exceeds 175 days, the Inventory as whole does not qualify for the Goods-In-Transit Exemption. You must document what part of the inventory was shipped out from this location within 175 days.		
	B. EXEMPTION PERCENTAGE 5. Total Sales from Inventory for year ended December 31, 2008 6. Total Cost of Goods Sold from Inventory for year ended December 31, 2008 . . . 7. LESS: Cost of Goods Sold from Inventory Ineligible for Exemption because a. Slow Moving – Held more than 175 days b. Cost of Goods Sold Ineligible for the Goods-In-Transit Exemption. (Inventory detained in Texas at a location owned by you directly or indirectly) c. Total B7a plus B7b 8. Cost of Goods Sold from Inventory eligible for Exemption – (B6 minus B7c) 9. Percentage of last year's Inventory represented by Goods-In-Transit (B8 divided by B6) NOTE: Attach a breakdown Summary of Total Sales from Inventory, Cost of Goods Sold from Inventory, and Intra-company Transfers.		
	C. INVENTORY ELIGIBLE FOR GOODS-IN-TRANSIT EXEMPTION 10. Cost of Inventory on January 1, 2009, (September 1, 2008 if applicable) 11. Adjustment for write downs, etc, - Attach documentation that explains. 12. Adjusted Cost of Inventory (C10 minus C11) If LIFO, the LIFO Reserve must be included in cost		
	D. GOODS-IN-TRANSIT EXEMPTION AND NON-EXEMPT CALCULATIONS 13. EXEMPTION CLAIMED (C12 above times B9 above) 14. NOT EXEMPT (C12 above minus D13) NOTE: The Chief Appraiser may require supporting documents and records with this application. If required, the records must be supplied within 30 days of the date of the written request. Failure to deliver the documentation required within the 30 days or by the date appraisal records are approved for the year, will forfeit the right to receive the exemption. Approval usually occurs in JULY. If the documentation is delivered before the appraisal review board approves appraisal records for the year but not within the 30 days and the exemption is allowed, a penalty equal to 10% of the tax savings resulting from the exemption must be paid. The Chief Appraiser requests that source documentation for the above application entries be submitted with this application. This serves as written request as required by the above note. <i>*You are required to give us this information on this form in order to perform tax related functions for this office. Section 11.43 of the Tax Code authorizes this office to request this information to determine tax compliance. The chief appraiser is required to keep the information confidential and not open to public inspection, except to appraisal office employees who appraise property and as authorized by Section 11.48(b), Tax Code.</i>		
Step 5: Read the Notes And Sign the Form	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 Texas Penal Code Section 37.10		
	I certify that the information in this document and all attachments is true and correct to the best of my knowledge and belief.		
	Sign Here		Date
	Title		Tele #