

ERATH COUNTY APPRAISAL DISTRICT

FREPORT EXEMPTION APPLICATION INFORMATION

Enclosed is a current tax year's Freeport Exemption Application. Under Section 11.43 of the Texas Property Tax Code, a person must file an exemption application form between January 1st and **April 30th** and must furnish the information required by the form each year the person claims entitlement to the exemption. **You must apply for this exemption each year as it will not be automatically renewed or given.**

This exemption applies to items in your inventory that: **(1) are forwarded out of Texas within 175 days of the date you acquired or brought the items into Texas; (2) are in Texas for assembling, storing, manufacturing, repair, maintenance, processing, or fabricating purposes. The exemption does not apply to oil, natural gas, or liquids, or gases that are immediate derivatives of refining oil or natural gas.**

To avoid delays in processing the application, please include copies of all original records used to complete the application. This includes: **financial statements (year ending income statements, balance sheets, and trial balance sheets for the previous calendar year); inventory controls; any other internally prepared reports denoting the source of information.** Summaries will be accepted **only with original supporting documentation.** All reports should pertain to **this business location in Erath County only.**

Requested Information:

1. Total Cost of Goods Sold or transported during the preceding calendar year (as shown on the year ending income statement).
2. Total Cost of Goods Sold or transported out of Texas during the preceding calendar year summarized by state and/or country.
3. Monthly ending inventory value at cost for each calendar month of the preceding calendar year (Monthly Inventory Control Report).
4. Inventory value at cost on January 1st of this year (September 1st of last year if applicable).
5. Year ending income statement and balance sheet.

The enclosed affidavit should accompany all documents and **must be signed by an owner or officer of the company.**

The exemption application will not be approved if the property owner fails to submit the required information. If the required information is not received in a timely manner, the property owner may be subject to a late penalty or forfeit the right to claim or receive the exemption for this year. Your cooperation in providing these documents with the exemption application will help expedite the application process.

Note: The rendition extension does not apply to the Freeport Exemption Application.

Should you have any questions, please contact Lisa Williams, BPP Appraiser, at 254-965-5434 or by email at lisa.williams@erathcad.iswdata.com.