



DALLAS CENTRAL APPRAISAL DISTRICT
 Business Personal Property Division - Goods-in-Transit Exemption
 P.O. Box 560367 * Dallas, Texas 75356-0367
 Phone: (214) 631-7406 Fax: (214) 638-6509
 www.dallascad.org

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| APPLICATION FOR EXEMPTION OF GOODS- IN- TRANSIT FOR 2009 |
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This application covers property you owned on January 1 of this year (or September 1 of the preceding year, if you receive a September 1 inventory appraisal). You must file the completed form between January 1 and April 30 of this year. Be sure to attach any additional documents requested.

This exemption applies to items in your inventory that (1) are or will be forwarded to another location, whether in or out of Texas within 175 days of the date you acquire them or bring them into Texas; (2) are temporarily stored at a location that you do not have a direct or indirect interest in for assembling, storing, manufacturing, repair, maintenance, processing, or fabricating. The exemption does not apply to oil, natural gas, or liquids or gases that are immediate derivatives of refining oil or natural gas. The amount of Goods-in-Transit exemption for this year is normally based on the percentage of your inventory made up by such goods last year.

You must apply for this exemption each year as it will not be automatically renewed.

| | | | |
|--|---|------------------------------|--|
| STEP 1: Owner's name and address | Owner's name | | |
| | Current mailing address (number and street) | | |
| | City, State, Zip Code | Phone (area code and number) | Fax (area code and number) |
| | Name of person preparing this application | | Title |
| STEP 2: Authorized agent's name | Authorized agent's name (if applicable) | | License # |
| | Mailing address (number and street) | | Email Address |
| | City, State, Zip Code | Phone (area code and number) | Fax (area code and number) |
| STEP 3: Describe the property | Provide the account number, if available. Otherwise, attach tax bill or copy of tax office correspondence concerning this account. | | |
| | Location of inventory (street address, city, zip code) | | |
| | Describe the types of items on this inventory. Attach additional sheets, if necessary. | | |
| STEP 4: Answer the following questions about the property | For the purposes of this application, "inventory" means your inventory of finished goods, raw materials, and work in process. | | |
| | 1. Do you own the real estate where the inventory is located? If yes, you may not qualify for the Goods-in-Transit exemption. | | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| | 2. Do you lease the real estate where the inventory is located? If yes, please attach a copy of the lease agreement with this application. If it is determined that you exercise substantive control over the real estate, you may not qualify for the Goods-in-Transit exemption. | | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| | 3. Is the inventory located at a distribution warehouse? If yes, please attach a copy of your agreement with the operator of the distribution warehouse. | | <input type="checkbox"/> Yes <input type="checkbox"/> No |

(over)

STEP 4:
(continued)

4. Have you applied for appraisal of your inventory on September 1? Yes No
5. Did you engage in transporting portions of your inventory from the location in Step 3 throughout last year? Yes No
If no, state the months during which you engaged in transporting portions of your inventory out of state last year. _____
6. State the total cost of goods sold for the entire year ending December 31, 2008.
\$ _____
7. State the total cost of goods sold that were shipped from the location in Step 3 within 175 days of the date you acquired them or brought them into Texas last year, less the cost of any goods or raw materials incorporated into them that were not eligible for the Goods-in-Transit exemption or were in Texas more than 175 days.
\$ _____
8. Percentage of last year's inventory value represented by Goods-in-Transit (divide 7 by 6). _____ %
9. Check all of the types of records on which you base the amounts given above?
- | | |
|---|---|
| <input type="checkbox"/> Audited financial statements | <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) _____ |
10. Will the percentage of goods you transport from the location in Step 3 this year be significantly different than the percentage you transported out last year? Yes No
If yes, why? _____

11. What was the cost of your inventory on January 1 of this year (or September 1 of last year, if applicable)? \$ _____
12. What is the cost of the inventory you claim will be exempt this year (multiply 11 by 8)? \$ _____

STEP 5:
Sign the application

Note: The Chief Appraiser may require you to provide records to support the statements in this application. If so, you must supply the records within 30 days of the date of the written request. If you do not comply, you may be subject to a late penalty or forfeit the right to receive the exemption for this year.

I certify that the information in this document and any attachments is true and correct to the best of my knowledge and belief.

| | | | |
|----------------------|--------------------------------|---------|---------------|
| Authorized Signature | Title/Agent No., if applicable | Date | |
| Printed Name | Phone No. | Fax No. | Email Address |

Under the Texas Penal Code, Section 37.10, if you make a false statement on this application, you could receive a jail term of up to 1 year and a fine of up to \$3,000, or community correctional facility confinement of up to 1 year, or a prison term of 2 to 10 years and a fine of up to \$10,000.

Note: The rendition extension does not apply to the Goods-In-Transit Exemption application.



DALLAS CENTRAL APPRAISAL DISTRICT

Goods-in-Transit Exemption Worksheet

DBA _____

Account Number _____

Important Information:

1. All data furnished from Accounting Records must be for the preceding calendar year.
2. Items 1a, 1b, 3 & 5 must be proven by copies of Accounting records.
3. Items 1a, 3, 4, 5 & 6 must be entered on the application.
4. Please attach a copy of this worksheet to your documentation.

1. Inventory Turns Calculation:

1a. Annual Cost Of Goods **(cannot be sales)** sold during preceding calendar year: _____ (A)

1b. Enter month ending Inventory for each calendar month (omit cents):

| | | | |
|-----------|-----------|-----------|-----------|
| Jan _____ | Apr _____ | Jul _____ | Oct _____ |
| Feb _____ | May _____ | Aug _____ | Nov _____ |
| Mar _____ | Jun _____ | Sep _____ | Dec _____ |

1c. Sum of January through December month ending Inventories: = _____ (C)

1d. Average Annual Inventory Calculation:

_____ (C) divided by 12 months = _____ (D)

1e. Inventory Turns:

_____ (A) divided by _____ (D) = _____ (E)

365 days divided by _____ (E) = (F) days

Note: Item (F) must be within 175 days to qualify for the Goods-in-Transit Exemption.

2. Physical address in Dallas County where inventory is shipped from: _____ (2)

3. Enter total Cost of Goods **(cannot be sales)** shipped from location listed in 2: _____ (3)

4. Goods-in-Transit Percentage Calculation:

_____ (3) divided by _____ (A) = _____ (4)

5. Enter January 1 Inventory Cost (or September 1 of last year, if applicable): = _____ (5)

6. Goods-in-Transit Inventory Calculation:

_____ (5) multiplied by _____ (4) = (6) Exempt Inventory



Dallas Central
Appraisal District

GOODS- IN- TRANSIT EXEMPTION APPLICATION INFORMATION

Enclosed is the current tax year's Goods-in-Transit Exemption Application. Under Section 11.43 of the Texas Property Tax Code, a person must file an exemption application form between January 1 and **April 30** and furnish the information required by the form **each** year the person claims entitlement to the exemption.

This exemption applies to items in your inventory that (1) are or will be forwarded from a location in Dallas County within 175 days of the date you acquire them or bring them 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 the information. Summarizations will be accepted **only with original supporting documentation**. All reports should pertain to the **subject location** only. Below is a list of the 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 from where the inventory is held in Dallas County 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 1 of this year (or September 1 of last year, if applicable).
5. Year ending income statement and balance sheet.
6. Owners of the inventory cannot control the real estate where the inventory is located. Please provide your lease agreement and/or contract with the third party shipper.

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 Goods-in-Transit Exemption application.

Should you have any questions, please contact Steve Wise, Special Assessments Supervisor, at (214) 631-7406.

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DALLAS CENTRAL APPRAISAL DISTRICT
Goods-in-Transit Exemption
Documentation Affidavit

I certify pursuant to the provisions of Section 37.01 and Section 37.10 of the Texas Penal Code that the following document(s), consisting of _____ pages and described as _____, are a complete, true and accurate reflection of the official books and records of this company as of this _____ day of _____, _____.

Date

Signature

Account Number

Type or Print Name

Title

Company Name

SUBSCRIBED AND SWORN before me on this _____ day of _____, _____.

Notary Public

Type or Print Name

My commission expires _____
Date