

TAX YEAR
2012

PERSONAL PROPERTY DIVISION

140 HENRY PARKWAY
MCDONOUGH, GA 30253

IF ASSISTANCE IS NEEDED CALL
770-288-7999

ACCOUNT NUMBER

APPLICATION FOR INVENTORY/FREEPORT EXEMPTION

FOR OFFICE USE ONLY
TAXABLE VALUE
TAXABLE ASSESSMENT

NAME AND ADDRESS OF APPLICANT

IF MAILING ADDRESS OR NAME IS INCORRECT PLEASE CORRECT IN THE SPACE BELOW
NAME
ADDRESS
CITY, STATE, ZIP

- Physical location of inventory in this county. (List) _____
- Location of supporting books and records pertaining to this inventory. (List) _____
- Name and telephone number of responsible individual to contact regarding this report. Name _____ Phone _____
- Describe the type of business: _____
- Inventory must be reported at its full cost at level of trade. Full cost must include all freight, burden, overhead and any other charges incurred from the original state as a raw material to its resting place January 1.
- If inventory and exemption are not as of January 1, they must be adjusted to January 1, in accordance with the provisions of Georgia code 48-5-10.
- List the method of inventory valuation used: _____ Method of inventory cost identification: _____

DEFINITION

Inventory of GOODS IN PROCESS OF MANUFACTURE OR PRODUCTION which shall include all partly finished goods and raw materials held for direct use or consumption in the ordinary course of the taxpayers manufacturing or production business in this state and SHIPPED TO A FINAL DESTINATION OUT OF THIS STATE. This exemption shall apply to tangible personal property which is substantially modified, altered or changed in the ordinary course of the taxpayers manufacturing, processing or production operations in this state. For purpose of this exemption, "Raw materials" shall mean any material, whether crude or processed, that can be converted by manufacturing, processing, or a combination thereof into a new and useful product but shall not include unrecovered, unextracted or unsevered natural resources or Packaging Materials.

Inventory of FINISHED GOODS MANUFACTURED OR PRODUCED within this state in the ordinary course of the taxpayers manufacturing or production business when held by the original manufacturer or producer of such goods. This exemption shall be for a period not exceeding (12) months from the date such property is produced or manufactured. For purpose of this exemption, "Finished Goods" shall mean goods, wares and merchandise of every character and kind but shall not include unrecovered, unextracted, or unsevered natural resources or raw materials or goods in the process of manufacture or production or the stock-in-trade of a retailer.

Inventory of FINISHED GOODS which on January 1, are stored in a warehouse, dock or wharf, whether public or private, and which are destined for shipment to a final destinations outside this state and inventory of finished goods which are shipped into this state from outside this state and STORED FOR TRANSSHIPMENT TO A FINAL DESTINATION OUTSIDE THIS STATE. The exemption shall be for a period not exceeding (12) months from the date such property is stored in this state. Such period shall be determined based on application of a first-in, first-out method of accounting for the inventory. The official books and records of the warehouse, dock or wharf where such property is being stored shall contain a full, true and accurate inventory of all such property, including the date of the receipt of the property, the date of the withdrawal of the property, the point of origin of the property, and the point of final destination of the same, if known.

SECTION A

Most businesses will not know how much Category I and III inventory held on January 1st of the current year is to be shipped "to a final destination outside of this state". In order to have equitable and uniform procedures, the following procedures are to be used to develop a percentage factor to be applied to the current years inventory based upon the previous years records.

I) 2011 Goods in process sales \$ _____ A
 Total Goods in process sales shipped \$ _____ B
 out of this state in 2011
 Percent of Goods in process sales shipped % _____ C
 out of this state in 2011 (B divided by A)

III) 2011 Finished goods stored in a warehouse \$ _____ D
 dock or wharf and shipped.
 Total Finished goods stored and shipped out \$ _____ E
 of this state in 2011
 Percent Finished goods stored and shipped out of % _____ F
 this state in 2011 (E divided by D)

SECTION B

Category	Value of Inventory January 1, 2012	Percentage Factor	=	Freeport Exemption
I) Goods in Process	_____	Sec A, #C		_____
II) Finished Goods MFG or Produced	_____	100%		_____
III) Finished Goods Stored	_____	Sec A, #F		_____
Sub Total Inventory	_____	Total Freeport Exemption add category I, II and III		_____
Other Inventory	_____	Note: Other inventory can be Supplies, Packaging materials, Fuel, Spare parts, Office supplies, Medical supplies, Computer supplies and other operating supplies.		
Grand Total Inventory	_____			_____

Are the goods in Section B, Category III, designated as being "In transit" on the books and records of the warehouse, dock or wharf where stored? () Yes () No Note: Records must be available for inspection by the Assessors office. If property is exempt under Freeport, it is exempt either as Category I, II, or III. The same property cannot be exempted under more than one of these categories.

NOTE: In all counties having a filing date of April 1, you may still receive a partial exemption for a late filing. The amount of the exemption you will receive is as follows: April 2-April 30 (66.67% of the full exemption). May 1-May 31 (58.33%) June 1 (50%). Failure to file by June 1 shall constitute a waiver of the entire exemption for the year (0.0%). Henry county does NOT accept metered mail stamps as proof of timely submission. If mailing close to the deadline a United States Postal Service date stamp is required for proof of timely submission.

OATH OF PERSON MAKING APPLICATION FOR EXEMPTION:		
"I do solemnly swear, or affirm, that I have carefully read (or have heard read) and have duly considered the questions propounded in the foregoing tax list, and that the value placed by me on the property listed as shown, is the true market value thereof, and I further swear, or affirm, that I returned for the purpose of being taxed thereon, every species of inventory that I own in my right, or have control of either as agent, executor, administrator, or other wise: and in making this application, for the purpose of being taxed thereon, I have not attempted, either by transferring my property to another or by any other means, to evade the laws governing taxation in this state. I do further swear, or affirm, that in making this application, I have done so by estimating the true worth and value of every species of inventory contained therein".		
Taxpayer Signature	Title	Date
Preparer's Signature	Title	Date
THIS APPLICATION MUST BE FILED IN THE SAME TIME FRAME AS TAX RETURNS ARE FILED IN THIS COUNTY IN ORDER FOR IT TO BE ACCEPTED IN ACCORDANCE WITH GEORGIA CODE 48-5-48.2		
DISPOSITION OF THE COUNTY BOARD OF TAX ASSESSORS		DATE
APPROVED		DISAPPROVED