



FREEPORT TAX EXEMPTION

The Freeport Exemption is a personal property tax exemption for goods that are detained in the State for 175 days or less. Locally, the County of Bexar, the City of San Antonio, the Judson ISD, and the San Antonio ISD offer the exemption to companies that deal with goods-in-transit or inventories used in the manufacturing process.

The key qualification requirements are that the property must be in Texas for the purpose of assembling, storing, manufacturing, processing, or fabricating and that the property must exit Texas within 175 days after the acquisition or import of the property.

Freeport goods consist of personal property that is “acquired in or imported” into Texas to be forwarded to a location outside of Texas. However, there is no requirement that the initial acquisition or import is for the purpose of export. If a taxpayer acquires or imports the property under the belief that it will remain in Texas, but subsequently ships the property out of the state, then the property could qualify as Freeport. The initial intent is not determinative of qualification. Freeport property includes: goods, wares, merchandise, and certain aircraft and aircraft parts.

How to apply

For more information, please contact a County representative at (210) 335-0667.