

FREERTPORT EXEMPTION WORKSHEET

DBA Name _____

Account# _____

Instructions:

- ✓ All data furnished from accounting records must be for preceding calendar year.
- ✓ Items 1a, 2, 3, 4, & 5 must be entered on the exemption application.
- ✓ Copies of accounting records must be provided for items 1a, 1b, 2, & 4.
- ✓ Attach a copy of this worksheet to your supporting documentation and exemption application.

1. Inventory Turns Calculation:

a. Annual Cost of Goods sold (not sale prices) during the preceding calendar year for this business location in Collin County. _____ (A)

b. Enter the month ending inventory (omit cents) for each calendar month for this business location.

Jan _____	Feb _____	Mar _____
Apr _____	May _____	Jun _____
Jul _____	Aug _____	Sept _____
Oct _____	Nov _____	Dec _____

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

d. Average Annual Inventory Calculation:

_____ (C) ÷ 12 months = _____ (D)

e. Inventory Turns:

_____ (A) ÷ _____ (D) = _____ (E)

365 Days ÷ _____ (E) = _____ (F)* Days

***Item (F) must be within 175 days to qualify for the Freeport Exemption**

2. Total Cost of Goods (not sales) shipped out of Texas from this business location. = _____ (2)

3. Freeport Percentage Calculation:

_____ (2) ÷ _____ (A) = _____ (3) %

4. January 1st Inventory Cost (or Sept 1st of last year, if applicable) for this location. = _____ (4)

5. Freeport Inventory Calculations:

_____ (4) X _____ (3) % = _____ (5) Exempt Inventory