

**A RESOLUTION OF THE BOARD OF TRUSTEES OF
COLLEGE STATION INDEPENDENT SCHOOL DISTRICT**

WHEREAS, in 2001, the Texas Legislature approved Senate Joint Resolution 6, which was subsequently approved by the eligible voters of the State of Texas authorizing a “super freeport” property tax exemption for certain tangible personal property; and

WHEREAS, the Texas Legislature in the 80th Legislative Session approved House Bill 621 (hereinafter referred to as “HB 621”), as the enabling statute for the “super freeport” property tax exemption approved by the voters in 2001; and

WHEREAS, HB 621 adds section 11.253 to the Texas Tax Code and exempts from property taxes any tangible personal property (other than oil and gas, aircraft, dealer’s motor vehicle inventory, dealer’s boat inventory, dealer’s heavy equipment inventory, and retail manufactured housing) that is located at a site for less than 175 days and is not under the control of the property owner; and

WHEREAS, Section 11.253(j) of the Texas Tax Code provides that the Board of Trustees of College Station Independent School District may in the manner required for official action by the governing body, provide for the taxation of goods-in-transit otherwise exempt pursuant to Section 11.253(b) of the Texas Tax Code, and not exempt under other law. Moreover, the official action to tax the goods-in-transit must be taken before January 1 of the first tax year in which the Board of Trustees of College Station Independent School District proposes to tax goods-in-transit; and

WHEREAS, Section 11.253(j) of the Texas Tax Code also provides that “before acting to tax the exempt property, the governing body of the taxing unit must conduct a public hearing as required by Section 1-n(d), Article VIII, Texas Constitution. If the governing body of a taxing unit provides for the taxation of the goods-in-transit as provided by this subsection, the exemption prescribed by Subsection (b) does not apply to that unit. The goods-in-transit remain subject to taxation by the taxing unit until the governing body of the taxing unit, in the manner required for official action, rescinds or repeals its previous action to tax goods-in-transit, or otherwise determines that the exemption prescribed by Subsection (b) will apply to that taxing unit”; and

WHEREAS, Section 11.253 (j) of the Texas Tax Code also provides that a decision to continue taxing super freeport goods can be reversed for a future tax year; and

WHEREAS, the Board of Trustees of College Station Independent School District held a public hearing prior to the passage of this Resolution, consistent with HB 621 and Section 11.253 of the Texas Tax Code; and

WHEREAS, the Board of Trustees of College Station Independent School District finds and determines that the super freeport exemption as authorized by Section 11.253 of the Texas Tax Code is not in the best interest of College Station Independent School District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF COLLEGE STATION INDEPENDENT SCHOOL DISTRICT:

FINDINGS INCORPORATED

The findings set forth above are incorporated into the body of this Resolution as if fully set forth herein.

Taxation of tangible personal property in transit.

- (a) *Definitions.* The following terms have the same meaning as defined in section 11.253 of the Texas Tax Code, as amended.
- (1) The terms “Dealer's motor vehicle inventory,” “dealer's vessel and outboard motor inventory,” “dealer's heavy equipment inventory,” and “retail manufactured housing inventory” have the meanings assigned by Subchapter B, Chapter 23 of the Texas Tax Code, as amended.
 - (2) The term “Goods-in-transit” is defined to mean tangible personal property that:
 - (A) is acquired in or imported into this state to be forwarded to another location in this state or outside this state;
 - (B) is detained at a location in this state in which the owner of the property does not have a direct or indirect ownership interest for assembling, storing, manufacturing, processing, or fabricating purposes by the person who acquired or imported the property;
 - (C) is transported to another location in this state or outside this state not later than 175 days after the date the person acquired the property in or imported the property into this state; and
 - (D) does not include oil, natural gas, petroleum products, aircraft, dealer's motor vehicle inventory, dealer's vessel and outboard motor inventory, dealer's heavy equipment inventory, or retail manufactured housing inventory.
 - (3) The term “Location” means a physical address.
 - (4) The term “Petroleum product” means a liquid or gaseous material that is an immediate derivative of the refining of oil or natural gas.
- (b) A person or other entity is not entitled to an exemption from taxation of the appraised value of that portion of the person's or other entity's property that consists of goods-in-transit. A person's or other entity's property consisting of goods-in-transit is hereby subject to ad valorem taxation pursuant to Section 11.253 of the Texas Tax Code, as amended.”

EFFECTIVE DATE

This Resolution shall become effective immediately upon its passage.

PASSED AND APPROVED by the Board of Trustees of College Station Independent School District on this the 19th day of November, 2007.

Tim Jones, President

Randall Pitcock, Secretary