

# Georgia's Freeport Exemption

As of January 1<sup>st</sup>, 2016, business inventory in the state of Georgia is no longer subject to state property taxes. Additionally, over 90 percent of Georgia's counties and 140 of the state's cities have adopted a Level One Freeport Exemption, which can be set at 20, 40, 60, 80 or 100 percent of the inventory value.

A Level One Freeport Exemption may exempt the following types of tangible personal property:

- Inventory of goods in the process of being manufactured or produced including raw materials and partly finished goods
- Inventory of finished goods manufactured or produced in Georgia held by the manufacturer or producer for a period not to exceed 12 months
- Inventory of finished goods on January 1<sup>st</sup> that are stored in a warehouse, dock, or wharf that are destined for shipment outside of Georgia for a period not to exceed 12 months

# Georgia's E-Commerce Addition

Legislation was passed during the 2015-2016 session of the General Assembly and took effect on July 1<sup>st</sup>, 2016 which added an exemption for goods stored at e-commerce fulfillment centers. The legislation added the following fourth type of tangible personal property to the above list:

- Stock in trade of a fulfillment center which is made available to remote purchasers, is shipped from the fulfillment center to the purchaser and is held in the fulfillment center for a period not to exceed 12 months

# Bryan County's Freeport Advantage\*

- Bryan County is currently one of very few counties in Georgia that has passed the E-Commerce Freeport Exemption
- Bryan County's Level One Freeport Exemption is set at 100 percent, for all four categories including for the new e-commerce category
- This will represent significant savings to any company that locates in Bryan County

\*Currently, only the County portion of inventory tax is exempt; the City of Richmond Hill plans to hold a referendum in 2018 to obtain a Freeport Exemption.