

Report on Property Immune from Taxation (Federal "Commerce Clause Exemption")

To: Assessor of

County, Washington

No.:

The personal property listed on this report is claimed immune from taxation under federal law regulating "commerce".

For the account of:

Doing business as:

Mailing address:

City:

State:

Zip:

Books and records located at:

Company name:

Street address:

City:

State:

Zip:

Note: Show only property which was actually in transit (movement) on the assessment date of January 1.

Description of property	Lot or ID number	Quantity	Value or cost	Date property shipped	Shipped from	Destination

Note: Specific information must be shown which can be verified by audit.

If any of the above property is delayed in transit, explain the reason for this delay and identify the property.

Verification

I declare under the penalties of perjury that this is a report of property in transit which is immune from taxation under the Federal "Commerce Clause".

The undersigned owner or agent hereby consents to the inspection of all books and records upon which the claimed property has been designated, such inspection to be similar in manner to that provided by RCW 84.40.340 or, if the undersigned owner or agent does not maintain records within the state, the consent hereby granted shall apply to the records of the warehouse person or agent having custody of the property in this state.

Property owner:

By: (Duly qualified officer or agent)

Title:

Phone:

Date:

Do not include property immune from taxation under the Federal "Commerce Clause" in any computation of the "Freeport Exemption" claim as provided in RCW 84.36.300.

Instructions for Preparing Report form for Property Immune from Taxation under the Federal “Commerce Clause”

Report all personal property that was actually in transit on the assessment date of January 1, which you claim exempt from taxation under federal law regulating “commerce” (Federal Const. Art. I § 8, Cl. 3).

Property claimed exempt must meet the following tests for immunity:

Exports: The physical movement test. This dictates that goods acquire the protection of the “commerce clause” at the actual beginning of movement in the export process. Immunity begins at the time of physical movement in foreign commerce, but is lost if movement ceases for a significant period of time for reasons other than the necessity of the journey.

Imports: The cessation of movement test. The crucial test here in determining immunity from taxation is that of continuity of transit. The question relative to the taxability of the property is when has movement ceased?

Movement may be regarded as continuing despite temporary interruptions due to the necessities of the journey or for the purpose of safety and convenience in the course of movement.

Where property has come to rest and is being held there at the pleasure of the owner for disposal or use, so that he may dispose of it either within the state or elsewhere, as his interest dictates, it becomes taxable.

Proof: The property owner bears the burden of providing factual evidence to support his/her right to the exemption. The exemption may be denied if there is no substantive proof of the amount and value of the exempt portion.

All property which is immune from taxation under the Federal “Commerce Clause” must be excluded from any computation of the “Freeport Exemption” claim as provided in RCW 84.36.300.