

40-9-6. Stored property

(a) In addition to the persons and property exempt from ad valorem taxation as prescribed in Section 40-9-1<S>, the following property shall also be exempt from state, county and municipal ad valorem taxation and shall be deemed to have acquired no situs in this state for purposes of ad valorem taxation: all personal property which is consigned to or stored in a public or private warehouse or other storage facility for the purpose of shipment to a destination outside this state, whether final destination is specified when transportation begins or afterwards, for a period not exceeding 36 months following such consignment or storage. Such property shall not be deprived of such exemption because while in the warehouse or storage facility the property is assembled, disassembled, bound, joined, divided, cut, broken in bulk, labeled, relabeled, repackaged or otherwise processed or fabricated. No exemptions shall be allowed under this section for any such property which was exempt from ad valorem taxation pursuant to this section in any prior exemption period.

(b) It is hereby declared to be the policy of this state, through the exemption of the aforementioned property from ad valorem taxation, to encourage the development of the State of Alabama as a distribution center.

(c) All property claimed to be exempt under this section shall be designated "in transit" upon the books and records of the warehouse or storage area wherein the same is located. The records shall include a full, true and correct inventory of all such property together with the date of receipt or completion of process or manufacture, date of withdrawal, point of origin and, if known, the point of ultimate destination of the property. Such books and records shall at all times be open to inspection of all taxing authorities of this state and any political subdivisions thereof.