2012 Property Tax Basics

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Texas Comptroller of Public Accounts

Texas Property Tax

This publication is intended to provide customer assistance to taxpayers. It does not address all aspects of property tax law or the appraisal process. The Comptroller's office is not offering legal advice, and this information neither constitutes nor serves as a substitute for legal advice. Questions regarding the meaning or interpretation of statutes, notice requirements and other matters in the law or in this publication should, as necessary, be directed to an attorney or other appropriate counsel.

Tax Code Section 5.08 authorizes the Comptroller's office to provide professional and technical assistance on request in appraising property, installing or updating tax maps, purchasing equipment, developing recordkeeping systems and performing other appraisal activities. The Comptroller's office also may provide professional and technical assistance on request to an appraisal review board. The Comptroller's office may require reimbursement for the costs of providing the assistance. It also may provide information to and consult with persons actively engaged in appraising property for tax purposes about any matter relating to property taxation without charge.

Tax Code Section 5.041(f), however, prohibits the Comptroller's office from providing advice to a property owner, a property owner's agent, an appraisal district or an appraisal review board on matters that it knows is the subject of a protest to the appraisal review board.

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CHAPTER 1

Introduction

Property taxes are local taxes that provide the largest source of money local governments use to pay for schools, streets, roads, police, fire protection and many other services. State law establishes the process followed by local officials in determining the value for property, ensuring that values are equal and uniform, setting tax rates and collecting taxes.

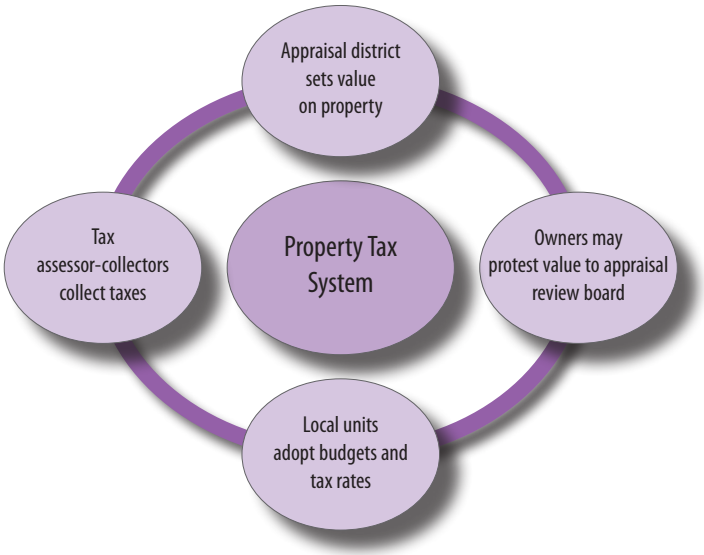
The Texas Constitution sets out some basic rules for the property tax, including the following:

Taxation must be equal and uniform.
• All property must be taxed equally and uniformly. [Texas Constitution Article VIII, Section 1(a)] • No single property or type of property should be taxed more than its fair market value. [Texas Constitution Article VIII, Section 20]
Generally, all property is taxable at its market value.
• The Texas Constitution provides certain exceptions, such as taxation based on productive capacity for agricultural and timber land. [Texas Constitution Article VIII, Section 1-d-1] • Exemptions must be authorized. [Texas Constitution Article VIII, Section 1(b)]
Taxpayers must be given notice of an estimate of taxes they owe.
• Notice must be given of the reasonable estimate of the taxes that will be imposed on a taxpayer's property. [Texas Constitution Article VIII, Section 21(c)] • Notice must be given of intent to consider tax increases. [Texas Constitution Article VIII, Section 21(a)]

1.1 Property tax timetable

The annual property tax levy includes four phases:

- ✓ **Appraisal** or property valuation;
- ✓ **Equalization** or value protests;
- ✓ **Taxation** or adopting budgets and setting tax rates (often called the "assessment" phase); and
- ✓ **Collection** or payment from taxpayers.



The Comptroller's website provides the following calendar that highlights important dates in the property tax cycle.

2012 Property Tax Calendar

January	
1	• Date that 2012 taxable values and qualification for certain exemptions are determined (except for inventories appraised Sept. 1) (Secs. 11.42, 23.01, 23.12).* • Date a tax lien attaches to property to secure payments of taxes, penalties and interest that will be imposed for the year (Sec. 32.01). • Date that half the members of the county appraisal district (CAD) board of directors begin two-year terms if the district has staggered terms (Sec. 6.034). • Date that half of appraisal review board (ARB) members begin two-year terms (Sec. 6.41).
2	• Date rendition period begins; continues through April 16 for those property owners not requesting a filing extension (Sec. 22.23).
10	• If a 2011 tax bill is not mailed on or before this date, the delinquency date is postponed (Sec. 31.04).
31	• Deadline for Texas Comptroller's preliminary *2011 Property Value Study* (PVS) findings to go to the Texas Education Commissioner and each school district (Government Code Sec. 403.302). • Last day for chief appraiser to deliver applications for agricultural designation and exemptions requiring annual applications (Secs. 11.44, 23.43). • Last day for disabled, 65-or-older or unmarried surviving spouse of disabled veteran homeowners to pay one quarter of homestead property taxes in installments (Sec. 31.031). • Last day for homeowners or qualified businesses whose properties were damaged in a disaster within a designated disaster area to pay one quarter of taxes if using installment payment option (Sec. 31.032). • Last day for appraisal district to give public notice of 2012 capitalization rate used to appraise property with low- and moderate-income housing exemption (Sec. 11.1825).
February	
1	• Last day for motor vehicle, boat and outboard motors, heavy equipment and manufactured housing dealers to file dealer's inventory declarations (Secs. 23.121, 23.124, 23.1241, 23.127). • Date that 2011 taxes become delinquent if a bill was mailed on or before Jan. 10, 2012. Rollback tax for change of use of 1-d, 1-d-1, timber, and restricted-use timber land becomes delinquent if taxing unit delivered a bill to the owner on or before Jan. 10, 2012 (Secs. 23.46, 23.55, 23.76, 23.9807, 31.02).
15	• Last day for county tax collector to disburse motor vehicle, boat and outboard motor, heavy equipment and manufactured housing inventory taxes from escrow accounts to taxing units (Secs. 23.122, 23.1242, 23.125, 23.128).
29	• Last day to request cooperative housing appraisal (Sec. 23.19).
March	
12	• Deadline to file written appeal of PVS findings with Texas Comptroller (Government Code Sec. 403.303).

2012 Property Tax Calendar (continued)

April	
2	• Last day (or as soon as practicable thereafter) for chief appraiser to mail notices of appraised value for single-family residence homestead properties (Sec. 25.19). • Last day for the chief appraiser to notify the taxing units of the form in which the appraisal roll will be provided to them (Sec. 26.01). • Last day for taxing units' second quarterly payment for 2012 CAD budget (Sec. 6.06). • Last day for disabled, 65-or-older or unmarried surviving spouse of disabled veteran homeowners to pay first installment on taxes (Sec. 31.031). • Last day for homeowners or qualified businesses whose properties were damaged in a disaster area to pay first installment on taxes (Sec. 31.032). • Last day for cities or counties to report information regarding reinvestment zones and tax increment financing plans to Texas Comptroller (Sec. 311.019). • Last day for qualified community housing development corporations to file listing of property acquired or sold during the past year with the chief appraiser (Sec. 11.182).
16	• Last day for property owners to file renditions and property information reports unless they request a filing extension in writing (Sec. 22.23). NOTE: The Comptroller and each chief appraiser are required to publicize the legal requirements for filing rendition statements and the availability of the forms in a manner reasonably designed to notify all property owners of the law (Sec. 22.21). Chief appraisers need to check with their legal counsel to determine the manner and timing of this notice to meet the legal requirement.

30	• Last day for property owners to file these applications or reports with the CAD:
	  • Some exemption applications (Sec. 11.43);**
	  • Notice to chief appraiser that property is no longer entitled to an exemption not requiring annual application (Sec. 11.43);
	  • Applications for special appraisal or notices to chief appraiser that property no longer qualifies for 1-d and 1-d-1 agricultural land, timberland, restricted-use timberland, recreational-park-scenic land and public access airport property (Secs. 23.43, 23.54, 23.75, 23.84, 23.94, 23.9804);
	  • Railroad rolling stock reports (Sec. 24.32);
	  • Requests for separate listing of separately owned land and improvements (Sec. 25.08);
	  • Requests for proportionate taxing of a planned unit development property (Sec. 25.09);
	  • Requests for separate listing of separately-owned standing timber and land (Sec. 25.10);
	  • Requests for separate listing of undivided interests (Sec. 25.11); and
	  • Requests for joint taxation of separately owned mineral interest (Sec. 25.12).
	• Last day for chief appraiser to certify estimate of school district's taxable value for school district to use for publishing notice of budget and proposed tax rate and adopting its budget for a fiscal year that begins July 1. Chief appraiser must also certify estimate of taxable value for county and cities unless the taxing units choose to waive the estimate (Sec. 26.01).
	• Last day for property owners to file protest with ARB (or by 30th day after notice of appraised value is delivered, whichever is later) in connection with properties that are single-family residence homesteads; however, a property owner may file a protest before June 1 if the appraisal review board has not approved the appraisal records (Sec. 41.44).

2012 Property Tax Calendar (continued)

May	
1	• Last day (or as soon as practicable thereafter) for chief appraiser to mail notices of appraised value for properties other than single-family residence homesteads (Sec. 25.19).
1-14	• Period when taxing units may file resolutions with chief appraiser to change CAD finance method. Three-fourths of taxing units must file for change to occur (Sec. 6.061).
1-15	• Period when chief appraiser must publish notice about taxpayer protest procedures in a local newspaper with general circulation (Secs. 41.41, 41.70).
2 through June 1	• Period when taxing units must notify delinquent taxpayers that taxes delinquent on July 1 will incur additional penalty for attorney collection costs (Sec. 33.07).
15	• Last day for property owners to file renditions and property information reports if they requested an extension in writing. For good cause, chief appraiser may extend this deadline another 15 days (Sec. 22.23). • Date (or as soon as practicable thereafter) for chief appraiser to prepare appraisal records and submit to ARB (Secs. 25.01, 25.22).
21	• Last day for chief appraiser to count taxing units' resolutions to change CAD's finance method (Sec. 6.061).
24	• Last day for chief appraiser to notify taxing units of change in the CAD's finance method (Sec. 6.061).
31	• Last day for taxing units to file challenges with ARB (or within 15 days after ARB receives appraisal records, whichever is later) (Sec. 41.04). • Last day for disabled, 65-or-older or unmarried surviving spouse of disabled veteran homeowners to pay second installment on taxes (Sec. 31.031). • Last day for homeowners and qualified businesses whose properties were damaged in a disaster area to pay second installment on taxes (Sec. 31.032). • Last day for property owners to file protest with ARB (or by 30th day after notice of appraised value is delivered, whichever is later) in connection with a property that is not a single-family residence homestead (Sec. 41.44(a)(2)). • Last day for religious organizations to amend charters and file new applications for Sec. 11.20 exemption (or within 60 days of exemption denial, whichever is later) (Sec. 11.421).
June	
14	• Last day for chief appraiser to submit recommended 2013 budget to CAD board and taxing units (unless taxing units have changed CAD's fiscal year) (Sec. 6.06).
16	• Beginning date that CAD board may pass resolution to change CAD finance method, subject to taxing units' unanimous approval. Period ends before Aug. 15 (Sec. 6.061).

2012 Property Tax Calendar (continued)

July	
2	• Last day to pay second half of 2011 taxes by split payment (Sec. 31.03). • Date that delinquent taxes incur total 12 percent penalty (Sec. 33.01). • Taxes delinquent on or after Feb. 1, but not later than May 1, incur additional penalty to pay attorney collection costs (Sec. 33.07). Taxing unit may add penalty for attorney collection costs to taxes delinquent on or after June 1; penalty is incurred on the first day of first month that begins at least 21 days after the date the collector sends property owner a notice of delinquency and penalty (Sec 33.08). • Last day for ARBs to complete review of railroad rolling stock values for submission to Texas Comptroller (or as soon as practicable thereafter) (Sec. 24.35). • Last day for taxing units' third quarterly payment for 2012 CAD budget (Sec. 6.06). • Last day to form a taxing unit to levy 2012 property taxes (Sec. 26.12). • Last day for taxing units to adopt local option percentage homestead exemptions (Sec. 11.13). • Last day for private schools to amend charters to conform with Sec. 11.21 and file new applications for exemption (or within 60 days of exemption denial, whichever is later) (Sec. 11.422). • Last day for CADs to report formation of reinvestment zones and tax abatement agreements to the Texas Comptroller (Sec. 312.005).
20	• Date ARB must approve appraisal records, but may not do so if more than 5 percent of total appraised value remains under protest. The board of directors of a CAD with a population of 1 million or more may postpone the deadline to Aug. 30 or increase the threshold percentage from 5 to 10 percent of the appraised value of properties not under protest (Sec. 41.12).
25	• Last day for Texas Comptroller to certify apportionment of railroad rolling stock value to counties, with supplemental records after that date (Sec. 24.38). • Last day for chief appraiser to certify appraisal roll to each taxing unit (Sec. 26.01).
31	• Last day for disabled, 65-or-older or unmarried surviving spouse of disabled veteran homeowners to pay third installment on taxes (Sec. 31.031). • Last day for homeowners and qualified businesses whose properties were damaged in a disaster area to pay third installment on taxes (Sec. 31.032).
August	
1	• Last day for property owners to apply for Sept. 1 inventory appraisal for 2013 (Sec. 23.12). • Date taxing unit's assessor submits appraisal roll and date that collector submits collection rate estimate for the current year to the governing body (or soon after) (Sec. 26.04).
7	• Date taxing units (other than school districts and small taxing units) must publicize effective tax and rollback rates, unencumbered fund balances, debt obligation schedule and other applicable items (or as soon as practical thereafter) (Sec. 26.04).
14	• Last day for CAD board to pass resolution to change CAD finance method, subject to taxing unit's unanimous consent (Sec. 6.061). • Last day for CAD board to pass resolution to change number of directors, method for appointing or both, and deliver to each taxing unit (Sec. 6.031).

2012 Property Tax Calendar (continued)

August cont.	
15	• Deadline for Texas Comptroller to certify final 2011 PVS findings to Education Commissioner and each school district (Comptroller Rule Sec. 9.4317).
30	• Date ARB must approve appraisal records in CADs with populations of 1 million or more where the board of directors has postponed the deadline from July 20 (Sec. 41.12).
31	• Last day for property owner to give, in writing, correct address to CAD for tax bill; penalties and interest waived if the bill is not sent to the correct address 21 days before delinquency date (Sec. 33.011). • Last day taxing units may file resolutions with the CAD board to oppose proposed change in the CAD finance method (Sec. 6.061). • Last day for taxing unit entitled to vote for appointment of CAD directors to file a resolution opposing a change by the CAD board in the number of or selection of directors, or both (Sec. 6.031).
September	
1	• Date that 2012 taxable value of inventories may be determined at property owner's written option (Sec. 23.12).
14	• Last day for CAD board to adopt 2013 CAD budget, unless a district has changed its fiscal year (Sec. 6.06). • Last day for CAD board to notify taxing units in writing if a proposal to change a finance method by taxing units' unanimous consent has been rejected (Sec. 6.061). • Last day for CAD board to notify taxing units in writing if a proposal to change the number or method of selecting CAD directors is rejected by a voting taxing unit (Sec. 6.031).
October	
1	• Last day for taxing units to adopt 2012 tax rate, or no later than 60th day after the chief appraiser certifies appraisal roll to a unit. Failure to adopt by these required dates results in a unit adopting the lower of its effective tax rate for this year or last year's tax rate; unit's governing body must ratify new rate within five days (Sec. 26.05). • Last day for taxing units' fourth quarterly payment for 2012 CAD budget (Sec. 6.06). • Date tax assessor mails 2012 tax bills (or soon after) (Sec. 31.01).
November	
30	• First half of split payment of 2012 taxes is due on or before this date (Sec 31.03).
December	
1-31	• Time when chief appraiser may conduct a mail survey to verify homestead exemption eligibility (Sec. 11.47).
31	• Last day for taxing units' first quarterly payment for 2013 CAD budget (Sec. 6.06).

* Property Tax Code citations, unless otherwise noted.

** Exemption applications for cemeteries, charitable organizations, private schools, nonprofit water and wastewater supply corporations and other nonprofit organizations must be filed within one year of acquiring the property. Unless birth date information has been provided to the appraisal district, persons who become age 65 or qualify as disabled during a tax year must apply for the applicable homestead exemptions within one year of qualifying.

Note: The calendar shows the most important property tax deadlines for appraisal districts, taxing units and property owners in the 2012 tax year. When the last day for performing an act falls on a Saturday, Sunday or legal holiday, Tax Code Section 1.06 designates the deadline as the next regular business day.

Check with the local appraisal district office or tax office if a due date falls on the weekend or holiday. The information provided in this calendar is advisory only. Any questions should be addressed with legal counsel for the governmental entity.

1.2 Taxpayer rights

The Comptroller's office is committed to ensuring that you have the information you need to preserve your rights and pursue appropriate remedies. In keeping with this commitment, our agency has adopted the following Property Taxpayers' Bill of Rights.

Property Taxpayers' Bill of Rights

1. You have the right to equal and uniform taxation.
2. You have the right to ensure that your property is appraised uniformly with similar property in your county.
3. You have the right to have your property appraised according to generally accepted appraisal techniques and other requirements of law.
4. You have the right to receive exemptions or other tax relief for which you qualify and apply timely.
5. You have the right to notice of property value increases, exemption changes and estimated tax amounts.
6. You have the right to inspect non-confidential information used to appraise your property.
7. You have the right to protest your property's value and other appraisal matters to an appraisal review board composed of an impartial group of citizens in your community.
8. You have the right to appeal the appraisal review board's decision to district court in the county where the property is located.
9. You have the right to fair treatment by the appraisal district, the appraisal review board and the tax assessor-collector.
10. You have the right to voice your opinions at open public meetings about proposed tax rates and to ask questions of the governing body responsible for setting tax rates.
11. You have the right to petition a local government to call an election to limit a tax increase in certain circumstances.
12. You have the right to receive a free copy of the pamphlet entitled Property Taxpayer Remedies published by the Texas Comptroller of Public Accounts.

1.3 More information

An appraisal district can answer questions about property values, exemptions, agricultural appraisal and protests. Your taxing units can answer questions about tax rates and tax bills.

Most property tax records are open to the public, including all appraised values, exemption applications and tax bills. If you have concerns about how an appraisal district operates or who serves on an appraisal review board, you may contact your appraisal district board of directors. The board of directors cannot resolve issues dealing with your property's value, but can address concerns with appraisal district services, operations, personnel and policies.

For general information about the property tax system, visit the Comptroller's website at www.window.state.tx.us/taxinfo/proptax/ or contact the Comptroller's Property Tax Assistance Division, Information Services at 1-800-252-9121, press "2" to access the menu, then press "1."

For legal questions, you should contact your attorney.

CHAPTER 2

Appraisal

Each Texas county is served by an appraisal district that determines the value of all of the county's taxable property. Generally local government that collects property taxes, such as the county, cities and school districts, is a member of the appraisal district. A board of directors appointed by the member governments presides over the appraisal district.

The appraisal district is considered a political subdivision and must follow applicable laws, such as the Open Meetings and Public Information acts. Meetings are generally open to the public and information generated by the appraisal district is, in most cases, also available to the public.

The appraisal district board hires a chief appraiser, approves contracts, sets policy, names members of the appraisal review board and confirms members of the agricultural advisory board. In larger counties, it also names a taxpayer liaison who works directly under the board and fields taxpayer questions.

Each year before appraisals begin, the appraisal district compiles a list of taxable property in the county. The listing for each property contains a property description and the owner's name and address. The appraisal district must repeat its appraisal process for property at least once every three years.

2.1 Rendering property

You may (and in some cases must) use a rendition form to tell the appraisal district about taxable property you own on Jan. 1. The rendition identifies, describes and gives the location of the taxable property. If you file a rendition, you are in a better position to exercise your rights as a taxpayer. By rendering property, you ensure the appraisal district has the correct mailing address for tax bills, and place your opinion of your property's value on record with the appraisal district. The chief appraiser must send you a *Notice of Appraised Value* if he or she places a higher value on the property than the value you list on the rendition form.

If you own a business, you must report your inventory, furniture, fixtures, equipment and machinery on a rendition. State law imposes significant penalties for delinquent or fraudulent renditions. Check with the appraisal district for rendition forms and more information about rendering business personal property.

If the taxable value of your business personal property is less than $500 in any one taxing unit, the property is exempt in that taxing unit. For example, if your office equipment in the city is worth $300, you will not pay city property taxes on it. If the total value of all equipment you own within school district or county boundaries is $500 or more, you will pay school and county property taxes on that equipment. No special application is required to receive the under-$500 exemption, but rendition is still required.

The appraisal district staff may enter and inspect your business premises to determine what taxable personal property you own and its value. They must make such inspections during normal business hours or at a time agreeable to you.

Except in certain specific circumstances, the appraisal district must keep your renditions and any income and expense information confidential. Confidential information may be disclosed to the person who filed the statement or report or the owner of the property or to a representative of either authorized in writing to receive the information; to the Comptroller of Public Accounts and authorized Comptroller's employees or to an assessor or a chief appraiser if requested in writing; an employee or agent of a taxing entity responsible for auditing, monitoring or reviewing the operations of an appraisal district and to the employee or agent of a school district involved in preparing a protest of the Comptroller's property value study.

2.2 Appraisal methods

The Legislature authorizes appraisal districts to use a method called mass appraisal to calculate the value of a large number of properties.[1] In a mass appraisal, the appraisal district classifies categories of properties according to a variety of factors.

Using data from recent property sales, appraisal districts determine the value of properties in each class. They consider differences such as age, location and use to appraise all the properties in each class. The market value of a residence homestead must be determined solely on the basis of its current use regardless of its "highest and best" use. This means that your homestead must be appraised as such, even if it is located where its best use might be as the site for an office building or a parking lot for a mall. In addition, individual characteristics of property must be considered in developing appraisal models and schedules, as well as adjusting values as a result of taxpayer protests.

The appraisal district may use three common methods to value property:

Market Data Comparison Approach (also known as the sales comparison approach)	• The market approach asks, "What are properties similar to this property selling for?" • The market approach is most often used to appraise residential property.
Income Approach	• The income approach asks, "What would an investor pay in anticipation of future income from the property?" • Usually used to appraise types of properties that generate income, such as offices, hotels or retail centers.
Cost Approach	• The cost approach asks, "How much would it cost to replace the property with one of equal utility?" • This is often used to appraise types of properties that are not frequently sold or properties under construction.

The value of property is an estimate of the price for which it would sell on Jan. 1. The appraisal district compares your property to similar properties that have sold recently and determines its value. A sale cannot be considered as a comparable if it is made more than 24 months before the appraisal date, unless there are too few comparable sales within that time span to constitute a representative sample.

Comparable sales must be appropriately time-adjusted and must be similar in factors such as location, lot size, improvements, age, condition, access, amenities, views, income, operating expenses and occupancy. The existence of easements, deed restrictions or other legal burdens affecting a property's ability to be sold also must be considered.

In determining the market value of your residence, the chief appraiser must consider the value of other residential property in your neighborhood, even if the other property:

- was sold at a foreclosure sale conducted in any of the three years preceding the tax year in which your residence is being appraised, if it was comparable at the time of sale with other residences in your neighborhood; or
- has a market value that has declined because of a declining economy.

In using the income approach, the chief appraiser may not separately appraise or account for personal property that is already included in the appraisal of real property.

2.3 Notices of appraised value

The Texas Constitution directs the Legislature to require, subject to reasonable exceptions, that a property owner be provided notice of a revaluation of his or her property and a reasonable estimate of the amount of taxes that would be imposed on property if the total amount of property taxes for the subdivision were not increased.[2] The Legislature requires the chief appraiser to deliver, by April 1 or as soon thereafter as practicable if the property is a residence homestead or by May 1 or as soon thereafter as practicable in connection with any other property, a clear and understandable written notice to a property owner of the appraised value of the property owner's property if:

- the appraised value of the property is greater than it was in the preceding year;

- the appraised value of the property is greater than the value rendered by the property owner; or
- the property was not on the appraisal roll in the preceding year.[3]

This is done using a form called *Notice of Appraised Value*. If the increase in your appraised value is $1,000 or less, the chief appraiser, with the approval of the appraisal district board of directors, may dispense with the notice.

The chief appraiser cannot increase an appraised value if the value was lowered through a protest to the appraisal review board, through arbitration or in a court in the previous tax year, unless supported by substantial evidence. The burden of proof is on the chief appraiser to support an appraised value that is higher than one lowered through any of these events.

Below is a sample *Notice of Appraised Value* used by a number of appraisal districts in Texas. It shows only the part of the form including value and tax data. The numbered arrows on the sample form point to the information listed under the sample form that must be on the form.

111145

This is NOT a Tax Statement

2010 Notice Of Appraised Value

Do Not Pay From This Notice

Name, address and telephone number of appraisal district.

DATE OF NOTICE: April 23, 2010

Property ID:
Ownership %: 100.00
REF ID2:
DBA:
Legal:

Legal Acres: 0.3914
Situs:
OWNER ID:

THIS IS NOT A BILL

Dear Property Owner,
We have appraised the property listed above for the tax year 2010. As of January 1, our appraisal is outlined below:

Appraisal Information	Last Year - 2009	Proposed - 2010
Structure & Improvement Market Value	252,362	142,463
Market Value of Non Ag/Timber Land	472,500	472,500
Market Value of Ag/Timber Land	0	0
Market Value of Personal Property/Minerals	0	0
Total Market Value	724,862	614,963
Productivity Value of Ag/Timber Land	0	0
Appraised Value * (Possible Homestead Limitations, see asterisk below)	571,286	614,963
Homestead Cap Value excluding Non-Homesite Value (i.e. Ag, Commercial)	571,286	614,963
Exemptions	HS	HS

2009 Taxable Value	Taxing Unit	2010 Proposed Assessed Value	2010 Exemption Amount	2010 Taxable Value	2009 Tax Rate	2010 Estimated Taxes	2010 Freeze Year and Tax Ceiling**
457,029	TRAVIS COUNTY	614,963	122,99	491,970	0.421500	2,073.6	
556,286	EANES ISD	614,963	15,000	599,963	1.202500	7,214.56	
571,286	CITY OF ROLLINGWOOD	614,963	0	614,963	0.111600	686.30	
457,029	TRAVIS CO HEALTHCARE DIST	614,963	122,993	491,970	0.067400	331.59	
571,286	TRAVIS CO ESD NO 9	614,963	0	614,963	0.085000	522.72	

1 2 3 4 5 6

The notice must contain the following information:

1. a list of the taxing units in which your property is taxable;
2. the appraised value of your property in the preceding year;
3. the taxable value of your property in the preceding year for each taxing unit that taxes your property;
4. the appraised value of your property for the current year;
5. the kind and amount of each partial exemption, if any, approved for the current year; and
6. if the appraised value is greater than in the preceding year, the amount of tax that would be imposed on your property on the basis of the tax rate for the preceding year.

The form should also include, in italic typeface, the following statement: *"The Texas Legislature does not set the amount of your local taxes. Your property tax burden is decided by your locally elected officials, and all inquiries concerning your taxes should be directed to those officials."* The notice must provide a detailed explanation of the time and procedure for protesting the value; the date and place on which the appraisal review board will begin hearing protests; a brief explanation that the governing body of each taxing unit decides whether or not taxes on the property will increase, and that the appraisal district only determines the value of the property; and an estimate of the taxes that will be due.

Appraisal districts are free to develop their own form, so not all the forms will be identical to the sample, but they should all contain the information required by the Property Tax Code.

You should consider protesting the property's market value (also referred as "assessed value" in the sample), even if the appraised or taxable value subject to the 10 percent limitation in value ("homestead cap value") is acceptable to you. This could hasten the time when the market value and the "cap" value would meet and thus potentially "freeze" the value at a lesser amount.

The exhibit below provides a real-life example of how a homeowner could have lowered her home's value had she protested the property's market value, even though the "cap" was lower.

If the property owner had protested the market value in 2008, 2009 and 2010, and if the appraisal review board had sustained the taxpayer's opinion of value that the property would not sell for more that the 2007 value, the value of the home would be less in 2009 and 2010.

The cap value on which taxes are paid would be almost $24,000 less in 2009 and more than $67,500 less in 2010, if the market value was reduced. The 2010 tax savings would have been approximately $2,000.

Tax Year	Market value without protest	Cap Value (10% increase each year)	Market value if property owner had successfully protested.	Cap Value (10% increase each year)	Difference in Cap Value
2007	$547,306	$472,137	$547,306	$472,137	$0
2008	$676,018	$519,351	$547,306	$519,351	$0
2009	$724,862	$571,286	$547,306	$547,306	$23,980
2010	$614,963	$614,963	$547,306	$547,306	$67,657

2.4 Using exemptions to reduce your property taxes

An exemption removes part of the value of property from taxation and lowers your tax bill. For example, if your home is valued at $150,000 and you qualify for a $15,000 exemption, you pay taxes on the home as if it were worth $135,000. Exemptions discussed in this guide apply to homesteads and not to any other property.

2.4.1 Qualifying for a homestead exemption

To qualify for a homestead exemption, you must own and occupy the home as your principal residence on Jan. 1. Generally, the exemption is applicable as of Jan. 1 of the tax year in which it was approved. It can be a separate structure, condominium or a manufactured home located on leased land, as long as you own the home itself. A homestead includes the house and the land used as a residence, not to exceed 20 acres. You may not receive a homestead exemption for more than one property in the same year.

If you temporarily move away, you can still receive an exemption as long you intend to return and do not establish another principal residence. "Temporarily" generally means an absence of less than two years. An absence for military service outside the U.S. or a stay in a facility providing services related to health, infirmity or aging, however, may be longer. For instance, if you enter a nursing home, your home still qualifies as your homestead if you intend to return and occupy it as your principal residence, even if you are away indefinitely.

2.4.2 Types of homeowner exemptions

Texas offers a number of homestead exemptions. You are entitled to an exemption from county property taxes of $3,000 of the value of your residence homestead. You are also entitled to exemption from school district taxation of $15,000 of the appraised value of your residence homestead.

If you are disabled or age 65 or older you are entitled to an exemption from school district taxation of an additional $10,000 of the appraised value of your residence homestead, as well as an exemption from other taxing units' levies if the exemption is adopted either by:

- the governing body of the taxing unit; or
- a favorable vote of a majority of the qualified voters of the taxing unit.

Any taxing unit may offer an exemption of up to 20 percent of your home's value, with a minimum of $5,000. For example, if your residence is valued at $20,000 and the city offers a 20 percent exemption, the exemption is $5,000 even though 20 percent of $20,000 is $4,000.

Each taxing unit decides, before July 1, whether to offer an optional exemption and at what percentage. This exemption is added to any other homestead exemption for which a homeowner qualifies.

Joint, community or successive owners may not each receive the same exemption for the same residence in the same year. If you are an eligible disabled person who is age 65 or older, you may not receive both a disabled and an elderly homestead exemption but may choose either.

Age 65 or Older Homeowner Exemption

If you are a homeowner age 65 or older, you qualify for an additional $10,000 homestead exemption from school district taxes in addition to the $15,000 exemption previously discussed. This exemption applies as of Jan. 1 of the year in which you attain age 65.

If you qualify for both the $10,000 exemption for older homeowners and the $10,000 exemption for person with disabilities, you must choose one or the other for school district taxes. You cannot receive both, as previously discussed.

In addition to the $10,000 exemption for school district taxes, any taxing unit - including a school district - can offer an additional exemption of at least $3,000 for homeowners age 65 or older.

If you do not claim another residence in the same year, you will receive the age 65 or older exemption for the full year. If you claim another residence during the same year, you will no longer qualify for the exemption on the first home for the remaining portion of that year. Taxing units will prorate your taxes based on the number of days elapsing after you no longer qualify for the exemption, to the end of the year.

Exemptions for Homeowners with Disabilities

Persons with disabilities may qualify for certain tax exemptions. If disabled, you qualify for a $10,000 exemption for school district taxes in addition to the $15,000 exemption. In addition, any taxing unit may offer you an exemption of at least $3,000 due to your disabilities.

If you do not claim another residence in the same year, you will receive disabled exemptions for the full year. If you do claim another homestead during the same year, you will no longer qualify for the exemption on the old home for the remainder of that year. Your taxes will be prorated based on the number of days that elapse after you no longer qualify for the exemption.

2.4.3 Qualifying for disabled veteran or survivor exemption

All or part of the residence of a disabled veteran may be exempt from property taxation. If you are a disabled veteran, you may also qualify for partial exemptions for other property. You must designate the property for which you will claim the exemption on your exemption application form.

If you are a disabled veteran who receives 100 percent disability compensation due to a service-connected disability and a rating of 100 percent disabled or of individual unemployability, you are entitled to an exemption of the total appraised value of your residence homestead. If you are the surviving spouse of a disabled veteran who qualified for this exemption when the veteran died you may be entitled to an exemption of appraised value of the same property to which the disabled veteran's exemption applied. If you qualify for this exemption, you can take same dollar amount of the tax exemption on the former homestead to a subsequently qualified residence homestead. You are not eligible for the exemption if you remarry.

If you are a disabled veteran, you are also entitled to an exemption for a portion of the appraised value of any property that you own, in accordance with the following schedule:

An Exemption of Up to of the Appraised Value:	For a Disability Rating of at Least:	But Less Than:
$5,000	10%	30%
$7,500	30%	50%
$10,000	50%	70%
$12,000	70% and above	

If a disabled veteran who is entitled to an exemption dies, the surviving spouse is entitled to the same exemption as long as he or she remains unmarried. If the spouse does not survive the veteran, each of the veteran's surviving children younger than 18 years of age and unmarried is entitled to an exemption on property they own. The amount of this exemption is computed by dividing the amount of the veteran's exemption at time of death by the number of eligible children.

If an individual dies while on active duty as a member of the U.S. armed services:

- any surviving spouse is entitled to an exemption from taxation of $5,000 of the assessed value of the property the spouse owns and designates; and
- each of the individual's surviving children younger than 18 and unmarried is entitled to an exemption to be computed by dividing $5,000 by the number of eligible children.

If you qualify for more than one exemption you are entitled to aggregate the amounts of the exemptions, except that:

- a disabled veteran who qualifies for more than one exemption is entitled to only one, but may choose the largest exemption for which he or she qualifies; and
- an individual who receives an exemption as a surviving spouse of a disabled veteran may not also receive an exemption as a surviving child.

You may receive an exemption against only one property, which must be the same for every taxing unit in which you claim the exemption. If you are entitled to aggregate the amounts of more than one exemption, you must take the entire aggregated amount against the same property.

How to File for an Exemption on Your Home	
1.	Obtain an application form(s) at your local appraisal district office.
2.	Return the form(s) to the appraisal district office after Jan. 1 but no later than April 30. Be sure to include a copy of your driver's license or state-issued personal identification card and a copy of your vehicle registration. If you do not own a vehicle, submit a copy of a utility bill in your name and sign an affidavit swearing you do not own a vehicle.
3.	Provide all the information and documentation requested. For example, if you are claiming an age 65-or-older or disabled exemption, you may need to show proof of age or disability. Remember that making false statements on your exemption application is a criminal offense.
4.	You may late file for a homestead exemption and a disabled veteran's exemption up to one year after the date upon which taxes would become delinquent. You will receive a new tax bill with a lower amount. If you have already paid your taxes, you will receive a refund.

5.	You may file for the 100% or totally disabled veteran or the surviving spouse exemption when you move in the middle of year on your new residence homestead for the remaining part of the year.
6.	You may file for the age 65 or older exemption for up to one year after the date on which you turned age 65.
7.	If the chief appraiser mails a written request for more information, you have 30 days from the postmark date to reply.
8.	The chief appraiser must notify you, in writing, within five days if he or she denies or modifies your exemption. This notice must explain how you can protest before the appraisal review board.
9.	Once you receive a homestead or disabled veteran's exemption, you do not have to apply for it again unless the chief appraiser asks you to do so or unless your qualifications change.
10.	If you move to a new home, you must fill out a new application to receive any exemptions and to transfer any tax ceiling.
11.	If you become disabled, you should file a new application the year you become disabled in order to receive more exemptions.

2.5 Tax freeze or ceiling

If you are age 65 or older, your homestead exemption also qualifies you for a tax ceiling on your school district taxes; that is, the school district taxes on your home cannot increase as long as you own and live in it. The ceiling also cannot expire if your home is made uninhabitable. The tax ceiling is set at the amount paid in the year that you qualified for the age 65-or-older exemption. This provision allows for your school district taxes to fall below the ceiling.

A tax ceiling can go up if your home is improved unless the improvements are for normal repairs and maintenance, or for a home built to replace one made uninhabitable. For example, if you add a garage or a room, your tax ceiling can go up. It will also change if you move to another home. A tax ceiling does not expire if you transfer the interest in the home to a trust but still live in the home.

If you buy another home in Texas, you may transfer the percentage of school tax paid based on the former home's age 65-or-older school tax ceiling to your new home. For example, if you currently have a tax ceiling of $100, but would pay $400 in school district taxes without the tax ceiling, the percentage of tax paid is 25 percent. If the taxes on your new home are $1,000, the new school tax ceiling would be $250, or 25 percent of $1,000.

When a homeowner who has been receiving the age 65-or-older homestead exemption and tax ceiling dies, the exemption and ceiling transfer to the surviving spouse, as long as he or she is age 55 or older and the residence homestead was his or her homestead on the date of the spouse's death. If your spouse dies in the year of his or her 65th birthday, but had not applied for the age 65 or older exemption, you may apply for it as the surviving spouse. The exemption remains in effect for as long as the survivor owns and lives in the home. If you as a surviving spouse age 55 or older buy another home, you may transfer the percentage of tax paid based on the former home's tax ceiling to the new home. Again, to retain the county, city or junior college district tax ceiling, the new home must be in the same taxing unit.

A county, city or junior college district also may freeze or limit your taxes by adopting a tax ceiling. The ceiling goes into effect after the unit adopts the limitation and you qualify your home.

As with the age 65 or older exemption, if you purchase another home in Texas, you may transfer your former home's school district tax ceiling percentage to the new one. To do so, you must have qualified your former home for the exemption in 2003 or afterward. You may request a certificate from the appraisal district for your former home to present to the appraisal district for your new home. For exemption from taxes levied by a county, city or junior college district, you must transfer the tax ceiling to another home in the same taxing unit.

When a homeowner who receives disabled homeowner exemption and tax ceiling dies, the tax ceiling offered by a county, city or junior college district transfers to the surviving spouse, if he or she is disabled or age 55 or older at the spouse's death and the residence homestead was the surviving spouse's residence on the date of death and remains his or her homestead.

2.6 Saving taxes on agricultural land

If your land qualifies for an agricultural appraisal, it could lower your taxable value. Qualified agricultural lands are based on the land's capacity to produce agricultural products,

including timber, rather than its market value. This method usually reduces your property tax bill.

Two different provisions of the Texas Constitution address qualifications for agricultural appraisal. Article VIII, Section 1-d, defining agricultural use, requires you to show farming or ranching is your primary occupation and source of income. Very few property owners qualify under this provision. Nearly all land receiving agricultural appraisal falls under Article VIII, Section 1-d-1, also known as open-space valuation, as described below.

2.6.1 Qualifying criteria for open-space land appraisal

Your land must be devoted principally to farming, ranching, wildlife management or timber production for five of the previous seven years.

To qualify for open-space land appraisal, your land must be used primarily for agriculture; you must demonstrate that the land has been used for agriculture for five of the previous seven years, and the agricultural use was of the degree of intensity that is typical in the area. Agricultural use includes, but is not limited to:

- producing crops, livestock or timber;
- floriculture (the growing of flowers as a crop), viticulture (the growing of grapes, especially for winemaking) and horticulture (the cultivation of plants, especially flowers, fruit and vegetables, in gardens or greenhouses);
- leaving land idle to participate in a government program or as part of normal crop rotation;
- raising and keeping bees for pollination or for the production of human food or other tangible products having a commercial value on land that is not less than 5 or more than 20 acres; and
- wildlife management.

You can find additional examples of agricultural use in the Comptroller's office manuals for appraisal of agricultural land and timberland.

Wildlife management is a qualifying agricultural use but requires additional criteria. You should consult the *Guidelines for Qualification of Agricultural Land in Wildlife Management Use* available at your appraisal district or from the Comptroller's office website, for the requirements involved in qualifying based on wildlife management use.

The eligibility of open-space land does not end during temporary cessation of agricultural use during drought.

Your land can continue to qualify for open-space agricultural appraisal if the governor declares a drought and the land remains out of production for an extended period, as long as you intend to return the land to its pre-drought level of agricultural intensity.

Open-space land inside a city may qualify for special appraisal.

Generally, land in a city or town cannot qualify for agricultural appraisal. Exceptions are land not receiving city services typical for other similar properties; land devoted principally to agricultural use continuously for the previous five years; or land continuously devoted principally to agricultural use or the production of timber for the previous five years and used for wildlife management.

2.6.2 Changing your land's use to a non-agricultural purpose

If your land has qualified for agricultural appraisal and you change the land's use to a non-agricultural purpose, you will owe a rollback tax for each of the previous five years in which your land received the lower appraisal.

The rollback tax is the difference between the taxes you paid on your land's open-space value and the taxes you would have paid if the land had been taxed on a higher market value. In addition, you are charged 7 percent interest for each year from the date on which taxes would have been due.

The chief appraiser determines whether change of use has occurred and must send you a notice of the change.

How to File for Agricultural Appraisal	
1.	Obtain an application form at your local appraisal district office.
2.	Fill it out completely and return it to the appraisal district office after Jan. 1 but no later than April 30. Remember that falsifying statements on your application is a criminal offense.
3.	If you need more time to complete your application form, submit a written request to the chief appraiser before the April 30 deadline. The chief appraiser can grant up to 60 extra days if you have a good reason for needing extra time.
4.	If you miss the April 30 deadline, you may file an application any time before the appraisal review board approves the appraisal records, which usually occurs on or about July 20. You will be charged a penalty for late filing equal to 10 percent of the tax savings you obtained through receiving agricultural appraisal for your land. After the appraisal review board approves the records, you can no longer apply for agricultural appraisal for that year.
5.	If the chief appraiser asks you for more information, you will have at least 30 days to reply. You may ask for more time not to exceed 15 days but you must have a good reason. If you do not reply, the chief appraiser must deny your application.
6.	If the chief appraiser denies or modifies your request for agricultural appraisal, he or she must tell you in writing within five days. This notice must explain how you can protest to the appraisal review board.
7.	Once you receive agricultural appraisal, you do not have to apply again in succeeding years unless your qualifications change.
8.	The chief appraiser may request a new application from time to time, to verify that you still meet the qualifications. If you receive a notice to reapply, be sure to do so. If you do not respond, you will lose your eligibility.
9.	If you become the owner of land that is already qualified, you must reapply in your own name by April 30. If you do not, you will lose your eligibility. You must notify the appraisal district in writing by April 30 if your land's eligibility changes. Failure to do so will result in a penalty charge.

1. Tex. Tax Code Section 23.01.
2. Tex. Const. Art, Section 21(c).
3. Tex. Const. Art VIII, Section 25.19(a).

CHAPTER 3

Equalization

The Comptroller's office may not advise a property owner, a property owner's agent, an appraisal district or an appraisal review board on a matter that the Comptroller's office knows is the subject of a protest to the appraisal review board.

You may present objections about your property value, exemptions and special appraisal in a hearing to an appraisal review board. The appraisal review board is an impartial panel of fellow citizens authorized to resolve disputes between you and the appraisal district. After listening to you and to the chief appraiser, the appraisal review board will make a determination regarding your property value. The board's decisions are binding only for the years in question.

Usually, the appraisal district's board of directors appoints appraisal review board members. These members must be residents of the appraisal district for at least two years to serve. Current officers and employees of the appraisal district, taxing units and the Comptroller's office may not serve. In counties with populations of more than 100,000, former directors, officers and employees of the appraisal district cannot serve on an appraisal review board. Other specific Tax Code restrictions apply.

Appraisal review board members also must comply with special state laws on conflict of interest and must complete training courses and receive certificates of course completion from the Comptroller's office.

Appraisal review board hearings are open to the public. The appraisal review board must develop hearing procedures and must post these procedures in a prominent place in the room in which hearings are held. The chief appraiser must publicize annually the right to and methods for protests before the appraisal review board, in a manner designed to effectively notify all appraisal district residents.

The appraisal review board generally begins hearing protests from property owners after May 1 and must complete most of the hearings by July 20. This deadline may be extended to a later date in some larger counties. When the appraisal review board finishes its work, the appraisal district gives each taxing unit a list of taxable property, called a certified appraisal roll.

Many appraisal districts will informally meet with you to discuss your protest with you to try to resolve your concerns. Check with your appraisal district to see if they offer this service.

Each appraisal district in a county having a population of 500,000 or more that maintains a website accessible to the public must implement a system that allows certain residence homestead owners to:

- file a notice of protest electronically with the appraisal review board;
- receive and review comparable sales data and other evidence that the chief appraiser intends to use at your protest hearing electronically;
- receive, as applicable, an electronic settlement offer from the appraisal district to correct the appraisal records by changing the market value and, if applicable, the appraised value of your property, or a notice from the appraisal district that a settlement offer will not be made to you; and
- accept or reject a settlement offer electronically.

This service is not required for properties in areas that the chief appraiser determines that factors affecting market value are unusually complex or to an owner who has designated an agent.

An appraisal district in a county with a population of 250,000 or fewer is not required to implement this system before Jan. 1, 2013, if it has a website.

With your notice of appraised value, the chief appraiser must include information about the electronic system, including instructions for accessing and using it.

Your notice of protest filed electronically must include, at minimum:

- a statement as to whether your protest is brought under Tax Code §§ 41.41(a)(1) or 41.41(a)(2);
- a statement of your good-faith estimate of the value of the property; and
- an electronic mail address that the appraisal district may use to communicate electronically with you in connection with the protest.

If you accept a settlement offer made by the appraisal district, the chief appraiser must enter the settlement in the appraisal records. If you reject a settlement offer, the appraisal review board must hear and determine your protest.

Your electronic mail address provided to an appraisal district is confidential and may not be disclosed by the appraisal district.

3.1 Actions subject to protest

The appraisal review board can hear protests on any action taken by the appraisal district or chief appraiser that adversely affects you as a property owner. You can protest if you believe any of the following occurred:

- the proposed value of your property is excessive;
- your property was valued unequally compared with other similar property in the appraisal district;
- the chief appraiser denied an exemption;
- the chief appraiser denied a special appraisal, such as an agricultural appraisal for your farm or ranch;
- the chief appraiser wrongly determined that you took your land out of agricultural use;
- the appraisal records show an incorrect owner for your property;
- your property was incorrectly included on the appraisal records;
- your property is being taxed by the wrong taxing units;
- the chief appraiser or appraisal review board failed to send you a notice that the law requires them to send; or
- any other action that the appraisal district, chief appraiser or appraisal review board took that applies to and adversely affects you.

Protesting Excessive Appraisal

This protest is based on your opinion that your property is over-valued based on sales and other information. If your property is appraised at $105,000, and the evidence you present indicates that the market value is $100,000, the appraisal review board should lower the market value to $100,000 because the appraisal is excessive.

Protesting Unequal Appraisal

This protest concerns whether your property's value is closer to market value than similar properties. If you want to prove your property was unequally appraised, you may provide either a ratio study or a comparison of a representative sample of properties, appropriately adjusted, which shows the median level of appraisal in your area or neighborhood.

Protesting Denial of Exemptions

If the chief appraiser denied your homestead exemption, obtain evidence that you owned your home on Jan. 1 and used it as your principal residence on that date. If the chief appraiser denied a homestead exemption for part of the land around your home, show how much land is used as part of your residence. You have the burden of proof in these protests.

If the chief appraiser denied your 65-or-older or disabled homestead exemption or a disabled veteran's exemption, read about the qualifications for exemptions and address them specifically in your protest.

Protesting Agricultural Land

If you are protesting the agricultural value of your farm or ranch, find out how the appraisal district calculated your value. Compare the appraisal district's information with that of other experts on agriculture, such as the county agricultural extension agent, the U.S. Department of Agriculture or other recognized agricultural sources. *The Comptroller's Manual for the Appraisal of Agricultural Land* may be of help to you

Protesting Denial or Change of Agricultural Land Use

Find out why the chief appraiser denied your application. Agricultural appraisal laws have specific requirements for property ownership and use. Provide evidence that your property

qualifies for special appraisal based on its productivity and intensity of use.

If you have taken only part of the land out of agricultural use, you may need to show which parts still qualify. If you are letting land lie fallow, show that the time it has been out of agricultural use is not excessive or is part of a typical crop or livestock rotation process for your county.

Protesting Errors in Appraisal Records

Mistakes in appraisal records often are simply clerical errors. The appraisal district may, for example, have failed to change a property's records, resulting in it showing an incorrect owner. The law recognizes both the old and new owners as having an interest in the property's taxes. If you acquired the property after Jan. 1, you may protest its value if you file before the deadline.

The appraisal records may show your property as located in one school district when it actually is in another. Some kinds of taxable personal property move from place to place quite regularly. Property is taxed at only one location in Texas. You can protest the inclusion of your property on the appraisal records if it should be taxed at another location in Texas.

Protesting Failure to Provide Required Notice

A notice is presumed delivered if placed in first-class United States Postal Service mail with a correct name and last known address. Some notices are sent by certified mail. The postmark determines the timeliness of the notice.

If you rebut this presumption with proof that you did not receive the notice, the appraisal district must prove that it mailed the notice properly. You have the right to a hearing on your property for an improperly mailed notice.

You have the right to protest if the chief appraiser or appraisal review board fails to give you a required notice. But unless you disagree with your appraisal, there is no point in protesting such a failure. Make sure that the appraisal district has your correct name and address.

You cannot protest a failure to give notice if the taxes on your property are delinquent. Before the delinquency date, you must pay a partial amount, usually the amount of taxes not in dispute. You may ask the appraisal review board to excuse you from prepaying your taxes; to do so, you must file an oath attesting to your inability to pay the taxes in question and argue that prepaying them would restrain your right to access to the appraisal review board. The appraisal review board will hold a hearing and decide the terms or conditions of your payment.

Protesting Any Other Adverse Actions

You have the right to protest any appraisal district action that applies to and adversely affects you. For instance, the chief appraiser may claim your property was not taxed in a previous year. You can protest only those actions that affect your property, however.

3.2 Deadline for filing protest

The appraisal review board will notify you at least 15 days in advance of the date, time and place of your hearing. Please keep in mind that the appraisal review board must send you a notice 15 days in advance, but you will probably have less than 15 days by the time you receive it. You should try to discuss your protest issue with the appraisal district before your hearing. You may be able to work out a satisfactory solution without appearing before the appraisal review board.

At least 14 days before your protest hearing, the appraisal district will mail you:

- a copy of the *Comptroller's Property Taxpayer Remedies* pamphlet;
- a copy of the appraisal review board procedures;
- a statement affirming that you may inspect and obtain a copy of the data, schedules, formulas and any other information the chief appraiser plans to introduce at your hearing; and
- notice of your right to postpone the hearing.

This material is usually mailed with the notice of hearing.

You may represent yourself in any property tax matter, or appoint an agent to handle specific duties. Except in limited circumstances, to appoint an agent you must provide that person with written authorization to represent you. You must use the *Appointment of Agent for Property Taxes* form available from the appraisal district or the Comptroller's office. You must sign the authorization; the agent may not sign the form appointing him or herself. The form is not binding on the appraisal district until you file it.

The *Appointment of Agent for Property Taxes* form asks you to cite a date upon which your authorization for this person will end. If you do not provide an ending date, the agent will continue to represent you until you file a statement ending the appointment or appoint a new agent to act in the same capacity for the same property.

If you have not designated an agent to represent you before the appraisal review board, you are entitled to one postponement without showing cause. The chairman of the appraisal review board may grant additional postponements if you can show good cause. Good cause is defined as a reason that includes an error or mistake that was not intentional or was not the result of conscious indifference and will not cause undue delay or injury to the person authorized to extend the deadline or grant a rescheduling. The chief appraiser can also agree to give you a postponement. You must appear at a hearing - in person, by affidavit or through an agent - or you may lose your right to appeal to an arbitrator, the State Office of Administrative Hearings (SOAH) or the courts.

You also may write a letter containing all the required information and send it to the appraisal district.

Protesting Errors Found After the Filing Deadline

The law allows the appraisal review board to hold hearings to correct errors discovered after the protest filing deadline, including property appraised at more than a third above its correct value. You must file a written request and meet certain requirements for the appraisal review board to grant a late hearing on an approved value.

For the current and previous five tax years, the appraisal review board may correct:

- a clerical error made in writing, copying, transcribing or entering data;
- multiple appraisals of the same property more than once in the same tax year, sometimes called "double taxation;"
- inclusion of property that does not exist at the location or in the form described in the appraisal roll; or
- an error in which property is shown as owned by a person who did not own the property on January 1 of that tax year.

For the current tax year, the appraisal review board may grant a late hearing to correct certain over-appraisals; to correct values based on a joint motion made by you and the chief appraiser; or to hear your protest if you were not sent a required notice. Such late hearings require you to file written requests before your taxes become delinquent on Feb. 1.

You may file a late protest if you can show that the appraised value on your property for the current year exceeds the correct value by more than a third. If you prove that the value is in error but less than one-third wrong, the appraisal review board may not order a value reduction. If you prove at least a one-third error, the appraisal review board will reduce the value. You will pay a 10 percent penalty for the late filing based on the taxes for the correct value. For a joint motion hearing, the appraisal review board must approve a change when you and chief appraiser have agreed to the change in writing.

Before an appraisal review board decision on a late hearing can take place, you must pay some current taxes, usually those not in dispute. You may ask the appraisal review board to excuse you from prepaying your taxes by filing an oath attesting to your inability to pay the taxes in question and the appraisal review board will decide, after a hearing, whether the prepayment would constitute an unreasonable restraint on the right to access to the board.

If you win a value reduction in a late appraisal review board hearing, the taxing units will refund the difference between the tax payment and the correct amount of taxes. For an over-appraisal hearing to take place, you must not have had a prior appraisal review board hearing and determination on the dispute, and the appraised value of the property must not have been established by agreement between you or your agent and the appraisal district.

3.3 Techniques for protesting

The first decision you should make is whether the cost of preparing a protest is worthwhile; compare your cost of protesting against your potential tax savings. Preparing a protest may not be worth your time and expense if it results in only a small tax savings.

Protesting involves both process and content. You should observe certain etiquette before the appraisal review board. And if you hope to get a positive decision, you should present sufficient evidence.

3.3.1 Respect the process

Most property owners do not choose to be represented by agents or attorneys in protest hearings. While the law requires the hearings to be as informal as possible, the appraisal review board must follow written procedures. Property owners are entitled to expect that the hearings will be conducted as described in the procedures. At the same time, the property owner should also recognize the appraisal review board's responsibilities to taxpayers.

You should not contact appraisal review board members outside the hearing.

Appraisal review board members are prohibited from communicating with you or other persons about a property under protest outside of the hearing. Each board member must sign an affidavit stating that he or she has not discussed your case with anyone. An appraisal review board member who discusses your case outside the hearing must remove himself or herself from your hearing. A member who communicates on specific evidence, argument, facts or the merits of a protest with the chief appraiser or appraisal district staff outside the hearing commits a Class A misdemeanor.

Be on time and prepared for your hearing.

Common courtesy dictates that you should be on time for an appointment. Appraisal review boards often have hundreds or thousands of protests to hear. They have to be fair to everyone and strive to provide every protester an appropriate amount of time to make a presentation. To hear every protest, the appraisal review board may place a time limit on your hearing.

Stick to the facts of your presentation.

The appraisal review board has no control over the appraisal district's operations or budget, tax rates, inflation or local politics; addressing these topics in your presentation wastes time and will not help your case. Focus on the details of your property appraisal or other protested concern.

Present a simple and well-organized protest.

You should stress key facts related to your protest. Write them down in logical order and give copies to each appraisal review board member. You are required to give a copy of your evidence to the appraisal district staff at or before the hearing. Photographs and other documents are useful evidence. Practice your presentation beforehand to improve your delivery.

Recognize that the appraisal review board acts as an independent judge.

The appraisal review board must listen to you and the chief appraiser before making a decision; it is not a case of you against the chief appraiser and the appraisal review board. All testimony at an appraisal review board hearing must be given under oath.

3.3.2 Prepare the evidence

In most cases, the chief appraiser has the burden of proving your property's value by a preponderance of the evidence presented at the appraisal review board hearing. If the chief appraiser fails to meet this burden of proof, the appraisal review board must decide in your favor.

The law provides another tool for the owner of a property under protest with a market or appraised value of $1 million or less. If a property owner submits to the appraisal district a properly conducted, recently completed and certified appraisal of property value made by a licensed appraiser at least 14 days before the hearing, the appraisal district has the burden of establishing the value of the property by clear and convincing evidence. If the appraisal district fails to do so, the appraisal review board is required to rule in favor of the property owner. To be valid, the property owner's appraisal must meet specific statutory requirements.

You should make sure that your property's description is correct. Are the measurements for your home or business and lot accurate? You should pull together blueprints, deed records, photographs, a survey or your own measurements to contest the appraiser's decision.

Does the appraisal district's survey show all of your home's defects, such as a cracked foundation or inadequate plumbing? You should take photographs, statements from builders or independent appraisals to the hearing.

If you want to show that your property was not treated equally, you should ask the appraisal district for appraisal records on similar properties in your area to try to determine whether there is a significant difference in their values. Once you have the records of similar property values, then appropriate adjustments must be made for issues such as size, location, and condition. The properties must be analyzed to determine the median appraised value.

If you want to show that your property was appraised excessively, you should collect evidence on recent sales of properties similar to yours from neighbors or real estate professionals. You should ask the appraisal district for the sales that it used.

You should consider using an independent appraisal by a real estate appraiser. Your insurance records also may be helpful.

If you decide to use sales information to support your protest, you should:

- obtain documents or sworn statements from the person providing the sales information;
- use sales of properties similar to yours in size, age, location and type of construction;
- use recent sales - those occurring as close to Jan. 1 as possible are the best to compare to your property; and
- provide photographs of the properties that sold.

How to File a Protest	
1.	You must file your protest in writing. The appraisal district has protest forms available, but you need not use one. A notice of protest must identify the owner and the subject property. It must indicate that you are dissatisfied with a decision made by the appraisal district.
2.	File your notice of protest before June 1 or no later than 30 days after the appraisal district mailed a notice of appraised value to you, whichever is later. Note that the period is 30 days after the mailing of the notice, not its receipt. If you are an offshore worker on a drilling or production facility or on full-time military duty, you may be entitled to file a late protest.
3.	If the chief appraiser sends you a notice that your land is no longer in agricultural use, you must file your protest within 30 days of the date upon which the notice was mailed. The chief appraiser sends this notice by certified mail; the mailing date appears on the postmark on the envelope.
4.	If you file a notice of protest before the appraisal review board approves the appraisal records, you are entitled to a hearing only if the board decides that you had good reason for failing to meet the deadline.
5.	If you do not file a notice of protest before the appraisal review board approves the appraisal records, you lose your right to protest. You also lose the right to file a lawsuit about the taxable value of your property.
6.	If your protest is late because the chief appraiser or appraisal review board failed to mail a required notice of appraised value or a denial of exemption or agricultural appraisal, you may file your protest any time before the taxes become delinquent or no later than the 125th day after the date you claim you received a tax bill from one or more of the taxing units that taxes your property. You must pay some current taxes before the delinquency date to be entitled to this type of hearing. A notice of appraised value is not always required to be sent to a property owner.
7.	In some cases, you may file with the appraisal review board to correct an error even after these deadlines. Contact your appraisal district or the Comptroller's office if you have questions about clerical errors, substantial value errors, double taxing or other possible errors.

Following rules adopted by the appraisal review board, the chief appraiser may change the appraisal roll at any time to correct any inaccuracy that does not increase the amount of tax liability.

3.4 Appealing appraisal review board order

Once the appraisal review board rules on your protest, it will send you a written order by certified mail. If you are dissatisfied with the appraisal review board's findings, you have the right to request binding arbitration or file an appeal with the state district court in the county in which your property is located. In some counties, you also may appeal to SOAH.

3.4.1 File suit in district court

A property owner is entitled to appeal an order of the appraisal review board to district court. Before filing suit in district court, you should consult with an attorney to determine if you have a case.

You must file a petition for review with the district court within 60 days after receiving notice that a final order has been entered, or at any time after the hearing, but before the 60-day deadline. If you are appealing the appraisal review board's determination of a motion to correct the appraisal roll, you must file suit to compel the board to order a change in the appraisal roll within 60 days after receiving notice of the board's determination. Failure to file a petition within this period bars any appeal.

You also are required to make a partial payment of taxes, usually the amount of taxes not in dispute, before the delinquency date. You may ask the court to excuse you from prepaying your taxes; to do so, you must file an oath attesting to your inability to pay the taxes in question and argue that prepaying them would restrain your right to go to court on your protest. The court will hold a hearing and decide the terms or conditions of your payment.

At the district court, you may ask to have your appeal resolved by a jury or by a judge.

3.4.2 Binding arbitration

As an alternative to appealing the market value of your property to district court, you may appeal through binding arbitration. Binding arbitration is only available for market or appraised value determinations by appraisal review boards. Unequal appraisal determinations may not be the subject of a request for binding arbitration. Binding arbitration is available only if your property is:

- a residential homestead, regardless of value; or
- a property with an appraised value of $1 million or less.

As with filing a suit in district court, if you request binding arbitration you must pay taxes that are not in dispute before the delinquency date. To appeal an appraisal review board order to binding arbitration, you must file with the appraisal district not later than the 45th day after receiving notice of the order.

To apply for binding arbitration, you must complete the request form prepared by the Comptroller and submit it and a $500 deposit, or $250 if you request expedited arbitration. An expedited arbitration provides you no more than one hour of argument and testimony and limits the appraisal district to the same.

You must make your deposit in a money order or cashier's check, payable to the Texas Comptroller of Public Accounts. Although your deposit is made payable to the Comptroller's office, you must file it, along with your application, in the appraisal district in which the appraisal review board order was issued. The appraisal district will complete the application and forward your request and deposit to the Comptroller's office.

After receiving your request from the appraisal district, the Comptroller's office will send you a website address featuring a registry of available arbitrators. At the website, you and the appraisal district may select a mutually agreeable arbitrator. If you and the appraisal district cannot agree on an arbitrator, the Comptroller's office will make the selection for you.

The appointed arbitrator will arrange for an arbitration proceeding, where he or she will issue a decision concerning your property's value. If the arbitrator's decision is closer to your opinion of value stated in your request for arbitration, the appraisal district will pay the arbitrator's fee and the Comptroller's office will refund your deposit, less 10 percent that law requires our office to retain. If the arbitrator's decision is closer to the value determined by the appraisal review board, or equal to half of the difference between your value

and the appraisal review board's value, the arbitrator's fee will be paid from your deposit. After the arbitrator's fee is paid, if the fee is less than $450 (or $225 in the case of an expedited arbitration), the balance will be refunded to you.

3.4.3 Appeal to SOAH

Under a pilot program, property owners in Bexar, Cameron, Collin, Denton, El Paso, Fort Bend, Harris, Montgomery, Nueces, Tarrant and Travis counties may appeal an appraisal review board decision. The pilot program is limited to 3,000 appeals, allows the award of attorney's fees, and expires Jan. 1, 2014.

The appraisal review boards in these counties must deliver a notice of issuance of an order pertaining to affected property and a copy of the order to the property owner, including a notice of the property owner's rights and a copy of the notice of appeal prescribed.

Under this program, you may appeal to SOAH an appraisal review board decision on a protest concerning your property if the appraised or market value, as applicable, is more than $1 million. The pilot program is applicable to determinations concerning real or personal property other than industrial property or minerals.

To appeal an appraisal review board order to SOAH, you must file with the chief appraiser of the appraisal district, not later than the 30th day after the date you receive notice of the order, a completed notice of appeal to SOAH in the form prescribed. You must file a $1,500 deposit not later than the 90th day after the date the property owner receives notice of the order. The chief administrative law judge will prescribe the form of notice of appeal. The form must require that you provide a copy of the appraisal review board's order; a brief statement explaining the basis for your appeal; and a statement of your opinion of the appraised or market value, as applicable, of the property.

As soon as practicable after receiving of a notice of appeal, a chief appraiser must indicate, where appropriate, those entries in the records that are subject to the appeal; submit the notice of appeal and filing fee to SOAH; and request the appointment of a qualified administrative law judge to hear the appeal.

CHAPTER 4

Taxation

Once the appraisal review board approves the appraisal records, the chief appraiser prepares an appraisal roll for each taxing unit. An appraisal roll lists all the taxable property within the unit's boundaries. The appraisal district's job is then finished for the current year. It has, at least in theory, provided a set of equal and uniform property values for the use of all local taxing units.

4.1 The local taxing unit's role

The elected officials of each taxing unit adopt tax rates annually, generally in August or September. Several taxing units may tax your property, and all nonexempt property in the state is taxed by a county and school district. You also may pay taxes to a city or to special districts such as hospital, junior college or water districts. The tax roll is created when tax rates are applied to appraised values.

After receiving the appraisal roll, each governing body must decide what services they will provide in the coming year and determine how much money it will need to do so.

4.1.1 A local government's budget determines tax rate

As a taxpayer, it is important for you to understand how government spending affects the size of your tax bill. Changes in property values may affect your tax bill, but they do not necessarily increase or decrease the total amount of taxes paid to a taxing unit; that is determined by the taxing unit's budget.

Total taxes collected increase only when government spending increases. Truth-in-taxation laws give you a voice in decisions affecting your property tax rates.

The taxing unit must identify its needs and prepare a budget to meet them. To assist the taxing unit in this process, the chief appraiser prepares and certifies to the tax assessor-collector, by April 30, an estimate of the taxable value of property within that taxing unit. The taxing unit then must decide how much property tax revenue is necessary to fund that budget and, based on current year's values, what tax rate is needed to produce that amount. The taxing unit also must determine the tax revenue it will need to pay its long-term debt.

The taxing unit must hold a public hearing on the proposed budget, and publicize its date, time and location. The proposed budget must be made available for your inspection. Generally, the governing body must set the public hearing for a date after the 15th day of the month following the month in which the budget is prepared, but before the date on which taxes will be levied by the taxing unit. If the taxing unit has a website, it must post its proposed budget there.

If your city or county proposes a budget that will require more property tax revenue than in the preceding year, it must include the amount of the proposed increase in its public notice of the budget hearing. This also must appear in large type on the cover page of the budget. The governing body must vote on the budget separately from its vote on the tax increase.

4.1.2 Local governments must calculate an effective tax rate

Beginning in early August, most taxing units take the first step toward adopting a tax rate by calculating and publishing the effective and rollback tax rates. School districts may choose to adopt a tax rate before the adoption of a budget. The chief appraiser of its appraisal district must have certified to the school district's tax collector an estimate of the school district's taxable property value.

The effective tax rate is the rate your local government needs to generate about the same amount of revenue it received in the year before on properties taxed in both years. If property values rise, the effective tax rate will go down, and vice versa. The actual tax rate, however, depends on the budget adopted by the governing body, whether it is a commissioners court, city council, school board or board of directors of a special purpose district.

The rollback rate, by contrast, would provide cities, counties and special districts with about the same amount of tax revenue it spent in the previous year for day-to-day operations, plus an extra 8 percent increase for operating expenses and sufficient revenue to pay its debts in the coming year. The rollback rate for school districts authorizes an additional four cents.

Most taxing units must publish their effective and rollback rates in a local newspaper. If you believe that the taxing unit did not calculate and publish these rates or other required information in good faith, you can ask a district court to stop the taxing unit from adopting a tax rate until it complies with the law.

If your local government wants to increase its property tax rate above the lower of either the effective rate or rollback rate, it must publish a quarter-page notice in a local newspaper alerting you of special public hearings. The public hearings allow you to voice your opinions about the proposed tax increase and ask questions of the governing body. Before the hearing's end, the governing body must set a date, time and place for the tax rate's formal adoption. The taxing unit then must publish another quarter-page ad announcing the meeting to adopt the tax rate.

If you believe that your taxing unit has failed to comply in good faith with these requirements, you can ask a district court for an injunction to stop tax collections until the taxing unit complies with the law. You must do this before the tax collector has mailed a large portion of the tax bills.

4.2 Limiting a tax increase

If your local taxing unit adopts a tax rate higher than the rollback rate, you may petition for an election to reduce the tax rate to the rollback rate. If your school district adopts a tax rate above the rollback rate, you do not have to petition for an election, because the law requires the school district to hold an election to ratify the adopted rate. A rollback election is not required in a school district, however, if the tax rate increase is intended to pay for responses to a natural disaster.

Your petition calling for the local government to hold a tax rate rollback election must:

- use specific legal wording;
- be signed by at least 7 or 10 percent of the registered voters in the taxing unit, depending on whether the adopted tax rate raises more or less than $5 million for maintenance and operations taxes; and
- be presented to the taxing unit's governing body within 90 days after it adopts the tax rate.

Once your governing body receives a petition and finds that it is valid (or fails to act within the time allowed), it must order an election to be held on a date not less than 30 nor more than 90 days after the last day on which it could have acted to approve or disapprove the petition.

If a majority votes in favor of the tax rollback, the tax rate is reduced to the rollback rate immediately. For school districts, if a majority votes against ratifying the school district's adopted tax rate, the school district's trustees must adopt a rate not exceeding the rollback rate.

CHAPTER 5

Collections

Tax collections begin around Oct. 1. You typically have until Jan. 31 of the following year to pay your taxes. On Feb. 1, penalty and interest charges begin accumulating on most unpaid tax bills. If Feb. 1 is drawing near and you have not received a tax bill, you should contact your local tax offices. Find out how much tax you owe and make sure your correct name and address are on record.

Under certain circumstances, taxing units may impose additional penalties for legal costs on unpaid taxes. Before you buy a home, it is a good idea to obtain a tax certificate for the home from all jurisdictions that tax it. The tax certificate will show whether delinquent taxes are owed on the property.

5.1 Tax payment deadlines

Taxing units must give you at least 21 days to pay after they mail your original bill. If your bill is mailed after Jan. 10, the delinquency date is postponed. You have until the first day of the next month (at least 21 days) to pay the bill. If the taxing unit mails your tax bill on Jan. 15, therefore, your taxes do not become delinquent until March 1. The delinquency date must be printed on your bill.

Most property owners pay their property taxes before year's end so they can deduct the payments from their federal income taxes. If you are appealing the appraisal review board's order to district court, you must pay the tax amount not in dispute or the taxes due based on the appraisal review board order. If you are appealing the appraisal review board's order to binding arbitration, you must pay the tax amount not in dispute.

You have no legal right to withhold taxes or put taxes in escrow to protest government spending or for any other reason. You may, however, make a payment under protest, indicating so on the check or in a transmittal letter.

5.2 Keeping track of tax bills, receipts and other records

The tax collector must mail tax bills to both you and your designated agent, if you have one. If your mortgage company pays property taxes on your home out of an escrow account, make sure the taxing units send original tax bills to the company so that the mortgage company receives the tax bill. You may want to request a receipt from your tax office to verify that the mortgage company has paid these taxes on time. The tax collector must give you a receipt for your tax payment if you ask for one.

If you own a business, you must pay taxes on the property you own on Jan. 1 of the tax year. Dealers and retailers of certain special inventories must submit a monthly inventory tax statement to the county tax assessor-collector where the inventory is located. If you are a motor vehicle, boat and outboard motor or heavy equipment dealer or a manufactured housing retailer, you should check with your appraisal district or county tax office for details on how to report property and pay taxes on your inventory.

If you go out of business after the first of the year, you will still be liable for taxes on the personal property you owned on Jan. 1. You are not relieved of this liability because you no longer own the property. If you conduct a going-out-of-business sale, you must request a going-out-of-business permit from the appraisal district. Check with your appraisal district for more details.

Your tax bill may include taxes for more than one taxing unit if these units have combined their collection operations.

5.3 Deferring tax payments

You may defer homestead taxes for value exceeding 105 percent of your home's appraised value, plus any new improvements, from the preceding tax year. You must file a deferral application with the appraisal district before the taxes become delinquent, and you must pay the taxes based on 105 percent of the home's value.

While any taxpayer can defer payments on value that exceeds 105 percent, if you are a homeowner age 65 or older or disabled, you may defer or postpone paying any property taxes on the full taxable value of your home for as long as you own and live in it. To postpone your tax payments, you must file a tax deferral affidavit with your appraisal district. This deferral applies to all property taxes of the taxing units that tax your home.

A tax deferral, however, only postpones your tax liability. It does not cancel it. Interest on the amount due accrues at the rate of 8 percent a year. Past taxes and interest become due 181 days after you, or your surviving spouse, no longer own or live in the home that you qualified as a homestead. Any penalty and interest that was due on the tax bill for the home before the tax deferral will remain on the property and become due when the deferral ends.

You may abate a delinquent tax lawsuit by filing this affidavit with the court. You may stop a pending tax sale by filing the affidavit with the officer conducting the sale and the appraisal district, taxing unit or taxing unit's delinquent tax attorney.

5.3.1 You can pay your taxes in installments

Some taxpayers can pay homestead taxes in installments. If you are qualified for the age 65-or-older, disabled or the unmarried surviving spouse of a disabled veteran homestead exemptions, you may pay your current taxes on your home in four installments.

You must pay at least one-fourth of your taxes before the Feb. 1 delinquency date. The remaining payments are due before April 1, June 1 and Aug. 1, without any penalty or interest. If you miss an installment payment, you will face a 6 percent penalty and also pay interest at 1 percent for each month of delinquency. You must give written notice with your first payment that you are paying your taxes in installments. Installment payments apply to all taxing units on the tax bill.

Homeowners and some small businesses whose property is damaged in a disaster and are located in a designated disaster area also may pay their taxes in four installments, in the same months as age 65 or older, disabled, or unmarried surviving spouse of disabled veteran homeowners. If you miss an installment payment, you will face a 6 percent penalty and also pay interest at 1 percent for each month of delinquency.

5.3.2 You may have other payment options

Check with your tax collector on payment options that may be available on a local option basis, such as:

- **discounts,** if you pay your taxes early;
- **split payment** of taxes, allowing you to pay half your taxes by Nov. 30 and the remainder by June 30 without a penalty;
- **partial payment** of your taxes;
- **escrow agreements** for a special year-round account; and
- **work contracts**, in lieu of paying taxes, for certain taxpayers doing certain duties.

5.4 Consequence of failure to pay taxes

The longer you allow your delinquent property taxes to go unpaid, the more expensive and risky it becomes for you. For starters, you will have penalty and interest charges added to your taxes. Your property may also be foreclosed or seized.

5.4.1 You can accrue penalty and interest charges

Regular penalty charges may be as high as 12 percent depending on how long your taxes remain unpaid. Interest will be charged at the rate of 1 percent per month with no maximum. Private attorneys hired by taxing units to collect delinquent accounts can charge you an additional 20 percent penalty to cover their fees.

Some tax collectors will allow you to pay delinquent taxes in installments for up to 36 months. They are not required to offer this option, however. Before signing an installment agreement, you should know that the law considers your signature an irrevocable admission that you owe all the taxes covered by the agreement.

5.4.2 You can be sued

The tax collector's last resort is to take you to court if you are delinquent in paying your taxes. Court costs will be added to your delinquent tax bill.

If you own taxable property on Jan. 1, you are liable for all taxes due on the property for that year. You can be sued for delinquent taxes even if you sold or transferred the property since then.

5.4.3 Your property may be sold

Each taxing unit holds a tax lien on each of your taxable properties. A tax lien automatically attaches to your property on Jan. 1 each year to secure payment of all taxes.

This tax lien gives the courts the power to foreclose on the lien and seize your property, even if you did not own the home on Jan. 1. Your property then will be auctioned and the proceeds used to pay your past due taxes.

For more information or additional copies, visit our website:
www.window.state.tx.us/taxinfo/proptax

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Texas Comptroller of Public Accounts
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January 2012

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