

# PROPERTY OWNERS

Property owners have certain rights that may reduce their property taxes

**HOMEOWNERS**-persons who own and occupy their residence on January 1<sup>st</sup> may claim their home as a residential homestead. A homestead exemption reduces the appraised value of the home and, as a result, lowers property taxes. The filing of this document is only necessary if the homeowner has changed homesteads, or has become eligible for a new homestead exemption. Homeowners may also defer the portion of the tax on their residence homestead if the value of the home was raised more than 5% above the previous year. Although the tax collection is deferred, interest continues to run on the unpaid portion of tax at a rate of 8% per annum and the deferred tax remains a lien on the property. Homeowners can apply for the deferral by contacting the appraisal district that appraised the property and complete an application.

**DISABLED PERSONS**-persons who are disabled under Social Security law are entitled to additional exemptions on their residential homestead. Disabled applicants must apply with the appraisal district and furnish a determination letter from Social Security. Disabled persons now receive all benefits on their home that are available to persons who are over 65 years of age (see next paragraph).

**PERSONS WHO ARE OVER 65 YEARS OF AGE**-persons who are over 65 years of age or disabled persons may file for additional exemptions and a freeze tax ceiling on school taxes for their residential homestead, if they become 65 or disabled prior to or during 2018. Over-65 or disabled persons should apply for this exemption at the appraisal district office in their area. Over-65 or disabled persons are also eligible to postpone paying current and delinquent property taxes on their homes by signing a tax deferral affidavit. The taxes continue to accrue during the deferral along with an interest rate of 5% annually, and no attempt will be made to force payment during the deferral. Details and applications may be obtained from any appraisal district or the State Comptroller.

**DISABLED VETERANS**-persons who have been declared disabled by the Veteran's Administration (VA) are eligible for additional exemptions on property they own. The declaration letter from VA is mailed annually, but the appraisal district only needs a copy in the first year of eligibility or if the percentage of disability change. Veterans that first qualify for a 100% homestead exemption are not required to file an annual declaration letter after the first year. The law allows partial exemption for homesteads donated to disabled veterans or surviving spouses by charitable organizations at no cost or not more than 50 percent of the good faith estimate of the homestead's market value. The amount of exemption is equal to the disabled veteran's disability rating. The law also provides a 100% exemption for 100% disabled veterans and their surviving spouses, as well as surviving spouses of U.S. armed service members killed in action. Disabled Veterans are also eligible to postpone paying current and delinquent property taxes on their homes by signing a tax deferral affidavit. The taxes continue to accrue during the deferral along with an interest rate of 5% annually, and no attempt will be made to force payment during the deferral. Details and applications may be obtained from any appraisal district or the State Comptroller.

**FIRST RESPONDERS KILLED IN LINE OF DUTY**-the surviving spouse of a first responder who is killed or fatally injured in the line of duty is entitled to an exemption from taxation of the total appraised value of the surviving spouse's residence homestead, regardless of the date of the first responder's death if the surviving spouse otherwise meets the qualifications found in Texas Property Tax Code § 11.134

**GENERAL PROPERTY TAX EXEMPTION**-non-profit organizations that meet statutory requirements may seek property tax exemptions and must apply to their county appraisal district by a specific date. Businesses that receive tax abatements granted by taxing units; ship inventory out of Texas that may be eligible for the freeport exemption; construct, install or acquire pollution control property; own and operate energy storage systems; convert landfill-generated gas; or store offshore drilling equipment while not in use may also be eligible for statutory exemptions.

**PRODUCTIVITY APPRAISAL – FARM AND RANCH OWNERS**-property owners who use land for agricultural purposes or wildlife management may be entitled to receive an appraisal determined by property use or income to the property. Productivity value appraisal is available to farms and ranches commercially raising crops or livestock or used as a wildlife habitat granted under State guidelines. An application for agricultural use value and additional information is available from your appraisal district. Refiling an application is only necessary if requested to do so by the Chief Appraiser.

**BUSINESS PERSONAL PROPERTY OWNERS**-state law now **REQUIRES** the filing of a rendition declaring what types of business personal property that a person or company owns. Personal property includes inventory and equipment used by a business. Failure to file the rendition will result in a 10% penalty. If a fraudulent rendition is filed, a 50% penalty is mandated. A rendition can be obtained from the appraisal district office where the property is located. A 30-day filing extension is available by written request.

**EXEMPTION APPLICATIONS**-exemption applications for all property tax exemptions including total exemptions for charitable, religious, and other total exemptions may be obtained from an appraisal district nearest you or through the State Comptroller's Office at 1/800-252-9121 (press 2 for the menu and then press 1 to contact the Information Services team) or at their website at <https://comptroller.texas.gov/taxes/property-tax/forms/>

**AVAILABILITY OF ELECTRONIC COMMUNICATIONS**-taxpayers may receive certain notices required by law from the local appraisal district in electronic format. Written agreements with the county appraisal district must be entered first, ensuring what electronic means of delivery are acceptable. If you are interested in receiving communications in electronic format, you should contact your local appraisal district to receive a form requesting electronic communications and how that communication should be transmitted.

**Appraisal Notices**-property owners receive a notice of appraised value from WCAD. The taxing units (entities) will use the appraisal district's value to set property tax for the coming year.

**Protesting Property Appraisal Values**-property owners who disagree with the appraisal district's appraisal of their property for local taxes or for any other action that adversely affects them may protest their property value to the appraisal district's ARB.

## COMMON QUESTIONS-ANSWERED

**What is property tax?** Property taxes are local taxes. The property tax provides more tax dollars for local government services in Texas than any other source. Property taxes help pay for public schools, county roads, police, fire protection, water services, etc. Your property is valued, then local entities set a tax rate and your taxes are collected. Texas law governs how the process works.

**What are my rights under the Texas Constitution?** The Texas State Constitution sets out five (5) standards for the property tax.

1. **Taxation must be equal and uniform.** All property must be valued and taxed in an equal and uniform manner.
2. **With some exceptions, all tangible property must be taxed on its January 1 market value.** A property's market value is the price for which it would sell when both buyer and seller act the best price and neither is under pressure. (Arm's length sale"
3. **All property is taxable unless exempted by federal or state law.** An exemption excludes all or part of a property's value from taxation.
4. **Property owners have a right to reasonable notice of increases in appraised property value.**
5. **Each property in a given appraisal district must have one appraised value.** An appraisal district's boundaries generally follow the boundaries of the county in which it is located.

**How does the system work?** There are three (3) main parts to the property tax system in Texas:

1. An *appraisal district* in each county sets the value of taxable property each year and administers exemptions. The *chief appraiser* is the appraisal district's chief administrator and is responsible to a board of directors for the district's operation.
2. An *appraisal review board* (ARB) hears and rules on disagreements between property owners and the appraisal district about property values, exemptions, special appraisal, and other matters affecting property owners; they also make determinations on taxing unit challenges.
3. Local *taxing units* (entities) decide how much money they will need each year to fund the services they will provide and adopt a budget. The units then set tax rates that will raise the revenue necessary to fund the budget. This in turn, determines the total amount of taxes *property owners* must pay.

**The system has four (4) stages:**

1. Valuing the taxable property
2. Protesting the value
3. Adopting the tax rates
4. Collecting the taxes

**What is the taxpayer's role?** You can play an effective role in the process if you know your rights, understand the remedies available to you, and fulfill your responsibilities as a property owner and taxpayer.

**Know your Rights:**

- You have the right to equal and uniform tax appraisals.
- Unless your property qualifies for special appraisal, such as agricultural land, you have the right to have it taxed as of January 1 market value.
- You have the right to receive all tax exemptions or other tax relief for which you apply and qualify.
- You have the right to notices of changes in your property value or exemptions.
- You have the right to know about a taxing unit's proposed tax rate increase.

**Understand your Remedies:**

- If you believe your property has been appraised for more than its January 1 market value, or if you were denied an exemption, you may protest to the ARB. If you don't agree with the ARB, you may take your case to SOAH, arbitration or district court.
- You may speak out at public hearings when your elected officials are deciding how to spend your tax money and setting the tax rate.
- You and your fellow taxpayers may limit major tax increases in an election to roll back or limit the tax rate.

**Fulfill your Responsibilities:**

- You must apply for exemptions, agricultural appraisal, and other forms of tax relief before the deadlines.
- You must see that your property is listed correctly in the appraisal/tax records with your correct name, address and property description. If your property is omitted from the records and escapes taxation, it becomes subject to a back assessment. In the event a back assessment occurs, it may cover up to five prior years in the case of real property (land and improvements), and up to two prior years for business personal property.
- If you own tangible personal property used for the production of income (business personal property), you must annually render it to the chief appraiser. Personal property which escapes taxation because of failure to render becomes subject to back assessment when discovered by the appraisal district. Penalties apply if you render late or fail to render.
- You must pay your taxes on time. Tax bills are usually mailed in October. If you do not receive a tax bill by year end contact the tax office to find out how much tax you owe and the reason you haven't received a bill. You are still responsible to pay your taxes even if you do not receive a bill.

**How can I change my mailing address?** To protect the interest of property owners, it is WCAD's policy to require a written request to change a mailing address. You may deliver your request in person, by mail, email or fax. Below is information if needed.

**What do I do if the ownership does not reflect the current/correct owner?** Please contact our office at the below address or phone#. WCAD uses official records in the County Clerk's office to change ownership. If your ownership does not reflect correctness, please contact our office with the correct filing information so we can research and update.

**How do I qualify for a homestead exemption?** In order to qualify for a Residence Homestead Exemption, you must have owned and occupied the property as of January 1 of tax year. The property must be your principle residence and you may not claim another homestead on another property.

For more information, you may contact:

**WILBARGER COUNTY APPRAISAL DISTRICT**  
1800 Cumberland St - Vernon TX 76834  
(940) 553-1857  
(940) 552-9541 Fax  
Email: [sburkett@wilbargerappraisal.org](mailto:sburkett@wilbargerappraisal.org)

or

**PROPERTY TAX ASSISTANCE DIVISION INFORMATION SERVICES**  
TEXAS COMPTROLLER OF PUBLIC ACCOUNTS  
(800) 252-9121 Ext 2  
[www.window.state.tx.us/taxinfo/proptax/](http://www.window.state.tx.us/taxinfo/proptax/)