

PROPERTY TAX INFORMATION AVAILABLE FOR TAXPAYERS

This property tax information covers a wide range of topics, such as taxpayer remedies, exemptions, appraisals and is of value to select groups, such as disabled veterans and persons who are 65 years of age or older.

Whether you are a homeowner, business owner, disabled veteran or a taxpayer, it's important you know your rights concerning the property tax laws. You can contact Carson County Appraisal District about any property tax issues with full confidence that we will provide you the most complete, accurate and up-to-date available information to assist you.

This includes information about the following programs.

- **Property Tax Exemptions for Disabled Veterans** - The law provides partial exemptions for any property owned by veterans who are disabled, spouses and survivors of deceased disabled veterans and spouses and survivors of military personnel who died on active duty. The amount of exemption is determined according to percentage of service-connected disability. The law also provides a 100% exemption for 100% disabled veterans and their surviving spouses.
- **Property Tax Exemptions** – 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, firms that ship inventory out of Texas, and businesses that acquire pollution control property may also be eligible for statutory exemptions.
- **Rendering Taxable Property** - If a business owns tangible personal property that is used to produce income, the business must file a rendition with its local county appraisal district by a specified date. Personal property includes inventory and equipment used by a business. Owners do not have to render exempt property such as church property or an agriculture producer's equipment used for farming.
- **Appraisal Notices** – If a taxpayer's property value increased in the last year, the Texas taxpayer will receive a notice of appraised value from the appropriate local county appraisal district. The city, county, school districts and other local taxing units will use the appraisal district's value to set property taxes for the coming year.
- **Property Taxpayer Remedies** – This Comptroller publication explains in detail how to protest a property appraisal, what issues the county appraisal review board (ARB) can consider and what to expect during a protest hearing. The publication also discusses the option of taking a taxpayer's case to district court or entering into binding arbitration if the taxpayer is dissatisfied with the outcome of the ARB hearing.
- **Homestead Exemptions** – A homestead is generally defined as the home and land used as the owner's principal residence on Jan. 1 of the tax year. A homestead exemption reduces the appraised value of the home and, as a result, lowers property taxes. Applications are submitted to the appropriate local county appraisal district.
- **Productivity Appraisal** – Property owners who use land for timberland production, agricultural purposes, and wildlife management can be granted property tax relief on their land. They may apply to their local county appraisal district for an agricultural appraisal which may result in a

lower appraisal of the land based on how much the taxpayer produces, versus what the land would sell for in the open market.

- **Residence Homestead Tax Deferral** - Texas homeowners may postpone paying the currently delinquent property taxes due on the appreciating value of their homes by filing a tax deferral affidavit at their local county appraisal district. This tax relief allows homeowners to pay the property taxes on 105 percent of the preceding year's appraised value of their homestead, plus the taxes on any new improvements to the homestead. The remaining taxes are postponed, but not cancelled, with interest accruing at 8 percent per year.

- **Property Tax Deferral for Persons Age 65 or Older and Disabled Homeowners** – Texans who are 65 years of age or older, or who are disabled as defined by law, may postpone paying current and delinquent property taxes on their homes by signing a tax deferral affidavit. Once the affidavit is on file, taxes are deferred, but not cancelled, as long as the owner continues to own and live in the home. Interest continues to accrue on unpaid taxes. You may obtain a deferral affidavit at the appraisal district.

- **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 appraisal review board.

Additional Information

Disabled Veterans May Qualify to Have Some or All of Their Property Taxes Waived

Veterans with a service connected disability are encouraged to file an exemption application form to have their property taxes lowered. Some veterans may even qualify for a 100 percent exemption of their taxes.

Texas law provides partial exemptions for any property owned by veterans who are disabled, surviving spouses and surviving children of deceased disabled veterans. An applicant may claim an exemption on only one piece of property the applicant owned on Jan. 1. The applicant must be a Texas resident to qualify for a homestead exemption. The other partial exemption is for homesteads donated to disabled veterans by charitable organizations at no cost or not more than 50 percent of the good faith estimate of the homestead's market value to the disabled veterans and their surviving spouses.

The exemption amount is determined according to the percentage of service-connected disability.

A disabled veteran who receives 100 percent disability compensation due to a service-connected disability and a rating of 100 percent disabled or individual employability from the United States Department of Veterans Affairs is entitled to an exemption from taxation of the appraised value of the veteran's residence homestead. Surviving spouses of veterans who qualified for this exemption or who would have qualified for this exemption if it had been in effect at the time of the veteran's death are also eligible with certain restrictions. The surviving spouse of a member of the U.S. armed services who is killed in action is allowed a total (100 percent) property tax exemption on his or her residence homestead if the surviving spouse has not remarried since the death of the armed services member.

Any eligible person who has not previously received an exemption should file an exemption application by April 30.

Non-Profits and Some Businesses Face April 30 Deadline to File for Property Tax Exemptions

Non-profit organizations that qualify under Texas law to receive property tax exemptions must apply to the Carson County Appraisal District by April 30.

The April 30 deadline also applies to businesses that receive tax abatements granted by taxing units; ship inventory out of Texas that may be eligible for the freeport exemption; store certain goods in transit in warehouses that are moved within 175 days; 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. If the last day for the performance of an act is a Saturday, Sunday or legal state or national holiday, the act is timely if performed on the next regular business day.

The non-profit organizations that are eligible for property tax exemptions include but are not limited to: certain charitable organizations, youth development organizations, religious organizations, non-profit private schools, cemeteries and veterans' organizations. If a non-profit organization meets property tax exemption qualifications, the exemption can be approved immediately after the organization buys or acquires new property during the year. Non-profit organizations must reapply if the property changes owners; if their qualifications for exemption change; or if they acquire new property. In most cases, after non-profit organizations are granted a property tax exemption, they do not have to reapply annually unless the chief appraiser asks them to file again.

Carson County Appraisal District Reminds Businesses to Render their Taxable Property by April 1

If you own tangible personal property that is used to produce income, you must file a rendition with the Carson County Appraisal District.

A rendition is a report that lists all the taxable property you owned or controlled on Jan. 1 of this year. Property includes inventory and equipment used by a business. Owners do not have to render exempt property, such as church property or an agriculture producer's equipment used for farming.

"The appraisal district may use the information submitted in the rendition to set property values," said Beverly Casselberry.

You can also file a report of decreased value to notify the appraisal district of significant depreciation of your property. "For example, if your property was damaged by a storm, flood or fire last year, you should file a report of decreased value. The appraisal district will look at your property before assigning a value," said Casselberry.

For most property types, renditions must be filed after Jan. 1 and no later than April 1. Different deadlines apply in certain appraisal districts. A property owner may apply, in writing, for a mandatory extension to May 1.

Rendition statements and property reports for property located in an appraisal district in which one or more taxing units exempt freeport property under Tax Code Section 11.251

must be delivered no later than April 1. A property owner may apply, in writing, for a mandatory extension to May 1.

Different deadlines apply for regulated properties.

A 10 percent to 50 percent penalty may be imposed if a rendition is filed late, incomplete or not at all. Property owners who need more time to file their renditions may file a written request with the chief appraiser on or before the rendition deadline to receive an automatic extension, if allowed.

The Chief appraiser may extend the deadline another 15 days for good cause shown in writing by the property owner for each type of property.

Comptroller's Office Encourages Homeowners to Take Advantage of Homestead Exemptions

One of the easiest ways a homeowner can lower his or her property tax bill is to file a homestead exemption. A homestead is generally the house and land used as the owner's principal residence on Jan. 1 of the tax year.

Homestead exemptions reduce the appraised value of your home and, as a result, lower your property taxes. To apply for an exemption on your residence homestead, contact the Carson County Appraisal District.

Available homestead exemptions include:

- **School taxes:** All homeowners may receive a \$25,000 homestead exemption for school taxes.
- **County taxes:** If a county collects a special tax for farm-to-market roads or flood control, a homeowner may receive a \$3,000 homestead exemption for this tax.
- **Age and disability exemptions:** Individuals 65 or older or disabled as defined by law may qualify for a \$10,000 homestead exemption for school taxes, in addition to the \$25,000 exemption available to all homeowners. Also, any taxing unit may offer a local optional exemption of at least \$3,000 for taxpayers age 65 or older and/or disabled. Older or disabled homeowners do not need to own their homes on Jan. 1 to qualify for the \$10,000 homestead exemption. They qualify as soon as they turn age 65 or become disabled.
- Taxing units may offer a **local option exemption** based on a percentage of a home's appraised value. Any taxing unit can exempt up to 20 percent of the value of each qualified homestead. No matter what percentage of value the taxing unit adopts, the dollar value of the exemption must be at least \$5,000.
- **Partial exemption for disabled veterans:** Texas law provides partial exemptions for any property owned by veterans who are disabled, surviving spouses and surviving children of deceased disabled veterans. This includes homesteads donated to disabled veterans by charitable organizations at no cost or not more than 50 percent of the good faith estimate of the homestead's market value to the disabled veterans and their surviving spouses. The exemption amount is determined according to the percentage of service-connected disability.
- **100 Percent Residence Homestead Exemption for Disabled Veterans:** 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 from the United States Department of Veterans Affairs is entitled to an exemption from taxation of the total appraised value of the veteran's residence homestead. Surviving spouses of veterans who qualified for this exemption or who would have qualified for this exemption if it

had been in effect at the time of the veteran's death are also eligible with certain restrictions. The residence homestead application must be filed if this exemption is claimed.

- **Surviving Spouses of Members of the U.S. Armed Services Killed in Action:** The surviving spouse of a member of the U.S. armed services who is killed in action is allowed a total (100 percent) property tax exemption on his or her residence homestead if the surviving spouse has not remarried since the death of the armed services member.
- **Surviving Spouses of First Responders Killed in the Line of Duty:** The eligible surviving spouse of a first responder killed in the line of duty is allowed a total (100 percent) property tax exemption on his or her residence homestead if the surviving spouse has not remarried since the death of the first responder.

Deferred Property Tax Payments

Texans may postpone paying current and delinquent property taxes on their homes by signing a tax deferral affidavit at the Carson County Appraisal District office if they are:

- age 65 or older;
- disabled as defined by law
- qualified disabled veterans, their unmarried surviving spouses, or their unmarried children under age 18, if no surviving spouse; or
- unmarried surviving spouses of U.S. armed service members killed on active duty and their unmarried children under age 18.

Once the affidavit is on file, taxes are deferred — but not cancelled — as long as the owner continues to own and live in the home. Taxes accumulate with 5 percent interest per year. The law extends the tax deferral to the surviving spouse of the person who deferred taxes on the homestead if the surviving spouse was at least 55 years old when the deceased spouse died.

A filed tax deferral affidavit keeps homeowners from losing their homesteads because of delinquent property taxes. A pending sale to foreclose on the homestead's tax lien will also cease as a result of filing a tax deferral affidavit. In addition, no taxing unit can start or continue a lawsuit to collect delinquent taxes once an affidavit is filed. There are no penalties on delinquent taxes during the deferral period; however, a tax deferral does not cancel penalties that were already due.

All deferred taxes and interest become due when the homeowner or surviving spouse no longer own and live in the home. If the tax debt remains unpaid at that time, penalties may be imposed and taxing units may take legal action to collect the past due amount.

Property Taxes on Farms and Ranches Could be Reduced with Productivity Appraisal

Texas farmers and ranchers can be granted property tax relief on their land. They may apply to the Carson County Appraisal District for agricultural productivity appraisal and for a lower appraisal of their land based on how much they produce, versus what their land would sell for on the open market.

The Texas Constitution authorizes two types of agricultural productivity appraisals, 1-d-1 and 1-d, named after the section in which they were authorized. For 1-d-1 appraisal,

property owners must use the land for agriculture or timber and the land's use must meet the degree of intensity generally accepted in the area. Owners must also show that the land was used for this purpose at least five of the preceding seven years. 1-d-1 appraisal does not restrict ownership to individuals and does not require agriculture to be the owner's primary business. Most land owners apply for the 1-d-1 appraisal.

Under 1-d appraisal, the land must have been used for this purpose at least three years and the owner must be an individual versus a corporation, partnership, agency or organization. The land must also be the owner's primary source of income.

Penalties in the form of a rollback tax, or the difference between the taxes paid under productivity appraisal and the taxes that would have been paid if the land had been put on the tax roll at market value, will be imposed if qualified land is taken out of agriculture or timber production.

A rollback tax occurs when a land owner switches the land's use to non-agricultural. These rollback taxes under 1-d-1 are based on the five tax years preceding the year of change.

Under 1-d appraisal, the rollback extends back for three years.

Texas law allows farmers and ranchers to use land for wildlife management and still receive the special appraisal, but the land must be qualified for agriculture use in the preceding year. Land under wildlife management must also meet acreage size requirements and special use qualifications.

The deadline to apply for productivity appraisal is April 30. If the last day for the performance of an act is a Saturday, Sunday or legal state or national holiday, the act is timely if performed on the next regular business day. Owners of land qualified as 1-d must file a new application every year. Owners of land qualified as 1-d-1 need not file again in later years unless the chief appraiser requests a new application.

Homeowners Have Payment Options for Property Taxes on Appreciating Home Values

Texas homeowners may postpone paying the currently delinquent property taxes due on the appreciating value of their homes by taking advantage of a payment option called "residence homestead tax deferral" and filing a tax deferral affidavit at the Carson County Appraisal District.

This tax relief allows homeowners to pay the property taxes on 105 percent of the preceding year's appraised value of their homestead, plus the taxes on any new improvements to the homestead. The remaining taxes are postponed — but not cancelled — with interest accruing at 8 percent per year.

Once the homeowner files the tax deferral affidavit with the appraisal district, no taxing unit can start or continue a lawsuit for the deferred taxes as long as that person owns and lives in the home. When the homeowner no longer owns and lives in the home, the deferred taxes and interest become due. If the taxes are not paid, taxing units can then sue to collect the deferred taxes and interest. Additional penalties are possible.

For more information about these programs, contact Carson County Appraisal District at 102 S. Main in Panhandle, TX at 806-537-3569. More information is also available from the State Comptroller's website at www.window.state.tx.us/taxinfo/proptax/ or you may contact the Texas Comptroller's Property Tax Assistance Division at (800) 252-9121 and press "2" to access the menu, and then press "1".