

# PROPERTY TAXES

Your guide for a complete understanding of residential property taxes in Texas.



Texas relies on property taxes to fund public services due to the absence of an income tax, resulting in some of the **highest property tax rates in the country**. The average property tax rate is 1.31%, but it varies by county. For example, in Central Texas, Travis County's rate is 1.535%, while Hays County's is 1.729%.

For a \$400,000 home, Travis County taxes amount to \$6,140, while in Hays County, it's \$6,916. Property taxes are based on both the market value and the **Tax Assessable Value**, determined by the **Central Appraisal Districts**.

Texans can generally lower their property tax liability through qualified exemptions or by protesting the property's appraised value. Texas offers partial and total exemptions, with partial exemptions reducing a property's taxable value, and total exemptions removing it entirely. While certain exemptions are mandatory, others are determined locally. Property owners should consult **Tax Code Section 5.05(a)** for detailed exemption requirements.

Information is subject to change and is provided by [Texas Comptroller of Public Accounts](#)

## THE ANNUAL PROPERTY TAX PROCESS

JANUARY 1	APRIL - MAY	MAY - JULY	JULY - SEPT.	OCT. - DEC.
County's Central Appraisal District sets value on property.	Appraisal notices are sent to homeowners.	Property owners may protest their appraised value to the appraisal review board (ARB).	Local taxing units adopt budgets and tax rates.	Tax bills are mailed and tax assessor-collectors collect taxes.
<b>JANUARY 31ST</b> Deadline to pay prior year taxes.	<b>APRIL 30TH</b> Deadline to apply for Homestead and Other Exemptions.	<b>30 DAYS (MAY 15)</b> Deadline to protest appraised value is May 15 or 30 days from the date the notice is mailed, whichever is later.	<b>JULY 25TH</b> Chief Appraiser certifies & delivers appraised value roll to taxing jurisdictions.	<b>OCTOBER</b> Consider hiring a company and organizing your neighbors to protest your upcoming appraisal value.

## WHAT'S INCLUDED IN THIS GUIDE

1. Calculating a Property Tax Bill
2. Understanding Homestead Exemptions
3. Types of Property Tax Exemptions
4. Financial Breakdown of Property Tax Exemptions
5. Supplemental Tax Bill
6. 5-Year Renewal for Homestead Exemptions



# CALCULATING A PROPERTY TAX BILL



In Texas, your property tax bills are determined on **FOUR** numbers:

1. Your Property's Appraised Value
2. Exemption Amounts
3. Net Taxable Value
4. The tax rates for each taxing entities where your property is located (city, county, school district, special districts, etc.)



**Travis County**  
Tax Assessor - Collector  
P.O. BOX 149328  
Austin, TX 78714-9328  
(512) 854-9473 SE HABLA ESPAÑOL



**Travis County Tax Office**  
2433 Ridgepoint Drive  
Austin, TX 78754-5231  
Pay online at [www.traviscountytax.org](http://www.traviscountytax.org)  
or by phone at 1-888-286-9242

11/18/2024

## TRAVIS COUNTY TAX BILL

Taxes for the current year (2024) are due upon receipt. Payments by mail are credited according to U.S. Postmark (not meter). Taxes not paid in full by January 31 are charged penalty and interest by state law and may be subject to legal fees. Penalty and interest is added on the 1st day of each month as follows, with an additional 12% interest charged per year thereafter:

February	7%	May	13%	August	19%	November	22%
March	9%	June	15%	September	20%	December	23%
April	11%	July	18%	October	21%	January	24%

IF YOU ARE 65 YEARS OF AGE OR OLDER OR ARE DISABLED, AND YOU OCCUPY THE PROPERTY DESCRIBED IN THIS DOCUMENT AS YOUR RESIDENCE HOMESTEAD, YOU SHOULD CONTACT THE TAX OFFICE REGARDING ANY ENTITLEMENT YOU MAY HAVE TO A POSTPONEMENT IN THE PAYMENT OF THESE TAXES.

### Electronic Payment Options

- Pay taxes and print bills at [www.traviscountytax.org](http://www.traviscountytax.org).
- Payments made via credit card or electronic check are subject to an additional fee.
- Visit [www.traviscountytax.org](http://www.traviscountytax.org) for details.
- Pay by telephone at 1-888-286-9242



2024 PROPERTY TAX NOTICE. THE ASSESSED VALUE IS: 498,233 **#1**

EXEMPTIONS: **HOMESTEAD EXEMPTION**

1 TAXES DUE TAXING UNIT	2 EXEMPTION AMOUNTS	3 NET TAXABLE VALUE	4 TAX RATE PER \$100	5 TAX AMOUNT	6 BILLING
AUSTIN ISD	100,000	398,233	0.950500	3,785.20	7 PROPERTY REAL PERS X
CITY OF AUSTIN (TRAV)	99,647	398,586	0.477600	1,903.65	
TRAVIS COUNTY	99,647	398,586	0.344445	1,372.91	
TRAVIS CENTRAL HEALTH ACC (TRAVIS)	99,647	398,586	0.107969	430.35	
	5,000	493,233	0.101300	499.65	

Remark: LIEN- LOAN-

### 8 PROPERTY DESCRIPTION

ACRES: .7560

9 ACCOUNT NUMBER	
10 DUE DATE	11 TOTAL DUE
01/31/2025	7,991.76

## TIPS TO LOWER YOUR TAX BILL

### REVIEW YOUR PROPERTY TAX ASSESSMENT

- Check for errors like discrepancies in square footage, property condition, or recent improvements.
- Determine whether your home's assessed value is consistent with similar homes in your area.

### PREPARE FOR A PROPER PROTEST

- Deadline to appeal is May 15 or within 30 days of receiving your appraisal notice.
- Gather documentation, such as recent sales data and property appraisals, well in advance of your hearing.

### AUDIT YOUR EXEMPTIONS

- Texas offers several property tax exemptions that can significantly lower your tax bill.
- Review your tax bill and ensure you're receiving your qualifying exemptions.

### APPEAL WITH PROFESSIONAL ASSISTANCE

- Data-Driven Appeals: Access to market research and comparable sales data.
- Expert Negotiations: Knowledgeable representation during hearings.
- Higher Success Rates: Professional guidance increases the likelihood of a successful reduction.

VALUE STILL TOO HIGH?  
Protest Your Property Taxes

Sample Tax Bill for  
Property in Austin, Texas

Understanding the  
Homestead Exemption



# HOMESTEAD EXEMPTION

Breaking down the

WHAT, WHO, WHEN,  
WHY, WHERE & HOW



## WHAT IS IT?

A HOMESTEAD EXEMPTION REDUCES TAXES BY LOWERING A HOME'S TAXABLE VALUE. All school districts offer a \$140,000 homestead exemption, and some taxing units offer additional optional reductions for the homestead exemption. Homeowners can lower their property taxes by applying for these exemptions for which they are eligible. You must OWN your home and occupy it as your primary residence. You can only have ONE primary residence and ONE homestead exemption.

## WHO QUALIFIES?

These requirements must be met to receive the exemption:

1. You must own your home during the year for which you are applying
2. You must reside at the home as your primary residence, and not claim any other property as homestead.
3. Only individual homeowners (*not corporations or other entities*) may receive a homestead exemption. Contact the appraisal district for additional questions.
4. A homestead can be a house, condominium or a manufactured home. It can include up to 20 acres, if the land is also owned by the homeowner and used as a yard, or for another purpose related to the residential use of the home.
5. A homeowner who is 65 years or older or disabled qualifies for an additional exemption; if person was disabled or age 65 on January 1st, the exemptions applies to the entire tax year.

## WHEN DO YOU NEED TO APPLY?

The completed application and required documentation are due no later than April 30th of the tax year for which you are applying. A late application for a residence homestead exemption, including age 65 or older or disabled, may be filed up to two years after the deadline for filing has passed. (*Tax Code Section 11.431*) Once you receive an exemption, you do not need to reapply again unless the chief appraiser sends you a new application.

## WHY APPLY?

1. Potentially reduce the amount you pay in property taxes.
2. Homestead Cap takes effect after you've had your exemption in place for two years. This means that if your home appraises 10% or more above the previous year's appraisal value, you will only be taxed on the 10% increase. While your home will still be appraised for the full amount, you will not be taxed on any increase above 10%.
3. Homeowners 65+ and/or with disabilities receive additional tax relief.
  - An additional \$60,000 by school districts
  - If your taxes were capped and then school tax rates are lowered, you will be taxed at the lowered rate.

## HOW DO YOU APPLY?

1. Complete the *RESIDENCE HOMESTEAD EXEMPTION APPLICATION*. This form is available on the websites of most county appraisal districts, or at the Texas Comptroller's website.
2. Attach a copy of the property owner's driver's license or state-issued personal identification certificate. The address on your ID must match the property address for which the exemption is requested.

## WHERE TO FILE?

File the form and all supporting documentation with the appraisal district office in each COUNTY in which the property is located of the year for which the exemption is requested.

*DO NOT* file your application with the Texas Comptroller of Public Accounts.



### Central Texas COUNTIES

BASTROP bastropcad.org	LLANO llanocad.net
BLANCO blanccad.com	LEE leetax.org
BURNET burnet-cad.org	TRAVIS traviscad.org
CALDWELL caldwellcad.org	WILLIAMSON wcad.org
HAYS hayscad.com	

### Gulf Coast COUNTIES

HARRIS hcad.org	FORT BEND fbcad.org
LIBERTY libertycad.com	GALVESTON galvestoncad.org
MONTGOMERY mcd-tx.org	WALLER waller-cad.org
BRAZORIA brazoriacad.org	CHAMBERS chamberscad.org

APPLICATION

MORE INFO



Click or Scan!



AVAILABLE EXEMPTIONS  
ON NEXT PAGE



# Types of Property Tax Exemptions

There are several exemptions available to Texas property owners to help lower their tax burden. You must file for an exemption after you purchase your property, but you don't need to file every year unless you receive a written request from your [Central Appraisal District](#).



## HOW DO YOU KNOW IF YOUR ELIGIBLE?

NAME OF EXEMPTION	DESCRIPTION OF ELIGIBILITY
<b>GENERAL RESIDENCE HOMESTEAD</b>	You owned and occupied the property as your principal residence on Jan. 1 or you owned and occupied the property as your principal residence after Jan. 1 and the previous owner did not receive the same exemption for the tax year and you did not claim a residence homestead exemption on any other property in the same year.
<b>AGES 65+ (SENIOR) - OR - DISABLED</b>	This exemption is effective Jan. 1 of the tax year in which you become age 65. A disabled person must have a disability that qualifies you for purposes of payment of disability insurance benefits under Federal Old-Age, Survivors, and Disability Insurance. An eligible person age 65 or older AND disabled may receive both exemptions in the same year, but not from the same taxing units.
<b>HEIR PROPERTY</b>	<p>Heir property is property owned by one or more individuals, where at least one owner claims the property as a residence homestead, and the property was acquired by will, transfer in death deed, or intestacy.<sup>17</sup> An heir property owner not specifically identified as the residence homestead owner on a deed or other recorded instrument in the county where the property is located must provide:</p> <ul style="list-style-type: none"> <li>• an affidavit establishing ownership of interest in the property;</li> <li>• a copy of the prior property owner's death certificate;</li> <li>• a copy of the property's most recent utility bill; and</li> <li>• a citation of any court record relating to the applicant's ownership of the property, if available.</li> </ul> <p>An owner may record their interest in the heir property in the local county clerk's office where the property is located.</p>
<b>DISABLED VETERANS</b>	
<b>100% DISABLED VETERAN</b>	You receive 100 percent disability compensation due to a service-connected disability and a rating of 100 percent disabled or individual unemployability from the U.S. Department of Veterans Affairs.
<b>PARTIALLY DISABLED VETERAN</b>	The exemption amount depends on the disability rating from the U.S. Veterans' Administration or the branch of the armed services in which the veteran served.
<b>DONATED RESIDENCE</b> <i>of partially Disabled Veteran</i>	You are a disabled veteran with a disability rating of less than 100 percent with a residence homestead donated by a charitable organization at no cost or at some cost that is not more than 50 percent of the good faith estimate of the residence homestead's market value as of the donation date.
<b>SURVIVING SPOUSES</b>	
<i>Of an individual who qualified for</i> <b>AGE 65 OR OLDER</b>	You may receive this exemption if you are age 55 or older when your spouse died, the property was your residence homestead at the time of death and remains your residence homestead.
<i>Of an individual who qualified for</i> <b>100% DISABLED VETERAN</b>	You are the surviving spouse of a veteran who qualified for exemption at the time of death or would have qualified for exemption if exemption had been in effect on the date the veteran died, have not remarried, the property was your residence homestead at the time of the veteran's death and remains your residence homestead.
<i>Of an individual who qualified for</i> <b>DISABLED VETERAN</b>	You are the surviving spouse of a disabled veteran who qualified for an exemption at the time of his or her death, have not remarried and continue to use the property as your residence homestead.
<i>Of Disabled Veteran with</i> <b>DONATED RESIDENCE</b>	You are the surviving spouse of a disabled veteran (who qualified for an exemption under Tax Code Section 11.132(b) at the time of his or her death), have not remarried and continue to use the property as your residence homestead.
<i>of CERTAIN</i> <b>QUALIFYING VETERAN</b>	You are the surviving spouse of a veteran who died as a result of a qualifying condition or disease under Tax Code Section 11.136 and have not remarried.
<i>of U.S. ARMED SERVICES</i> <i>member killed or fatally</i> <i>injured in the line of duty</i>	You are the surviving spouse of a U.S. armed services member who is killed or fatally injured in the line of duty and have not remarried.
<i>of FIRST RESPONDER killed or</i> <i>fatally injured in the line of duty</i>	You are the surviving spouse of a first responder who was killed or fatally injured in the line of duty and have not remarried.
<b>TEMPORARY EXEMPTIONS</b>	
<i>For qualified property physically</i> <b>DAMAGED BY DISASTER</b>	A property with at least 15% damaged by a disaster in a governor-declared disaster area is eligible for a temporary exemption of a portion of appraised value; application date must be within 105 days of disaster declaration.
<i>For qualified property</i> <b>DESTROYED BY FIRE</b>	Single-year exemption for residence homestead improvement that are completely destroyed by fire, was habitable immediately before the fire, and remains uninhabitable for at least 30 days post fire. Property owners must submit an application for this exemption to property's local appraisal district within 180 days of the fire.

On The Next Page: A financial breakdown and example of taxable savings from property tax exemptions.



# PROPERTY TAX EXEMPTIONS Financial Breakdown



There are several exemptions available to Texas property owners to help lower their tax burden. You must file for an exemption after you purchase your property, but you don't need to file every year unless you receive a written request from your [Central Appraisal District](#).

NAME OF EXEMPTION	TAXING UNIT(S)	TOTAL / PARTIAL	MANDATORY / LOCAL OPTION	AMOUNT
<b>GENERAL RESIDENCE HOMESTEAD</b>	School Districts	Partial	Mandatory	\$140,000
	Cities, Counties, School Districts or Special Districts	Partial	Local Option	An amount up to 20% of the property's value, but not less than \$5,000
<b>AGES 65+ (SENIOR) - OR - DISABLED</b>	School Districts	Partial	Mandatory	\$60,000
	Cities, Counties, School Districts or Special Districts	Partial	Local Option	An amount adopted by the taxing unit, but no less than \$3,000
<b>FARM-TO-MARKET ROADS - OR - FLOOD CONTROL</b>	Counties	Partial	Mandatory (if collected)	\$3,000
DISABLED VETERANS				
<b>DISABLED VETERAN</b> <i>This exemption can be applied ANY ONE property owned by the disabled veteran.</i>	Cities, Counties, School Districts or Special Districts	Partial	Mandatory	Partial amount from property's value determined by the percentage of service-connected disability: 10-29% = Up to \$5,000 30-49% = Up to \$7,500 50-69% = Up to \$10,000 70-100% = Up to \$12,000
<b>100% DISABLED VETERAN</b>	Cities, Counties, School Districts or Special Districts	Total	Mandatory	100% of the property's value
<b>DONATED RESIDENCE</b> <i>to Disabled Veteran by Charitable Organization</i>	Cities, Counties, School Districts or Special Districts	Partial	Mandatory	An amount determined by the percentage of service-connected disability
SURVIVING SPOUSES				
<b>OF U.S. ARMED SERVICES MEMBER KILLED IN THE LINE OF DUTY</b>	Cities, Counties, School Districts or Special Districts	Total	Mandatory	100% of the property's value
<b>OF FIRST RESPONDER KILLED OR FATALLY INJURED IN THE LINE OF DUTY</b>	Cities, Counties, School Districts or Special Districts	Total	Mandatory	100% of the property's value
<b>SURVIVING SPOUSE OF CERTAIN QUALIFYING VETERAN</b>	Cities, Counties, School Districts or Special Districts	Total	Mandatory	100% of the property's value

## EXAMPLE OF TAXABLE SAVINGS VIA EXEMPTIONS WITH THE FOLLOWING DETAILS

Property Location: City of Austin (Travis County)

Qualifying Exemptions: General Homestead & Senior (65+)

QUALIFIED EXEMPTION(S)	TRAVIS COUNTY CAD ASSESSED VALUE: \$549,303	EXEMPTION AMOUNT	TAXING ENTITY	NET TAXABLE VALUE / ENTITY	TAX AMOUNT
<b>TOTAL TAX BILL =</b>					<b>\$6,038.86</b>
<b>GENERAL RESIDENCE HOMESTEAD</b>	Mandatory Partial: Austin ISD @ Set Amount	\$140,000	<b>AUSTIN ISD</b> The tax amount paid the year you turn 65 will be locked in.	<b>\$324,303</b> @ 0.925200/\$100	\$3,000.45
	Local Option Partial: City of Austin (Trav)	Adopted Amount			
	Local Option Partial: Travis County	Adopted Amount			
	Local Option Partial: Travis Central Health	Adopted Amount			
	Local Option Partial: ACC (Travis)	Adopted Amount	<b>CITY OF AUSTIN (TRAV)</b>	<b>\$247,442</b> @ 0.524017/\$100	\$1,296.64
<b>AGES 65+ (SENIOR)</b>	Mandatory Partial: Austin ISD @ Set Amount	\$60,000	<b>TRAVIS COUNTY</b>	<b>\$296,222</b> @ 0.375845/\$100	\$1,113.34
	Local Option Partial: Austin ISD @ Set Amount	\$25,000			
	Local Option Partial: City of Austin (Trav)	Adopted Amount			
	Local Option Partial: Travis County	Adopted Amount			
	Local Option Partial: Travis Central Health	Adopted Amount			
	Local Option Partial: ACC (Travis)	Adopted Amount	<b>ACC (TRAV)</b>	<b>\$468,810</b> @ 0.103400/\$100	\$328.37

On The Next Page: Understanding Supplemental Tax Bills in Texas

## What are they?

A supplemental tax bill is an additional property tax bill that is issued when there is a change in your property's assessed value outside of the regular annual assessment cycle. This typically happens after certain events, such as a change in ownership (*buying or selling a home*), new construction, or significant improvements to your property. The supplemental tax bill reflects the difference in taxes owed due to the reassessment and is separate from your standard annual property tax bill. It is prorated based on the time remaining in the fiscal year after the event occurs. Supplemental tax bills are in addition to your regular annual property tax bill and are sent directly to the property owner, not to the mortgage lender.

## When do they occur?

Supplemental tax bills are typically triggered by events that cause a property's assessed value to change outside of the regular annual assessment cycle. The most common scenarios include:

- **Change in Ownership:** When a property is sold or transferred, the county reassesses the property based on the new purchase price or market value. This reassessment often results in a higher (*or sometimes lower*) assessed value, leading to a supplemental tax bill that covers the difference in taxes owed from the date of ownership change to the end of the tax year.
- **Completion of New Construction:** If you build a new home, add significant improvements (such as an accessory dwelling unit or major addition), or complete other substantial construction projects, the property's value is reassessed to include the new improvements. This increase in value can generate a supplemental tax bill for the period from the completion date to the end of the tax year.
- **Significant Improvements or Renovations:** Major renovations that substantially increase the property's market value—such as adding a pool, expanding the living space, or upgrading key features—can also trigger a reassessment and a supplemental tax bill.
- **Title Changes:** In some cases, adding or removing someone from the property title (*outside of a sale*) may be considered a change in ownership and can prompt a reassessment, resulting in a supplemental tax bill.

## How is a supplemental tax bill calculated?

The supplemental tax is based on the difference between your property's previous assessed value and its new assessed value after the triggering event. Here's how it works:

- The county assessor determines new value of your property.
- The difference between old & new assessed values is calculated.
- This difference is multiplied by the local tax rate.
- The result is prorated based on the number of months remaining in the fiscal year after the event.

### EXAMPLE:

If you purchase a home for \$350,000 (previously assessed at \$200,000) with two months left in the tax year, the supplemental tax will be based on the \$150,000 difference, prorated for two months.

## Why do supplemental tax bills matter?

Many new homeowners are surprised by supplemental tax bills because the property tax proration at closing is based on the old assessed value. The supplemental bill ensures you pay taxes based on your property's current market value from the date you acquired it, making up the difference between what the previous owner paid and what you now owe.

## What do sellers need to know?

One of the most common—and frustrating—issues for sellers involves property tax exemptions, such as homestead or over-65 exemptions. When these exemptions are removed (*because the property is sold or the owner no longer qualifies*), the property's taxable value increases. This can result in a supplemental tax bill for the period when the exemption was no longer applicable.

### Here's how it typically unfolds:

- **Exemptions Removed:** The seller has benefited from a lower tax rate thanks to exemptions. At closing, the tax figures are adjusted to reflect the removal of these exemptions.
- **Unexpected Costs:** Many sellers are surprised and upset by this adjustment, wondering, "Why didn't the county appraisal district (CAD) notify me?" It's important to know that it's the property owner's responsibility to inform the CAD when an exemption no longer applies.
- **Escrow Holdback:** To address this potential supplemental tax bill, an escrow agreement is often created. This agreement holds back 1.5 times the estimated supplemental amount until the CAD issues the final bill.
- **Timing Delays:** Even though the funds are held in escrow, the process is dependent on the CAD's timeline. For example, Travis County can currently take four months or more to issue a supplemental tax bill.
- **Managing Expectations:** During this waiting period, sellers may feel frustrated and look to the title company for answers or expedited processing. While we do our best to assist, we are ultimately dependent on the CAD's schedule.

If you're selling your home, be prepared for possible adjustments at closing and a waiting period for the final supplemental tax bill. Communicating early and understanding the process can help avoid surprises and ensure a smoother transaction.

Homestead Exemption +  
5-Year Renewal





# 5-Year Renewal HOMESTEAD EXEMPTION

ALL TEXAS COUNTIES

## For Homeowners

### THE NEW 5-YEAR AUDIT RULE

State law requires appraisal districts to verify eligibility every 5 years. If a District cannot confirm that an exemption should remain on the property, they are required to ask the property owner to reapply and verify their information to continue their benefits. [Here is a sample of what this letter will look like.](#) (Texas Property Tax Code 11.43 (h-1))

Homeowners will receive a reverification form from the County Appraisal District (CAD) and must return it by the deadline on the form to keep their exemption. **If it's not returned on time, the exemption could be removed, and taxes will go up.** The deadline to submit your information is listed on your notification. Verifying your eligibility is easy and can be completed online in just a few minutes. Action on your verification will occur within 90 days from the date it is received. If it is determined that you no longer qualify for your exemptions, you will be notified and offered an opportunity to protest the decision.

### WHY THE CHANGE?

This rule ensures that only homeowners who qualify for the exemption continue to receive it.

### IMPACT ON HOMEOWNERS

Homeowners should keep an eye out for the form from their CAD and make sure they complete and return it before the deadline. It's an easy step to ensure they stay on track.

### HOW TO RENEW

The form will come with clear instructions on how to fill it out and where to send it. It's important to follow those instructions to avoid issues.

### CHECK THE STATUS OF YOUR HOMESTEAD EXEMPTION

Homeowners can check on the status of their homestead exemption by going to their county's appraisal district website. [Click here for a list of all county appraisal district websites.](#) A quick property search should reveal which exemptions are valid.

### IF YOU LOST YOUR HOMESTEAD EXEMPTION

If the homestead exemption is removed there is a possibility that the new tax amount will not honor the previous years of exemptions. There is a two-page document where homeowners must confirm that the property is their primary residence, and the address on their state-issued driver's license or ID must match the home's physical address. If you have already paid your taxes at the higher rate, there's good news—refunds are possible.



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