

CENTRAL APPRAISAL DISTRICT OF JOHNSON COUNTY
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NOTICE TO TAXPAYERS

April 3, 2015

A 2015 publication called *Property Taxpayer Remedies* is available to help taxpayers stay informed of their rights. Published by the State Comptroller's office in Austin, the reference guide addresses property tax basics, providing a step by step guide on preparing for a protest hearing and what they can do if they are dissatisfied with an appraisal review board's decision. It also provides key dates so property owners know what they must do and when they are required to act to exercise their right to protest.

Homeowners may file for various property tax exemptions offered by taxing units on residence homesteads. Exemptions apply to property taxes collected by all types of taxing units: counties, cities, school districts, and special districts (such as municipal utility, junior college, and hospital districts). In Texas, a homestead is generally the house and yard used as the owner's principal residence.

All homeowners who owned and lived in their homes on January 1 may file for a \$15,000 general exemption from their principal home's value for school taxes and disabled homeowners and those aged 65 or older may qualify for an additional \$10,000 exemption from the value of their homes. In addition, any taxing unit's governing body may grant an additional local-option exemption on the homesteads of disabled or those aged 65 or older, or both and may be no less than \$3,000.

For example, if your home is located in the Cleburne Independent School District, is listed on the 2014 appraisal roll at a value of \$80,000, and you are eligible for a homestead exemption on that property, your taxes are calculated as follows:

2014 Property Value		\$80,000
Homestead Exemption	-	<u>\$15,000</u>
2014 Taxable Value		\$65,000
2014 Tax Rate per \$100 Value	x	<u>\$1.3666</u>
2014 Taxes due Cleburne ISD		\$888.29

In the above example, if you are also disabled or aged 65 or older, the calculation would be as indicated below:

2014 Property Value		\$80,000
Homestead Exemption	-	\$15,000
Exemption for Disabled or Age 65 or Older	-	\$10,000
Local Option Exemption for Age 65 or Older	-	<u>\$ 7,000</u>
2014 Taxable Value		\$48,000
2014 Tax Rate per \$100 Value	x	<u>\$1.3666</u>
2014 Taxes due Cleburne ISD		\$655.97

A tax freeze, or ceiling, for school taxes is a benefit for homeowners once they become 65 years old or are disabled. A law provides that homeowners who turn 65 may apply during the year, rather than waiting until January 1.

An elderly or disabled homeowner's taxes that pay for public schools cannot increase above the total school tax amount on that home in the first year that the homeowner receives the aged 65 or older or disabled homeowner exemption. However, taxes may increase if the homeowner improves or adds to the house, such as adding a pool or patio.

The law provides an additional school tax benefit for certain homeowners. If the surviving spouse of an aged 65 or older homeowner is at least 55 years old at the time of the older spouse's death, then he or she can keep the school tax ceiling. The tax ceiling, however, does not apply for other taxing units, such as the county and city, unless the governing body of the entity votes to grant the freeze, or ceiling.

The surviving spouse also may retain the aged 65 or older homeowner's exemptions offered by the local taxing units, if the surviving spouse is at least 55 years old at the time of the older spouse's death and owns and lives in the home.

Homeowners age 65 or older do not need to reapply for the exemption this year if they received the exemption and tax ceiling last year. Homeowners turning 65 during the year may file for the aged 65 or older exemption up to one year from the date they turned 65, owned the home, and lived in it as their principal residence. Only those who have never had the exemption and tax ceiling -- such as the surviving spouse age 55 or older -- must apply in 2015.

Homeowners are also eligible for a \$3,000 general exemption because the county levies a tax for farm-to-market roads or flood control.

Any taxing unit may offer a local-option exemption that allows a percentage reduction in each residence homestead's appraised value. In 2015, a taxing unit may exempt up to 20 percent of each qualified home's appraised value. Taxing units offering the percentage exemption and the percentage they offer are:

City of Cleburne	10% or not less than \$5,000
Johnson County	1% or not less than \$5,000
Johnson County Lateral Road	1% or not less than \$5,000
Johnson County Emergency Services District	1% or not less than \$5,000
Hill College	1% or not less than \$5,000

Texas law provides partial exemptions for any property owned by veterans who are disabled, spouses and survivors of deceased disabled veterans. This includes homesteads donated to disabled veterans by charitable organizations at no cost to the disabled veterans. The amount of exemption is determined according to the percentage of service-connected disability.

A disabled veteran who receives from the United States Department of Veterans Affairs (1) 100 percent disability compensation due to a service-connected disability; and (2) a rating of 100 percent disabled or of individual unemployability is entitled to an exemption from taxation of the total appraised value of the veteran's residence homestead. Surviving spouses are also

eligible upon the veteran's death with certain restrictions. The residence homestead application must be filed if this exemption is claimed.

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.

Productivity appraisal is another type of tax relief available to owners of agricultural land. It is available in two forms, referred to by its location in the Texas Constitution: "1-d" or agricultural-use appraisal, and "1-d-1" or open-space land appraisal.

Landowners who wish their land to receive 1-d appraisal must apply each year. The landowner must file a signed, sworn application with the chief appraiser by April 30. However, owners of land receiving 1-d-1 appraisal do not need to reapply, unless the chief appraiser requests in writing that they do so.

Because the qualifications are less strict, many landowners choose to apply for 1-d-1. However, if the land's use changes to a non-agricultural one, the period for recapturing lost taxes is five years for 1-d-1. For 1-d, the recapture time is three years for change of ownership or use.

All property owners in the Central Appraisal District of Johnson County are urged to read the *Remedies* publication and learn about the property tax system and all possible property tax relief. Appraisal district staff is available to offer more information about special land appraisal, tax renditions, and exemptions. Remember, exemption applications must be filed with the Appraisal office by April 30 and any protests by May 31.

The *Remedies* publication may be obtained from the Appraisal office at 109 North Main Street in Cleburne, Texas during office hours from 8:00 a.m. to 4:30 p.m. Monday through Friday, except holidays.

The information contained herein is provided by Jim Hudspeth, Executive Director and Chief Appraiser of the Central Appraisal District of Johnson County. It has been forwarded to all newspaper agencies and radio stations within this area.