

Disaster Relief - Property Taxes

Disaster exemption: If your homestead is rendered uninhabitable or unusable due to casualty, wind, or water damage, your homestead exemption stays in place if you rebuild on the same property and live there afterward. Physical preparation of the site must begin within one year after you vacate. Preparation includes land clearing, soil testing and architectural work. The exemption lasts up to two years.

How can I get my taxes reduced? If you think your appraisal is too high or your home has lost value for any reason, including damage due to disaster, you can challenge your homestead appraisal by filing a written notice of protest before May 31 or within 30 days of receiving a notice of appraised value, whichever is later.

What is a property tax exemption? An exemption removes part of the value of your property from taxation and lowers your tax bill. Your home qualifies for a homestead exemption if you own it and it is your principal place of residence on January 1, when property taxes are assessed.

- A husband and wife can claim only one residence for the homestead exemption.
- The exemption applies to up to one acre of property in an urban area and 20 acres in a rural area.
- A one-time application for homestead exemption must be filed between January 1 and April 30 to get an exemption in that year. Get the form here: www.window.state.tx.us/taxinfo/taxforms/50-114.pdf.
- The application for homestead exemption is *free* and there is *no fee to apply*.
- You can be absent for up to two years and still qualify for the exemption if you intend to live in your homestead when you return.
- A manufactured home can qualify for a homestead exemption if special rules are followed about statement of ownership and location. To find out more: www.tdhca.state.tx.us/mh/faqs-sol.htm.

How much will I save with the exemption? It depends on the type of exemption and the amount allowed by your local taxing unit. For example, a homestead valued at \$200,000 with the 20% exemption (\$40,000) means you would pay property taxes as if your home were worth only \$160,000. Under state law, every homestead is entitled to a school tax exemption of \$15,000.

Will my homestead exemption protect me from lawsuits? Two different laws apply to homesteads: The Texas *Tax Code* has certain exemptions that allow you to reduce annual property taxes on your homestead. The Texas *Property Code* protects your homestead from a forced sale to satisfy creditors. *Your homestead is NOT protected from foreclosure for unpaid property taxes!*

What other exemptions are available? In addition to homestead, other exemptions include:

- **Over 65.** Exemption if you are 65 or older and live in the house. If you die at 65 or older, the exemption continues for your surviving if he or she is 55 or older when you die. Your school taxes will be frozen at the amount owed in the year you turn 65. The freeze continues for 55-or-older surviving spouses.
- **Disability.** Exemption if you have disability. "Disability" is defined by whether you qualify for Social Security disability benefits. If you have a disability and are over 65, you will only qualify for the Over-65 exemption, not both. A disabled child in the home will not qualify for disability exemption.
- **Veterans.** Exemption for veterans who are disabled, spouses and survivors of disabled veterans, and spouses and survivors of military personnel killed on active duty. The amount of the exemption depends on the percentage of service-connected disability. 100% disabled = 100% exemption.

What happens if I don't pay? The taxing unit can put a lien on your homestead and foreclose on your home. If your homestead was foreclosed, you have two years to buy it back. If your property taxes have been *delinquent for more than 20 years, you cannot be sued* or your property foreclosed.