

General Residential Homestead Exemption

The general residential homestead exemption is provided by state law for owner-occupied residential properties. The exemption removes a portion of your value from taxation providing a lower tax amount for the homestead property.

To **qualify**, the property must be designed or adapted for human residence and the homeowner must own and occupy the property on January 1 of the year application is made. The person claiming the exemption must reside at the property on January 1 and cannot claim a homestead exemption on any other property. If more than one individual (not a married couple) owns the property, each separate individual must provide an application if they reside at the property. Exemptions are allocated according to percent of ownership interest the applicant has in the property. The exemption application must be completed and include a Texas driver's license or Texas identification card with the same address of the residence which is being applied for.

Over-65 Homestead Exemption

You may qualify for this exemption in the year you become age 65. You must submit proof of age. Acceptable proof includes a copy of the front side of your Texas driver's license or Texas identification card. If you qualify for the Over-65 Exemption, there is a property tax "**ceiling**" that **automatically limits School taxes** to the amount you paid in the year that you first qualified for the Over-65 exemption. A County, City or Junior College may also limit taxes for the Over-65 Exemption if they adopt a tax ceiling. Tax ceiling amounts can **increase** if you add improvements to your home (i.e., adding a garage, room or pool).

In addition, Over-65 homeowners who purchase or move into a different home in Texas may also **transfer the percentage** of school taxes paid based on the former home's school tax ceiling. This is commonly referred to as a **Ceiling Transfer**. You must request a certificate from the Appraisal District for the former home and take it to the Appraisal District for the new home, if it is in a different county. It is possible to transfer your tax ceiling for the purposes of County, City or Junior College District taxes if they have adopted a tax ceiling; however, you must move to another home within the same taxing unit.

Over-55 Surviving Spouse of a Person who Received the Over-65 Exemption

If a homeowner who has been receiving the Over-65 exemption dies, the ceiling transfers to the surviving spouse, if the survivor is 55 or older and has ownership in the home. The survivor also qualifies if the deceased spouse would have applied and qualified for the exemption in the year of the spouse's death. Proof of age of the survivor and proof of death of the deceased spouse must be provided.

100% Disabled Veterans Exemption

Beginning in 2009, certain disabled veterans are eligible for 100% exemptions for their residence homestead. Documentation from the Department of Veterans Affairs (VA) must be submitted indicating (1) 100 percent disability compensation due to a service connected disability; and (2) a rating of 100 percent disabled or a determination of individual **unemployability** from the VA. Attach

copy of your award letter or documentation from the VA to the application.

Disability Homestead Exemption: Information and Requirements

In Texas, a disabled adult has a right to a special homestead exemption. If you qualify, this exemption can reduce your taxes substantially. By law, school districts must provide a \$10,000 disability exemption. Other taxing entities have the option to offer disability exemptions of at least \$3,000. If you qualify, you will receive this exemption in addition to the general homestead exemption. However, you cannot receive both a disability exemption and an over-65 exemption.

Who is a disabled person for the purposes of this exemption?

The Texas Property Tax Code provides that you are entitled to the exemption if you meet the Social Security Administration's tests for disability. In simplest terms:

- 1) You must have a medically determinable physical or mental impairment;
 - 2) The impairment must prevent you from engaging in *any* substantial gainful activity; and
 - 3) The impairment must be expected to last for at least 12 continuous months or to result in death.
- Alternatively, you will qualify if you are 55 or older and blind and cannot engage in your previous work because of your blindness.

Do I have to be receiving disability benefits to qualify?

You do not have to be receiving disability benefits, but you must meet the definition of disabled given above. If you receive disability benefits under the Federal Old Age, Survivors, and Disability Insurance Program through the Social Security Administration you will automatically qualify. Disability benefits from any other program do not automatically qualify you for this exemption.

How do I claim the exemption?

To claim the exemption, you must file an application with the appraisal district. The application must include documentation of your disability. The application form is entitled "**Application for Residence Homestead Exemption.**" This form can be obtained from our website or from the Customer Service Division of the Travis Central Appraisal District. Complete all applicable information on the form. Be especially certain to mark the box that recognizes your claim for the disability exemption. The most common reason for denial of this exemption is failure to provide adequate documentation.

What kind of documents should I include?

If you are receiving Social Security disability, a current copy of your disability determination issued by the Social Security Administration is needed, such as your Award letter, "B.P.Q.Y." or "T.P.Q.Y" form. These documents can be obtained by contacting the local Social Security office. If you are not receiving Social Security Disability, then have your physician complete and return TCAD's Physician statement available at the TCAD website www.traviscad.org under Forms or attach a statement from your physician verifying your permanent disability. Physician's statements are intended to be **temporary** while you are qualifying for other disability benefits, and you may be required to reapply for the disability exemption.

Where do I file my application?

Once you have completed the application and secured appropriate documentation, file your application with the Chief Appraiser. You may mail or file your request directly with the appraisal district at the address given on this form. Action on your application usually will occur within four to six weeks from the date it is received. In the event the appraisal district disagrees with your request, you will be notified and offered an opportunity to protest this decision. For any questions or additional assistance, you are encouraged to call a TCAD representative at (512) 834-9317 between the hours of 7:45 a.m. and 4:45 p.m., Monday through Friday.

If you qualify for the Disability Exemption, there is a property tax “ceiling” that **automatically limits School taxes** to the amount you paid in the year that you first qualified for the Disability exemption. A County, City or Junior College may also limit taxes for the Disability Exemption if they adopt a tax ceiling. Tax ceiling amounts can increase if you add improvements to your home (i.e., adding a garage, room or pool).

In addition, Disabled homeowners who purchase or move into a different home in Texas may also **transfer the percentage** of School taxes paid based on the former home’s school tax ceiling. This is commonly referred to as a **Ceiling Transfer**. To transfer your tax ceiling for the purposes of County, City or Junior College District taxes, however, you must move to another home within the same taxing unit. You must request a certificate from the appraisal district for the former home and take it to the appraisal district for the new home, if it is in a different district.

You may not receive both this exemption and the Over-65 exemption.

Late Filing

When filing for the General Residential Homestead exemption and the Disability Homestead exemption, you must file an application no later than one year after the delinquency date.

Benefits of Exemptions

All school districts in Texas grant a reduction of \$15,000 from your market value for a General Residential Homestead exemption. Some taxing units also offer additional optional reductions for the homestead exemption. In addition, each school district will grant a minimum reduction of \$10,000 from the market value for an over-65 exemption. For optional exemptions, the governing body of each taxing entity decides whether it will offer the exemption and at what percentage or amount.

Other Exemptions

Disabled Veteran or Survivors of a Disabled Veteran

You qualify for this exemption if you are a veteran of the U.S. Armed Forces and your service branch or the Veterans Administration has officially classified you as disabled with a service connected disability rating of 10% or more. You must be a Texas resident. Your application can apply to any property you own on January 1 on which property taxes are assessed. You must complete an application and attach a copy of a current dated letter from the Veterans Administration reflecting the percent of disability

awarded. You must file the application by April 30 or no later than one year after the delinquency date. A surviving spouse or child may also qualify to continue this exemption; a surviving spouse may continue the exemption if the survivor does not remarry. When the disabled veteran attains age 65, is totally blind in one or both eyes, or has lost the use of one or both limbs, they will qualify for an exemption from taxation of \$12,000 of the assessed value of the property regardless of the disability percentage awarded by the Veterans Administration

A surviving spouse of an armed forces member killed on active duty is entitled to an exemption from taxation of \$5,000 of the assessed value of the property the spouse owns. The surviving spouse must be a Texas resident. The surviving children are entitled to an exemption of \$5,000 of the assessed value of the property, divided amongst all the surviving children under age 18 and unmarried. An application must be completed along with a letter from the Veterans Administration showing the person died while on active duty, copy of your marriage license; a surviving child must attach a copy of proof of age and relationship to the deceased.

Over-65 Tax and Disabled Person Deferral

If you are a homeowner who qualifies for the Over-65 or the Disabled Persons exemption, you may also defer or postpone paying any property taxes on your home for as long as you own and live in it. Check with your appraisal district for information about how to apply for this postponement. A deferral affidavit form is available on our web site; it must be notarized and returned to our office. It is important to note that the deferral only postpones your taxes and does not cancel them. It also accrues eight (8) percent interest annually until the deferral is removed. Past taxes and interest become due 181 days after the property is sold or comes under the ownership of heirs.

Note: If you have an existing mortgage on your residence, the tax deferral does not prevent your mortgage company from paying delinquent taxes; a tax deferral applies only to the collection of taxes.

Charitable Exemptions

An organization that qualifies as a charitable organization is entitled to certain exemptions from taxation. To qualify, the organization must be organized exclusively to perform religious, charitable, scientific, literary, or educational purposes, engage exclusively in performing one or more of many charitable functions. A charitable organization must be operated in a way that does not result in accrual of distributable profits, realization of private gain resulting from payment of compensation in excess of a reasonable allowance for salary or other compensation for services rendered, or realization of any other form of private gain, and some charitable organizations must be organized as a non-profit corporation as defined by the Texas Non-Profit Corporation Act. See the Texas Property Tax Code in Section 11.18 for more details. Applications may be obtained from the appraisal district or on our website www.traviscad.org under Forms.

Religious Exemptions

An organization that qualifies as a religious organization is entitled to certain exemptions from taxation. To qualify, the organization must be organized and operated primarily for the purpose of engaging in religious worship or promoting the spiritual well being of individuals. The organization must be operated in such a way that no individual profits (other than salary) and the organization's bylaws,

charter or other regulations must pledge its assets for use in performing the organization's religious functions. See the Texas Property Tax Code in Section 11.20 for more details. Applications may be obtained from the appraisal district or on our website www.traviscad.org under Forms.

Agricultural Appraisal

Land designated for agricultural use is appraised at its value based on the land's capacity to produce agricultural products. The value of land based on its capacity to produce agricultural products is determined by capitalizing the average net income the land would have yielded under prudent management from production of agricultural products during the five (5) years preceding the current year. Property owners may qualify for agricultural appraisal under two different laws. You may refer to Subchapter C, Section 23.41 and Subchapter D, Section 23.51 of the Texas Property Tax Code for details of these laws or you may consult with the appraisal district.

Freeport Exemptions for Business Personal Property

Material that is transported outside of this state not later than 175 days after the date the person who owns it on January 1 acquired it, or imported it into this state, and assembled, manufactured, repaired, maintained, processed, or fabricated and shipped the materials out of the state during the required time is Freeport goods. An application for this exemption must be filed with the appraisal district by April 30 each year. Copies of this application complete with instructions and supplemental forms may be obtained from the appraisal district or on our website www.traviscad.org under Forms.