

homestead exemption FAQs



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WHAT IS A GENERAL HOMESTEAD EXEMPTION?

In Texas, there are a variety of tax exemptions for property and property owners. An exemption removes part of the property's value from taxation, which lowers the tax bill. In most instances, property owners are required to apply for exemptions.

All Texas homeowners may receive a General Residence Homestead Exemption of \$25,000 on the value of the property for school taxes. Other taxing entities may offer other exemptions of some percentage on the property's value.

WHAT IS A HOMESTEAD?

A homestead can be a separate structure, condominium or a manufactured home located on owned or leased land, as long as the individual living in the home owns it. A homestead can include up to 20 acres, if the land is owned by the homeowner and used for a purpose related to the residential use of the homestead.

WHAT HOMESTEAD EXEMPTIONS ARE AVAILABLE?

- **School taxes:** All residence homestead owners are allowed a \$25,000 general residence homestead exemption from their home's value for school taxes.
- **County taxes:** If a county collects a special tax for farm-to-market roads or flood control, a residence homestead is allowed to receive a \$3,000 exemption for this tax. If the county grants an optional exemption for homeowners age 65 or older or disabled, the owners will receive only the local-option exemption.
- **Age 65 or older and disabled exemptions:** Individuals age 65 or older or disabled residence homestead owners qualify for a \$10,000 homestead exemption for school taxes, in addition to the \$25,000 exemption for all homeowners. If the owner qualifies for both the \$10,000 exemption for age 65 or older homeowners and the \$10,000 exemption for disabled homeowners, the owner must choose one or the other for school taxes. The owner cannot receive both exemptions.
- **Optional percentage exemptions:** Any taxing unit, including a city, county, school, or special district, may offer an exemption of up to 20 percent of a home's value. But, no matter what the percentage is, the amount of an optional exemption cannot be less than \$5,000. Each taxing unit decides if it will offer the exemption and at what percentage. This percentage exemption is added to any other home exemption for which an owner qualifies. The taxing unit must decide before July 1 of the tax year to offer this exemption.
- **Optional age 65 or older or disabled exemptions:** Any taxing unit may offer an additional exemption amount of at least \$3,000 for taxpayers age 65 or older and/or disabled.

HOW DO I QUALIFY FOR A GENERAL \$25,000 HOMESTEAD EXEMPTION?

To qualify, you must:

- Own the home on January 1st of the year for which you are applying;
- Reside at the home as your principal residence on January 1st of that year, and not claim any other property as homestead;
- Be an individual (not a corporation or other business entity); and
- Apply between January 1st and April 30th of the year for which you want the exemption.

WHEN AND WHERE DO I APPLY FOR A GENERAL \$25,000 HOMESTEAD EXEMPTION?

To qualify, you must:

- File an Application for Residential Homestead Exemption with the county appraisal district between January 1st and April 30th of the tax year.
- Submit a copy of your driver's license with your application. The address on the license must match the address of the property for which you are requesting the homestead exemption.

*For More Information on the available tax exemptions and the application process for the various exemptions, contact your local appraisal district or visit the Texas Comptroller's website at:
<http://comptroller.texas.gov/taxes/property-tax/exemptions/residence-faq.html>*