

# Texas Property Taxes



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# Understanding Property Taxes



# Property Tax Relief



Texas homeowners often ask:  
Why are my **property taxes** so high?

# Politics of the Texas Property Tax

- State-level Politics
  - Legislation
  - Statutes – Tax Code
- Local Level
  - Values: CAD – Chief Appraiser
  - Rates/revenue:
    - School Districts (1,016)
    - Cities (1,091)
    - County (254)
    - Special Districts (~2,300)

# Distribution of Texas Property Taxes

More than 4,600 local governments in Texas (ISDs, cities, counties, various special districts) collect and spend property taxes.

- Public schools
- City streets
- County roads
- Police departments
- Fire protection
- Libraries, parks, other services

<https://comptroller.texas.gov/taxes/property-tax/basics.php#>

# Property Tax Relief

Texas lawmakers have made property tax relief a top priority in recent legislative sessions.



## Property Tax Relief

- Homestead Exemptions
  - State-mandated for ISDs
    - 2014: \$15K
    - 2015: \$25K
    - 2022: \$40K
    - 2023: \$100K Plus \$10K for 65+
    - 2025: \$140K Plus \$60K for 65+

# State Mandated Property Tax Relief

- Additional Homestead Relief
  - Homestead tax value increase limited to 10% per year
  - 65+ freeze (value increases don't affect tax)
  - Additional exemptions for disabled vets and gold star families
- Rates
  - ISDs, Reduced rev. growth limit from 8% to 2.5% and compressed max M&O rates
  - Counties and Cities, Reduced revenue growth limit from 8% to 3.5%

# Property Tax Relief

## Local-Option (Counties, Cities, SPDs )

### Homestead Exemption Rules:

- Up to 20%, minimum \$5,000 (if adopted)
- Plus, any amount (min \$3,000) for 65 or older or disabled
- Counties collecting FM road or Flood Control: \$3,000 mandated

# Brazos Area Rates and Exemptions

TAXING UNIT	RESIDENTIAL HOMESTEAD		OVER-65 HOMESTEAD		DISABLED PERSONS	
	Required	Optional	Required	Optional	Required	Optional
<b>Brazos County</b>	None	None	None	\$75,000	None	None
<b>Bryan ISD</b>	\$140,000	None	\$60,000	None	\$60,000	None
<b>College Station ISD</b>	\$140,000	None	\$60,000	\$5,000	\$60,000	None
<b>Bryan City</b>	None	None	None	\$15,000	None	None
<b>College Station</b>	\$5,000	5%	None	\$30,000	None	None

## Brazos Area Rates and Exemptions

TAXING UNIT	RESIDENTIAL HOMESTEAD		OVER-65 HOMESTEAD	
	Required	Optional	Required	Optional
Brazos County	None	None	None	\$75,000
Bryan ISD	\$140,000	None	\$60,000	None
College Station ISD	\$140,000	None	\$60,000	\$5,000
Bryan City	None	None	None	\$15,000
College Station	\$5,000	5%	None	\$30,000

# State Mandated Rate Rules

## Schools - ISDs

- Revenue growth limit of 2.5% (existing properties)
- Compressed max M&O rates
- I&S (debt) local vote

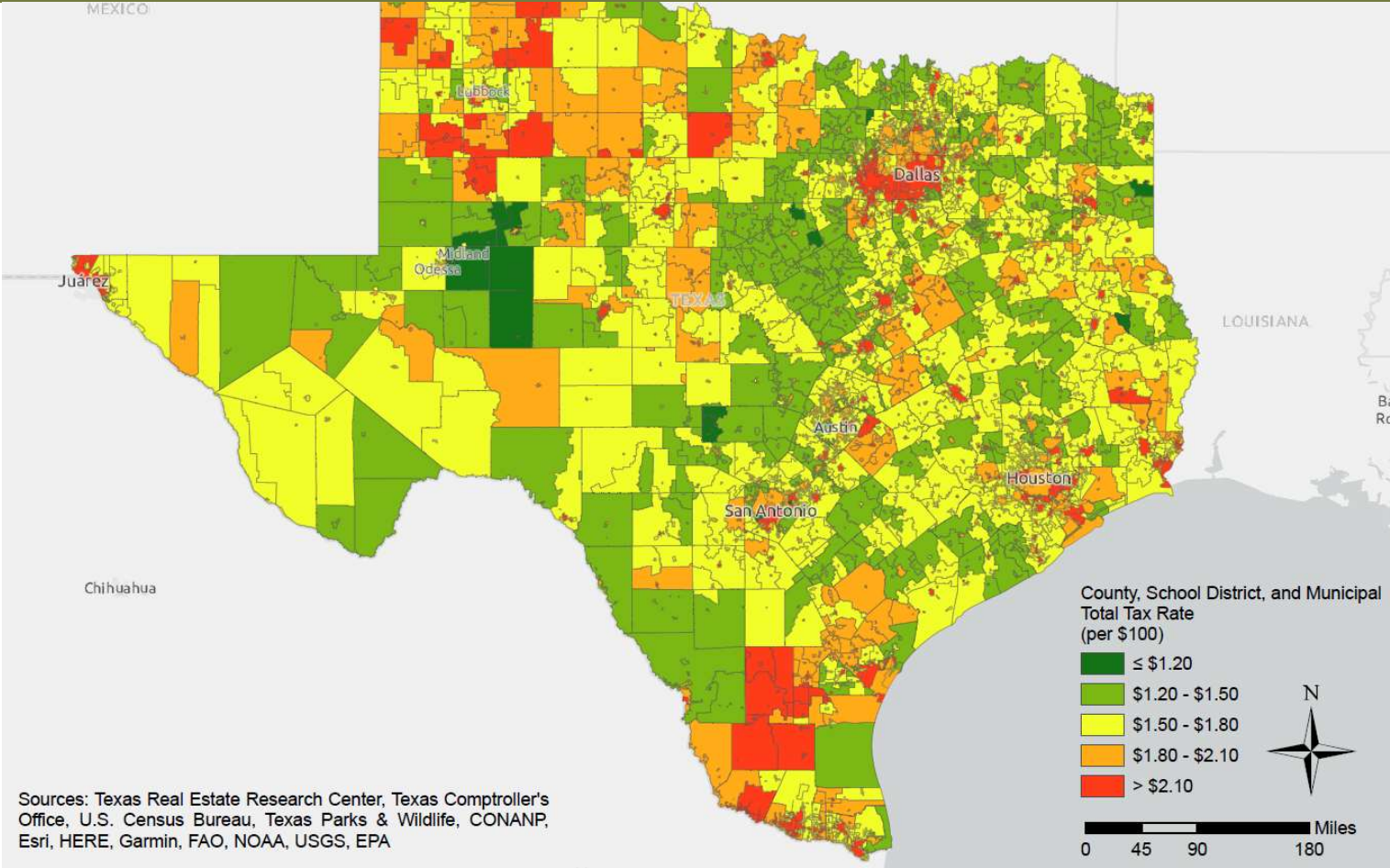
## Counties and Cities

- Revenue growth limit from of 3.5% (existing properties)

## Special Purpose Districts (SPDs)

- Revenue growth limit of 8% (existing properties)

# Property Tax Rates



# Rate Setting

**Input: Approved Local Budgets**  
(The total dollars the entity needs to operate)



**The Core Truth:**  
Rates are merely a mathematical byproduct. If the budget grows faster than the tax roll, the rate automatically goes up.

**Texas Gold**



**Divided By: The Total Tax Roll**  
(The combined appraised value of all properties in the district)

**Output: The Tax Rate**  
(The exact percentage required to extract the budget from the tax roll)

# Brazos Area Rates and Exemptions

Taxing Entity	Adopted Tax Rate	Maintenance & Operations Rate	Debt Rate	No-New-Revenue Tax Rate	No-New-Revenue Maintenance & Operations Rate	Voter-Approval Tax Rate
<b>BRAZOS COUNTY</b>						
Tax Year 2025	0.419700	0.389454	0.030246	0.387683	0.357724	0.423059
Tax Year 2024	0.419700	0.381834	0.037866	0.395162	0.356382	0.444141
Tax Year 2023	0.409700	0.368986	0.040714	0.376088	0.342289	0.489494
Tax Year 2022	0.429411	0.389314	0.040097	0.429411	0.392792	0.518466
Tax Year 2021	0.493500	0.442257	0.051243	0.483626	0.438233	0.510899

The county is providing this table of property tax rate information as a service to the residents of the county. Each individual taxing unit is responsible for calculating the property tax rates listed in this table pertaining to that taxing unit and providing that information to the county.

# Brazos Area Rates and Exemptions

Taxing Entity	Adopted Tax Rate	Maintenance & Operations Rate	Debt Rate	No-New-Revenue Tax Rate	No-New-Revenue Maintenance & Operations Rate	Voter-Approval Tax Rate
<b>BRYAN CITY TEXAS</b>						
Tax Year 2025	0.624000	0.452846	0.171154	0.588897	0.427342	0.628978
Tax Year 2024	0.624000	0.4636300	0.160370	0.604641	0.398968	0.640317
Tax Year 2023	0.624000	0.430822	0.193178	0.546953	0.346443	0.659116
Tax Year 2022	0.629000	0.417996	0.211004	0.594252	0.397649	0.719661
Tax Year 2021	0.629000	0.418980	0.210020	0.612195	0.442976	0.705607

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# Brazos Area Rates and Exemptions

Taxing Entity	Adopted Tax Rate	Maintenance & Operations Rate	Debt Rate	No-New-Revenue Tax Rate	No-New-Revenue Maintenance & Operations Rate	Voter-Approval Tax Rate
<b>COLLEGE STATION CITY TEXAS</b>						
Tax Year 2025	0.511872	0.309204	0.202668	0.490510	0.285425	0.511872
Tax Year 2024	0.513086	0.301645	0.211441	0.499960	0.294061	0.521442
Tax Year 2023	0.513086	0.301644	0.211442	0.455159	0.272655	0.513086
Tax Year 2022	0.524613	0.313172	0.211441	0.475470	0.284883	0.537996
Tax Year 2021	0.534618	0.318176	0.216442	0.518885	0.310411	0.562519

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# Brazos Area Rates and Exemptions

Taxing Entity	Adopted Tax Rate	Maintenance & Operations Rate	Debt Rate	No-New-Revenue Tax Rate	No-New-Revenue Maintenance & Operations Rate	Voter-Approval Tax Rate
<b>BRAZOS COUNTY EMERGENCY SERVICES DISTRICT #1</b>						
Tax Year 2025	0.088553	0.057480	.031073	0.048727	0.036594	0.072375
Tax Year 2024	0.051347	0.038428	0.012919	0.019964	0.019990	0.036652
Tax Year 2023	0.022398	0.022398	0.000000	0.020710	0.020739	0.022398
Tax Year 2022	0.022563	0.022563	0.000000	0.022563	0.022596	0.024403
Tax Year 2021	0.025670	0.025670	0.000000	0.028718	0.023776	0.024608

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## Brazos Area Rates and Exemptions

- The **adopted tax rate** is the tax rate adopted by the governing body of a taxing unit.
- The **maintenance and operations rate** is the component of the adopted tax rate of a taxing unit that will impose the amount of taxes needed to fund maintenance and operation expenditures of the taxing unit for the following year.
- The **debt rate** is the component of the adopted tax rate of a taxing unit that will impose the amount of taxes needed to fund the taxing unit's debt service for the following year.
- The **no-new-revenue tax rate** is the tax rate that would generate the same amount of revenue in the current tax year as was generated by a taxing unit's adopted tax rate in the preceding tax year from property that is taxable in both the current tax year and the preceding tax year.
- The **voter-approval tax rate** is the highest tax rate a taxing unit may adopt before requiring voter approval at an election. An election will automatically be held if a taxing unit wishes to adopt a tax rate in excess of the taxing unit's voter-approval tax rate.

# The Friction Point: The Appraisal Cap Fallacy



## The Myth

If the state caps my home's appraised value, my tax bill is automatically capped.



## The Reality (The Balloon Effect)

Because  $\text{Budgets} \div \text{Tax Roll} = \text{Rate}$ , artificially shrinking the total tax roll forces the local entity to adopt a higher tax rate to meet their budgetary needs.



## Future Potential Property Tax Relief

- Future Relief Options:
  - Continue to increase ISD exemptions?
  - Continue to reduce max ISD M&O rates?
  - Increase local-option homestead exemption limit?
  - Encourage adoption of max local-option homestead exemption?
  - Enact more strict revenue growth limits?
  - Limit property tax dependent debt (I&S rates)?
  - Appraisal caps – inequitable
  - Less frequent reappraisal cycle – inequitable

## Future Potential Property Tax Relief

- Total Cost to State for ISD exemptions and rate compression is currently \$50B+
- Projected Surplus going into next session is \$0.
- Additional State-mandated relief would likely require other tax increases.
- Eliminate property taxes?
  - 22 to 26 percent state sales tax rate – with current exemptions
  - 11 to 15 percent sales tax rate – tax real estate transactions, groceries, medication, all services, etc.





## The System is Built on Your Right to Protest

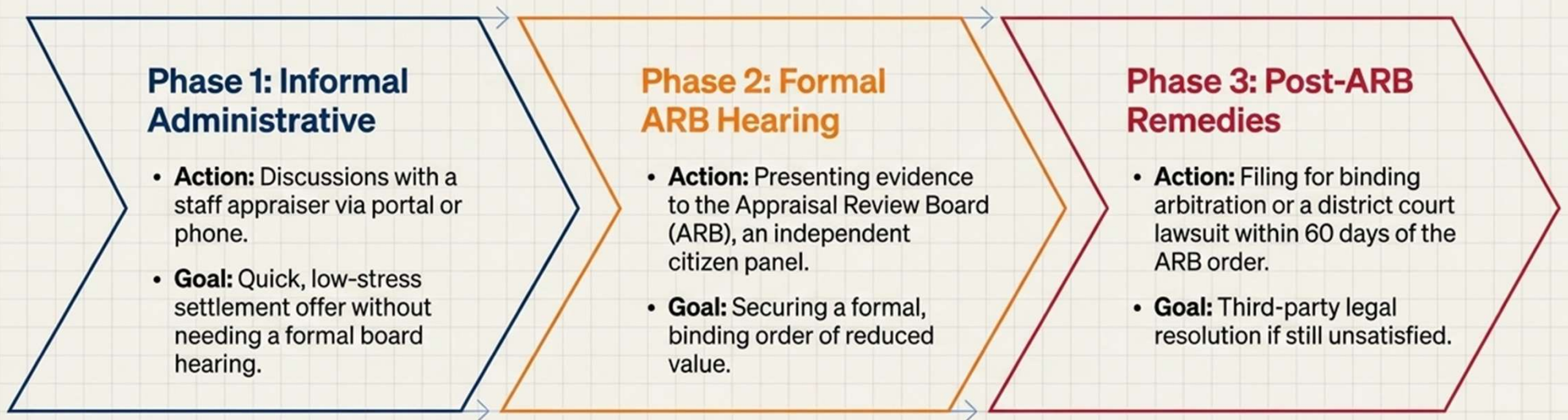
**Texas possesses one of the most taxpayer-friendly property tax codes in the nation—but only if you actively exercise your rights.**

Under Chapter 41 of the Texas Property Tax Code, you have the statutory right to protest disagreements with the appraisal district. The district only determines value; they do not set your final tax bill.



**DO: Act as your own best advocate. No one knows your property's unique flaws and market realities better than you do.**

# The Escalation Path: Three Phases of Appeal



**DON'T skip the informal phase. Most cases are successfully settled at the administrative level before ever reaching the ARB room.**

# DO: File Your Protest on Time (Or Lose Your Right)



## The Absolute Rule

You must file a written notice of protest **by May 15** OR **30 days after** the notice of appraised value was mailed to you (whichever is later).

**Note:** The clock starts on the mailing date, not the delivery date.

## The Consequence

Miss this window, and you **generally forfeit your statutory right to appeal your assessment for the entire tax year.**

## Action Step



File **Form 50-132** immediately to preserve your place in line, even if you are still gathering your evidence. You can always withdraw the protest later.

# DO: Confirm Your Exemptions and Caps Before Protesting



## The "HS" Designation

Search your property on the CAD website. Ensure it says "HS" for a general homestead. The state-mandated general homestead. The state-mandated school district exemption alone drops \$140,000 (as of 2025) off your taxable value.

## Over-65 / Disabled

Verify you are receiving additional exemptions and tax freezes if you qualify.

## The 10% Appraisal Cap

If you have held a homestead for a full year, your taxable value cannot increase by more than 10% annually, regardless of how high the raw market value jumps.

Applying for exemptions is a separate administrative process from protesting value, but both dictate your final tax burden.

# DO: Select the Right Grounds on Form 50-132

Strategy A - Incorrect Market Value	Strategy B - Unequal Appraisal (Equity)
<b>The Argument:</b> "My home would not actually sell for this appraised amount as of January 1."	<b>The Argument:</b> "My appraised value is higher than similar, appropriately adjusted homes around me."
<b>Proof Required:</b> Recent closed sales of comparable properties in your specific neighborhood.	<b>Proof Required:</b> Assessment records of comparable neighbor properties.



## Pro Tip Callout box:

Check the box on Section 3 of the form ("Incorrect appraised value" AND "Value is unequal"). This grants you the legal flexibility to pivot and argue either (or both) strategies during your hearing.

# DO: Bring Hard, Objective Evidence to the Table

**The “As of January 1” Rule:** Focus all evidence strictly on the property’s condition and the market environment on or near January 1 of the tax year.



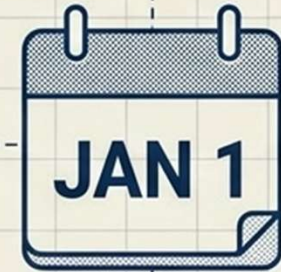
## 1. Gather Closed Sales

Obtain a list of recent “comparables” (comps) from a local real estate agent.



## 2. Document Hidden Damage

Bring date-stamped photographs of foundation cracks, roof damage, or severely outdated interiors that the assessor cannot see from the street.



## 3. Professional Estimates

Provide written quotes or receipts from licensed contractors for required repairs. The ARB responds to hard numbers, not complaints.



Tactical Dossier

# DON'T: Rely on Invalid Market Indicators



## **INVALID: Active List Prices & Zillow Estimates**

Asking prices on active listings only show what a seller wants, not what the market will actually pay. They cannot be used as formal comparables.

## **INVALID: Generalized Complaints**

Stating "taxes are too high everywhere" carries no weight.

## **VALID: Closed Sales**

Only legally completed, closed transactions near the January 1 assessment date are considered valid comparables by the ARB.

## **VALID: Data-Driven Adjustments**

Demonstrating specific differences, e.g., "My house lacks a garage, while the comparable sale has a two-car garage."

# DO: Maximize Your Pre-Hearing Administrative Rights

## Pre-Hearing Maneuvers



### Step 1: Request the "Evidence Packet" (The 14-Day Rule)

Under Section 41.461, you are legally entitled to request the data, schedules, and formulas the chief appraiser plans to use against you. You must receive this at least 14 days before your hearing.



### Step 2: Ask Questions & Upload Evidence

Call the appraisal district to speak to a staff appraiser about your case.

Upload your photos and repair estimates to their portal early.



### Step 3: Leverage the Informal Meeting

Engage in informal discussions. If you present hard evidence early, the district may make a settlement offer prior to the formal hearing. If acceptable, sign it and skip the ARB entirely.

## **DON'T: Argue About Things the ARB Cannot Control**

~~My final tax bill is just too high.~~

**The ARB only decides property value. City councils, school boards, and county commissioners set the actual tax rates.**

~~The government wastes our tax money.~~

**Budgetary and political grievances are strictly irrelevant to a property valuation hearing and will alienate the board.**

~~I am on a fixed income and cannot afford this increase.~~

**While difficult, personal financial constraints are not legal grounds for a valuation protest under the Tax Code.**

# DO: Master the 15-Minute Formal ARB Hearing



## Master the Clock

ARB hearings are strictly timed, often limited to an entire duration of just 15 minutes. State your requested value immediately, present your three best pieces of evidence, and conclude.



## Bring 4 Copies

If attending in person, bring physical copies of your entire evidence packet: 1 for the assessor's staff, and 1 for each of the 3 ARB panel members.



## Remain Professional

Be genuine, polite, and kind. Assume the best intentions. You are speaking to fellow citizens appointed to the board, not your enemy. Aggression will not serve your interests.

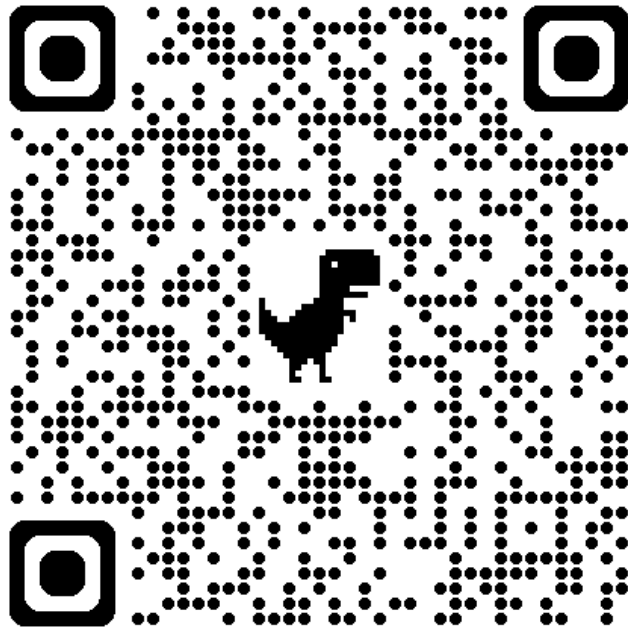
# The Bottom Line: Take Control of Your Taxable Value

<b>1</b>	<b>1. Secure Your Spot</b> File Form 50-132 by May 15 (or 30 days after notice). Check both protest boxes.	<b>2</b>	<b>2. Build the Case</b> Gather closed sales near January 1, photos of damage, and repair estimates.
<b>3</b>	<b>3. See Their Hand</b> Demand the 14-Day evidence packet. Attempt an informal settlement.	<b>4</b>	<b>4. Stick to the Data</b> In the 15-minute hearing, argue market value and equity. Leave tax rates and budgets out of it.

**Final Thought: You cannot get what you do not ask for. The Texas system is designed to favor engaged, prepared taxpayers. File your protest, present your evidence, and stand up for your rights.**

# Texas Property Taxation

**Blog Post:  
Guide to  
Protest Your  
Appraisal**



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