



*Why is Property Classification Important to a School District?*

PTAD conducts a PVS in each school district at least every other year to estimate school district taxable property value. In conducting the PVS and estimating value, PTAD analyzes property by category. Appraisal district reporting of misclassified local value – value reported in the wrong category – may lead to inaccurate taxable value estimates. The Texas Education Agency (TEA) uses the Comptroller's taxable value estimates in determining state funding for schools. Consequently, misclassification by appraisal districts may impact school funding.

*What Should Be Considered in Determining Property Classification?*

Current property use is the primary consideration in determining appropriate property classification.

*Property Classifications*

Property classifications include these categories:

- A: Real Property: Single-family Residential
- B: Real Property: Multifamily Residential
- C1: Real Property: Vacant Lots and Land Tracts
- C2: Real Property: Colonia Lots and Land Tracts
- D1: Real Property: Qualified Open-space Land

**Sub-classifications for Agricultural and Timberland**

- Irrigated Cropland
- Dry Land Cropland
- Barren/Wasteland
- Orchards
- Improved Pasture
- Native Pasture
- Temporary Quarantined Land
- Timber at Productivity

Timberland at 1978 Market Value

Timberland at Restricted Use

Transition to Timber

Wildlife Management

Other Agricultural Land as defined in Tax Code Section 23.51(2).

- D2: Real Property: Farm and Ranch Improvements on Qualified Open-Space Land
- E: Real Property: Rural Land, not qualified for open-space land appraisal, and Improvements
- F1: Real Property: Commercial
- F2: Real Property: Industrial and Manufacturing
- G1: Real Property: Oil and Gas
- G2: Real Property: Minerals
- G3: Real Property: Other Sub-surface Interests in Land
- H1: Tangible Personal Property: Personal Vehicles, not used for business purposes
- H2: Tangible Personal Property: Goods in Transit
- J: Real and Tangible Personal Property: Utilities
- L1: Personal Property: Commercial
- L2: Personal Property: Industrial and Manufacturing
- M1: Mobile Homes
- M2: Other Tangible Personal Property
- N: Intangible Personal Property Only
- O: Real Property: Residential Inventory
- S: Special Inventory
- X: Totally Exempt Property and subcategories