

# **MOTLEY COUNTY APPRAISAL DISTRICT**

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### **LOCAL PROPERTY TAXATION AND APPRAISAL INFORMATION**

Texas Property Tax Code Section 11.01(a) All real and tangible personal property that this state has jurisdiction to tax is taxable unless exempt by law.

Texas Property Tax Code Section 23.01(a) ... all taxable property is appraised at its market value as of January 1.

Market Value is the price at which a property would sell for cash of its equivalent under prevailing market conditions if:

1. Exposed for a reasonable time in the open market
2. Both the buyer and the seller are well informed of all the property uses, purposes and restrictions
3. Both parties seek to maximize their gains
4. Neither party is in a position to take advantage of the other

There are three approaches to value: MARKET, COST, INCOME

The value of real property subject to local property taxation is determined by the use of mass appraisal techniques. Within the mass appraisal system, there are three widely recognized approaches to determining the value.

The sales comparison or market approach, the cost approach and the income approach are all considered in the value determination.

The type of property being appraised will determine how much weight will be given to the values derived for a property under each approach.

**Market or Sales Comparison Approach:** The market approach to value develops an estimate of value by comparing the subject to similar properties that have recently sold. The focus is on sales prices of similar properties. It is the most reliable approach to value in an active sales market. This approach is best suited for residential properties.

**Cost Approach:** The cost approach to value estimates value by calculating what it would cost to develop a new property with the characteristics of the property being appraised then adjusting the cost to reflect the actual condition and circumstances. The calculated value of the structures is then added to the land value for an overall property value. Very accurate for new properties. Best approach for unique properties where there are no sales and there is no income being derived from the property.

**Income Approach:** The income approach to value relies on the concept that income over a period of years can be capitalized or converted to a lump sum that represents what someone would pay to purchase the right to receive the income. This lump sum is also called present worth. It is the most meaningful value indicator for properties that produce income (offices, apartments, hotels/motels).

## RESIDENTIAL HOMESTEAD EXEMPTION INFORMATION

Effective September 1, 2011, individuals seeking to apply for a homestead exemption in Texas will need to comply with a new application process. The recent session of the Texas Legislature imposed rigorous new standards of mandatory disclosure for those property owners who apply for any one of several kinds of homestead exemptions.

In order to receive a homestead exemption for property tax purposes, applicants must now provide a copy of the Texas driver's license or Texas State issued identification card and a copy of their vehicle registration receipt with their application for a homestead exemption. Moreover, the addresses shown on each of the documents must be the same as the address for which the homestead exemption is sought. The Chief Appraiser is not allowed to grant a homestead tax exemption unless the addresses on the application, driver's license, and vehicle registration or utility bill are the same.

Those who do not own a vehicle will be required to submit a notarized affidavit certifying that fact and provide a copy of a current bill from a utility company. The address on the utility bill must be the same as the address on the application for a homestead exemption

The Legislature has closed loopholes in disclosure that allowed some citizens to obtain homestead exemptions on more than one property. The Legislature has also authorized appraisal districts to gain access to the database of the Texas Department of Public Safety so that differences in addresses reported for driver's license and property tax reasons can be audited electronically.

The new requirement that takes effect September 1 is required for any one of the several ways property owners can qualify for a residential property homestead. These include:

- General residential exemption
- Over-65 exemption
- Disability exemption
- 100% disabled veterans exemption

For those seeking homestead exemption on a manufactured home, the applicant must also provide documentation as noted below:

- Statement of ownership and location issued by the Texas Department of Housing and Community Affairs
- A copy of the purchase contract or payment receipt that the applicant is the purchaser of the manufacture home or a sworn affidavit that the applicant is the owner.

State law allows Texas homeowners to apply for an exemption for one house, which must be a primary residence.

Motley County Appraisal District is a property tax appraisal agency.

### IMPORTANT DEADLINE DATES FOR HOMEOWNERS

- May 31 or thirty days after the postmark date of the appraisal notice of value to protest property values or denials of exemptions.
- October 1 is the first day that current year taxes become due and payable.
- January 31 is the last day to pay taxes without penalty and interest
- July 1 is the day that a 20% collection fee accrues against the delinquent tax amount.

NOTE: It is your responsibility to notify the appraisal district in writing before September 1, if your address or mortgage company status changes. It is also your responsibility to identify the property you own and ensure you have received notices and tax statements on all of your properties.

Property owners have rights and responsibilities in the local property tax process. To ensure your rights are upheld, you must also fulfill your responsibilities.

### PUBLIC ACCESS TO THE BOARD OF DIRECTORS

#### ADDRESSING THE BOARD

It is the policy of the Board of Directors to provide the public with a reasonable opportunity to address the Board on the subject of the policies and procedures of the appraisal district and on any issue under the Board's jurisdiction. Generally, the Board's statutory duties are:

- a. Adopting the district's annual operating budget
- b. Contracting for necessary services
- c. Hiring the Chief Appraiser and assigning responsibilities to the position
- d. Making general policy regarding the operation of the district

e. Appointing appraisal review board members

At each regularly scheduled meeting, the chairman of the Board shall announce that each person wishing to address the Board on such policies, procedures or issues may do so. If a large number of persons wish to speak to the Board, the Board may vote to reduce each person's time for speaking as may be reasonably necessary to allow the Board to complete its business and adjourn the meeting at a reasonable time. The Board may refuse to hear any person who attempts to speak on a subject unrelated to the policies and procedures of the appraisal district.

#### ACCESS BY DISABLED PERSONS

If a person who does not speak English or who communicates by sign language wishes to address the Board at a meeting, and that person is unable to provide an interpreter, the individual should notify the Chief Appraiser in writing at least five business days prior to the meeting, and earlier if possible. Upon receiving such a notice, the Chief Appraiser shall arrange to have an interpreter at the meeting. If a person has a disability and needs assistance to enter the appraisal district office building and Board room, the individual should notify the Chief Appraiser in writing at least three business days prior to the meeting, and earlier if possible.

#### POLICIES FOR RESOLVING COMPLAINTS

Consideration will be given to written complaints on any matter within the jurisdiction of the Board of Directors, except that a complaint may not be addressed to any of the grounds for challenge and protest before the appraisal review board. The Board's deliberations at its meetings with respect to complaints shall occur in open session or executive session.

#### PUBLIC INFORMATION ABOUT THE BOARD OF DIRECTORS AND ABOUT COMPLAINTS

The Motley County Appraisal District, like other Texas appraisal districts, has two distinct Boards, the Board of Directors and the Appraisal Review Board.

The Board of Directors is the Board ultimately responsible for governing the appraisal district. It consists of five people selected by the taxing units for which the appraisal district appraises property; e.g., cities, school districts and the county. The directors serve two-year terms. The Board of Directors is responsible for approving the district's major administrative and financial decisions.

The Board of Directors, for example, approves the district's budget and makes decisions concerning major contracts. The Board of Directors also selects the district's Chief Appraiser and the members of the Appraisal Review Board. The Board of Directors, however, does not take an active role in the appraisal of properties. Properties in the appraisal district are appraised by the Chief Appraiser and his staff. If a property owner has some complaint about the appraisal of his property in a particular year, he should discuss that problem with the appraisal district's staff, or file a formal protest before the Appraisal Review Board.

The Appraisal Review Board is responsible for hearing and resolving protests from property owners concerning appraisal of their properties. The Appraisal Review Board's duties and a property owner's right to protest the appraisal of his property are more thoroughly explained in the pamphlet called Property Tax Basics available at

<http://www.window.state.tx.us/taxinfo/proptax/>.

**PLEASE FEEL FREE TO CONTACT THE APPRAISAL DISTRICT FOR ANY QUESTIONS**