

Exemptions

3/26/25

PARKERCAD.ORG

FORM 50-114

What is a Homestead Exemption

A general residence homestead exempts a portion of your residence homestead's value from taxation, potentially lowering your taxes. Tax Code Section 11.13(b) requires school districts to provide a \$100,000 exemption on a residence homestead

For example, if your home is appraised at \$300,000 and you qualify for a \$100,000 exemption (amount mandated for school districts), you will pay school taxes on the home as if it was worth only \$200,000.

Per the Texas Comptroller, the completed application and required documentation are due no later than April 30 of the tax year for which you are applying. A late homestead exemption application, however, may be filed up to two years after the delinquency date,



To qualify for the general residence homestead exemption, a home must meet the definition of a residence homestead, and an individual must have an ownership interest in the property and use the property as the individual's principal residence. An applicant is required to state that he or she does not claim an exemption on another residence homestead in or outside of Texas. If the property owner acquires the property after Jan. 1, they may receive the general residence homestead exemption for the applicable portion of the tax year immediately on qualification of the exemption if the previous owner did not receive the same exemption for the tax year.

What is prorated homestead exemption in Texas?

Homeowners who purchased their homes after January 1st can claim their general homestead exemption for the remainder of the year. To claim a pro-rated exemption:

- the homeowner must be residing in that new home (must be primary residence)
- the property cannot already have a general residence homestead. i.e., if the previous owner had claimed HS exemption on it for the year, the new owner will not be able to claim a pro-rated HS exemption for that year.
- the property owner cannot already be claiming homestead exemption on another property for that year.
- The taxpayer must apply for the exemption for the applicable portion of the year before the first anniversary of the date the person acquired the property.

If you apply during the middle of the year, then the exemption amount will be based on the qualification date.

Purchased on		April 1st 2024
Exemption claimed on		July 1 st 2024
Days remaining in the yr		183
Proration % (183/365)		50%
Prorated Exemption AMT	50% of \$100,000	\$50,000

Over 65 Homestead Exemption

How do I obtain an over 65 exemption and what does it do?

Persons who are over 65 years of age may file for an exemption in addition to the residential homestead exemption. If you qualify for the over 65 exemption you would be entitled to a tax ceiling on school and locally adopted city, county and special district assessments. Please note that this exemption would limit your taxes only – not your home's value – as this could change with prevailing market conditions.

Exemption forms may be found on the [Texas Comptroller](#) website.

Do Veterans get property tax exemptions in Texas?

- ▶ Property tax exemptions are available to Texas veterans who have been awarded 10% to 100% disability rating from the VA*. The following are the exemptions based on Veterans Administration disability ratings:
- ▶ 100% disability ratings are exempt from all property taxes (**on primary residence only**)
- ▶ 70 to 99% disability ratings receive a \$12,000 property tax exemption
- ▶ 50 to 69% disability ratings receive a \$10,000 property tax exemption
- ▶ 30 to 49% disability ratings receive a \$7,500 property tax exemption
- ▶ 10 to 29% disability ratings receive a \$5,000 property tax exemption

If the veteran is deceased and for service members killed in the line of duty, the property tax exemption may be passed on to surviving spouses who do not remarry or a child under age 18

If the surviving spouse was to sell the home and move to another home, then the spouse can port the value of the home sold to the new home.

* the home at time of sale is valued at \$250,000. spouse purchases a home valued at \$500,000, they would only pay taxes on \$250,000.

To receive the exemption, an official award letter from the Department of Veterans Affairs with a minimum disability rating of 10% and up to 100% must be submitted to the Appraisal District.

HOMESTEAD EXEMPTION AUDIT- SENATE BILL (SB) 1801

- ▶ During the 88th regular session, the Texas legislature passed Senate Bill (SB) 1801, effective September 1, 2023, which requires the Parker County Appraisal District develop a program for periodic review of each residence homestead granted under Texas Property Tax Code Section 11.13. The bill requires the Chief Appraiser verify each residence homestead at least every 5-years to confirm the recipient of the exemptions still qualify. There is no need to re-apply for your homestead exemption unless requested to do so, by mail, from the Appraisal District. PCAD will be sending out more information later this year.

QUESTIONS??

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