



HOMESTEAD EXEMPTIONS

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.

DO I, AS A HOMEOWNER, GET A TAX BREAK FROM PROPERTY TAXES?

You may apply for homestead exemptions on your principal residence. Homestead exemptions remove part of your home's value from taxation, so they lower your taxes.

For example, your home is appraised at \$100,000, and you qualify for a \$25,000 exemption (this is the amount mandated for school districts), you will pay school taxes on the home as if it was worth only \$75,000. Taxing units have the option to offer a separate exemption of up to 20 percent of the total value.

DO ALL HOMES QUALIFY FOR HOMESTEAD EXEMPTIONS?

No, only a homeowner's principal residence qualifies. To qualify, a home must meet the definition of a residence homestead: The home's owner must be an individual (for example: not a corporation or other business entity) and use the home as his or her principal residence on Jan. 1 of the tax year. An age 65 or older or disabled exemption is effective as of Jan. 1 of the tax year the applicant qualifies for the homestead and applies to the entire tax year.

WHAT HOMESTEAD EXEMPTIONS ARE AVAILABLE?

There are several types of exemptions you may receive.

- School taxes: All residence homestead owners are allowed a \$25,000 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.
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WHAT HOMESTEAD EXEMPTIONS ARE AVAILABLE? - CONTINUED

- 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 TO GET A GENERAL \$25,000 HOMESTEAD EXEMPTION

For the \$25,000 general homestead exemption, you may submit an Application for Residential Homestead Exemption (PDF) and supporting documentation, with the appraisal district where the property is located. Once you receive the exemption, you do not need to reapply unless the chief appraiser sends you a new application. In that case, you must file the new application. If you should move or your qualification ends, you must inform the appraisal district in writing before the next May 1st. A list of appraisal district addresses and phone numbers is available online.

WHAT IS THE DEADLINE FOR FILING FOR A HOMESTEAD EXEMPTION?

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, which is usually Feb. 1.



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MAY I CONTINUE TO RECEIVE THE RESIDENCE HOMESTEAD EXEMPTION ON MY HOME IF I MOVE AWAY TEMPORARILY?

If you temporarily move away from your home, you may continue to receive the exemption if you do not establish a principal residence elsewhere, you intend to return to the home, and you are away less than two years. You may continue to receive the exemption if you do not occupy the residence for more than two years only if you are in military service serving inside or outside of the United States or live in a facility providing services related to health, infirmity or aging.

IF I LIVE IN A HOME THAT HAS MULTIPLE OWNERS, CAN I QUALIFY FOR THE RESIDENCE HOMESTEAD EXEMPTION ON THE HOME?

If you are not the sole owner of the property to which the homestead exemption applies, one of these ownership situations may apply.

If a married couple qualifies their property for residence homestead exemption, the spouses are treated as community property owners with 100 percent ownership for each spouse.

If you inherited property, you may be eligible as an heir property owner to be considered the sole owner for the residence homestead exemption.

If you have partial ownership but are not married or did not inherit property, the exemption amount is based on the interest you own.

For example, if you own a 50 percent interest in a homestead, you will receive only one-half, or \$12,500, of a \$25,000 homestead offered by a school district.

Contact your local appraisal district for more information regarding your eligibility.
