

# PROPERTY TAX EXEMPTIONS



Property taxes pay for schools, roads, police and firemen, emergency response services, libraries, parks, and other services provided by local government.

Texas provides for a variety of exemptions from property tax for property and property owners that qualify.

## RESIDENCE HOMESTEAD

You may apply for homestead exemptions on your principal residence in order to remove part of your home's value from taxation, so they lower your taxes. A residence homestead can be a separate structure, condo or a manufactured home located on owned or leased land, as long as the individual living in the home owns it. A residence 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.

- **School taxes:** All residence homestead owners are allowed a \$100,000 residence 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.
- **Age 65 or older and disabled exemptions:** Individuals age 65 or older or disabled residence homestead owners qualify for a \$10,000 residence homestead exemption for school taxes, in addition to the \$40,000 exemption for all homeowners. If the owner qualifies for both, the owner must choose one or the other for school taxes. They 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% 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 which is added to any other 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.