

Tips to Lower Property Taxes

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As a homeowner, you've likely witnessed the value of your residence appreciate in value over the past several years due to a lack of inventory nationwide and a high demand to own a home. While this may be great news for someone planning to sell their home, it may be a nightmare for others who intend to live in their homes forever. A higher home appraisal usually means your property taxes are going to go up. Like any homeowner, you are going to want to make sure that you are not paying more than you need to. Luckily, there are ways to lower your property taxes if you are proactive and plan ahead. Let's explore a few ways to reduce your property taxes.

1. Make Sure You are Claiming All Tax Exemptions Applicable to You

Residential Homestead

As a homeowner, you are eligible for residential homestead exemption on your primary home. Homeowners in Texas are eligible to receive \$40,000 in homestead exemption for school taxes, which reduces the appraised value of their home and as a result, lowers their property taxes.

Age 65 or Older or Surviving Spouse

Individuals age 65 or older in Texas may qualify for an additional \$10,000 in residential homestead exemption for school taxes in addition to the \$40,000 exemption for all homeowners. If the person

who is age 65 or older dies, the surviving spouse may continue to receive the exemption if the surviving spouse is age 55 or older at the time of death and lives in the home as his or her primary residence. The surviving spouse will likely need to be proactive and reapply for the exemption.

Disabled Person or Surviving Spouse

An individual in Texas who meets the definition of disability under the Federal Old-Age, Survivors, and Disability Insurance Act may receive an additional \$10,000 in homestead exemption for school taxes. If the person who is disabled dies, the surviving spouse may continue to receive the exemption if the surviving spouse is age 55 or older at the time of death and lives in the home as his or her primary residence.

If the homeowner qualifies for both exemptions for being age 65 or older and for being a disabled person, the homeowner must choose one or the other for school taxes. The homeowner cannot receive both exemptions.

100 Percent Disabled Veteran or Surviving Spouse

Disabled veterans may be eligible for an exemption of the total appraised value of their residential homestead.

Surviving Spouse of a Member of the Armed Services or a First Responder Killed in the Line of Duty

A surviving spouse may be eligible for an exemption of the total appraised value of their residential homestead.

2. Compare Neighboring Home Values

Try using Zillow or Redfin to compare what other homes are being sold for in your neighborhood. Alternatively, you can ask a real estate agent to provide you with at least six comparable homes in your ZIP code similar to that of your residence. The information obtained will provide you with insights about how your property's appraised value compares to that of other homes in your area. If you find discrepancies, such as your home being significantly appraised higher than other homes in your neighborhood that are similar in size and structure, it could be a mistake that the county assessor could correct. Be ready to provide your appraisal district with the comparables you gather to prove your case and help lower your home appraisal.

3. Check for Inaccuracies

Try searching for your home in your county appraisal district's website to verify that all the facts about your property are accurate. Verify that the square footage, number of bedrooms and bathrooms, and other home elements are correct. Mistakes such as overstating the square footage or the incorrect number of bedrooms in your home could be a reason why your home is appraised much higher than you anticipated. If you find mistakes, you'll need to fill out the

Property Owner's Notice of Protest you received in the mail or file a protest online. In Texas, the usual deadline to file a protest is May 15 or 30 days after the date the appraisal letter was mailed, whichever is later.

4. Hire a Property Tax Consultant or Attorney

You certainly can appear before the Appraisal Review Board to protest your case or hire a property tax professional to represent you. It might sound expensive to hire someone to help lower your appraisal, but the tax savings may be worthwhile. Not all property tax professionals are the same. Some may charge a flat fee or a percentage (20% – 50%) of the money saved on a reduction, or both. Alternatively, you might want to consider signing up for a legal assistance plan during open enrollment if your employer offers one so that you'll have access to an attorney to file a protest on your behalf.

In conclusion, claiming available exemptions, doing your own due diligence, or protesting your appraisal by hiring a property tax professional may significantly help you reduce your property tax bill. As a homeowner, paying property taxes is a given, but with proper planning in advance, the probability of lowering your property taxes is in your favor, which means more money in your pocket.



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