

## FREQUENTLY ASKED QUESTIONS

### 1. What is a general homestead exemption?

The general homestead exemption is provided by state law for owner-occupied residential properties. The exemption removes a portion of the value from taxation of a homeowner's primary residence. This provides a lower tax amount for the homesteaded property. In order to qualify for this exemption you must have owned and occupied the property as of January 1 of that tax year. This property must also be your principal place of residency and you may not claim another homestead on another piece of property.

### 2. When and where do I apply for my homestead exemption?

You may apply at the Palo Pinto Appraisal District between January 1 and April 30 of the Tax year. Contact our office for more information.

### 3. How often does the appraisal district reappraise my property and how do they determine it's value?

The appraisal district reviews all sales information and reviews all properties every year. Market value is the determining factor on deciding which properties are reappraised. PPAD compares a property to similar homes that have sold recently and determines the value accordingly. Yes, an appraiser has reviewed your property, but it may not have been this year.

### 4. My house is 40 years old. Is that taken into consideration?

An appraiser from the appraisal district visits each property and observes its exterior features. Factors such as location, type of construction, age, size and condition of the property are considered and compared to similar properties that have sold recently. Current sales are the most accurate indicator of market value. However, PPAD is required by law to appraise at 100% of market value and the increase in the fair market value can over ride the depreciation due to age.

### 5. What is market value?

The Texas Property Tax Code states that all taxable property must be valued at 100% of market value. Market value is the price at which a property would sell if exposed for sale in the open market for a reasonable time for the seller to find a purchaser. It is the price agreed on between a willing buyer and a willing seller.