

STONEWALL COUNTY APPRAISAL DISTRICT NEWS

Stonewall County Chief Appraiser Debra Smith and Deputy Appraiser Hilary McDonald are wrapping up the 2024 Reappraisals. The Stonewall CAD staff began reappraisal work around September 2023 and continued through the first week of April 2024 with all data gathered entered into the CAMA system.

Ms. Smith reported new landowners, and landowners with a change of use of land have until April 30, 2024 to turn in their 1D1 Open Space Agricultural Application. This application will qualify land for a special appraisal value, which is much lower than the market value.

The Market Value of Residential properties appears to be “cooling” across the state. This trend is a result of high mortgage rates. Although the values are still significantly higher than they were 2 years ago, homeowners can apply for a homestead exemption to help lower their school portion of the taxes if they do not already have one in place. With a homesteaded property, the taxable value cannot increase more than 10 % from the previous year’s taxable value unless new structures have been added.

Beginning in 2024, all real property valued at \$5,000,000 or less will have a 20 % circuit breaker cap on the appraised value, with the exclusion of land receiving the agriculture-use special appraisal and homestead properties that receive the 10 % limited appraised value cap. The circuit breaker provision of the Property Tax Code limits the amount the Appraisal District can increase your property value. The appraised value of qualifying real property is limited to an increase of no more than 20 % per year unless new improvements, excluding ordinary maintenance, have been made. This limitation takes effect on January 1 of the tax year following the first tax year in which the owner owns the property and expires on January 1 of the first tax year that the owner no longer owns the property, If you owned your property as of January 1, 2023, you will receive this appraised value limitation in 2024. Your property will now carry two values:

- the circuit breaker cap value which is the value that your taxes will be based on, and
- the market value which is the true value of the property.

For example, the appraised value of your qualifying real property was \$100,000 last year. This year the Appraisal District appraises your property at \$125,000. No new improvements or additions have been made to the property since last year. The circuit breaker value is calculated as follows:

$$\$100,000 \times 20\% = \$20,000 + \$100,000 = \$120,000$$

Your taxes will be based on the circuit breaker value of \$120,000; however, the market value of your property will remain at \$125,000.

Should you sell your property, the limitation on its appraised value will be removed, and the tax base will increase to the market value.

The circuit breaker currently applies to the 2024, 2025, and 2026 tax years. The appraised value that the circuit breaker applies to is set at \$5,000,000 or less for 2024; however, the State Comptroller can increase or decrease the appraised value limit for 2025 and 2026 based on the consumer price index.

Business property owners are reminded if their business personal property rendition forms were not returned to the Stonewall CAD office by April 15, 2024, the chief appraiser will apply a penalty in an amount equal to 10 % of the total amount of taxes that will be imposed on the property for 2024 by taxing units participating in the appraisal district. If you received a letter indicating a penalty will be applied and you feel this is in error, contact the Appraisal District in writing to remove the penalty.

If local residents saw the Appraisal District out reappraising property this year, Ms. Smith and Ms. McDonald were focused on inspections of Wildlife Management Properties, checking to see if new 1D1 properties qualified for the special appraisal, and updating pictures of structures on the east side of the county. Stonewall County property owners should be receiving Notice of Appraised Values within the next few weeks. If you have any questions regarding reappraisal activities or concerns on your notice, please call the appraisal district at (940) 989-3363.