

## Tips for Protesting your Property Taxes

As Property Protest season is quickly approaching, we thought you may find these tips helpful.

The Appraisal District values should be based on an accurate market value and a fair and equitable valuation. The property value is determined by the condition of the home as of January 1, 2023.

### Critical Dates

Around **mid-April 2023**, the Appraisal District will mail out your notice of appraised value for 2023. If you feel the **Market Value** is too high, you may protest the market value. We always recommend protesting.

**Make sure you check the deadline for the county you reside in.** The protest form must be E-filed or be postmarked by the deadline. If it is not filed in that time frame you will lose the opportunity to protest in most cases. Protest discussions will be held online or by phone with a District Appraiser. Should no settlement be reached on the value through the informal process, the ARB hearings will be scheduled. Some Districts will allow in person hearings, and some will be virtual.

### Your Property Valuation Notice

In the event you do not receive a notice, you can go online to your county's appraisal website and look up your address. Your notice will contain a break down of your Market Value with a certain part being allocated to the land and the balance to the improvements (the house, pool, etc.). **The Market Value is the only value you can protest.** You cannot protest just the land value, the value of the improvements (house, pool, etc.) or the *appraised* value – just the total Market Value. If the property is your homestead, the Market Value will float with the market – there is no limit to the Market Value, but the maximum value you can be taxed at (the appraised value) is last year's appraised value plus 10%. This applies only for homestead exempted properties. This is called a "homestead capped value" and may be less than the market value. If you protest and get the value reduced but not below the capped (appraised) value, it will not save any money this year but may help for future years. By law, the ARB cannot raise your value as part of your protest.

### Protest Form

This is located on the back of your Notice of Appraised Value, or you can go to the District website and download the form. Another option is an "E-protest" where you send in your comparables with an analysis or provide documentation of defects to your property which affect the value. You will need your PIN provided on the notice for the E-protest. Follow the instructions that are on your notice from the Appraisal District should you wish to E-protest.

### Preparation for Protesting the Property Valuation

- Go to your County Appraisal District website and search for your property.
- Check for the accuracy of information (square footage, make sure it does not state you have a pool that is not present, etc.).

- Call the Appraisal District and request they send you the comparable sales utilized in your valuation. By law they must provide you this information. You can also ask for the comparables when you E-protest.
- Make a list of things about your home that you feel may be considered as value detractors. Remember you are not trying to sell your home but to get the value lowered. Example – the property has not been updated, is in need of painting, original finish out, any issues like needs a new roof, etc. In some cases, where photography may be helpful, you should take a picture to help present a visual – example – lots of dated wallpaper, etc. The District will want quotes from contractors for these items.
- Obtain sales information for your neighborhood which sold from the period June 1, 2022 to January 31, 2023. This year, they will be looking for sales very close to Jan 1, 2023 and much less at dated transactions.
- Remove foreclosure or short sales – most of the times these will not be considered by the Appraisal District unless that is what is prevalent in your neighborhood. Relocation sales may also not be considered.
- You may pull up the tax records for the comparable properties to see who built them, what they have the land assessed for, etc. and use that information to assist you on seeing what the Appraisal District may have adjusted for land value difference, etc.
- Look at the Improvement Value assigned to properties and divide it by the square footage of the home. This will give you a price per foot with the land value removed from the equation. The reason for doing this is to determine what formula the Appraisal District may have used for your area to apply to your improvement then add the land value to come up with the total assessed value. There is an Equal and Uniform section of the tax code that states that there should be consistency of valuation between homes. Unless there is some reason such as highly remodeled, presence of an amenity, etc. your price per foot for the improvement should be similar to others in the area. This also applies to the land value.
- Land Value – the Appraisal District usually will not consider an argument to reduce your land value unless there is some very compelling reason. If they adjust your land value, then they will be faced with adjusting everyone else's value in the neighborhood – equal and uniform rule. However, if you back to a busy street or have some other adverse influence that is not being considered, by all means bring attention to it.

Should you have a past appraisal on your home for lending purposes (purchase, refinancing) you may wish to compare the square footage on the appraisal report to the one reflected on the Appraisal District. If there is a significant difference of the square footage being overstated on the tax records, then you may use the appraiser's measurements as a source to approach the Appraisal District to lower the square footage on their records.

## **Paths to Protest Your Appraised Property Value**

- Mail or e-file the Notice of Protest by the deadline.
- If you purchased your home during the last year and the assessed value is over the purchase price, you may need to provide a copy of the closing statement as proof and this statement **may** be considered as a reason for reducing your valuation. Remember that most likely there will have been appreciation experienced that may justify a higher valuation assessment on your home from the Appraisal District. In the event your mortgage appraisal is less than your purchase price, that may be helpful.
- Determine why you are protesting – on the notice it will give choices such as **fair & equal and market value**. Most of the time it will be market but **check both to protect yourself**.

# Connie Goodrich

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- After filing your protest with the District, you will receive a notice with a Hearing Board date and time. **We strongly advise that you try to resolve your value with an Appraisal District appraiser informally before your hearing date. You will need to try to do this well in advance of the date, so the sooner you can connect, the better.**
- Last resort – if you do not get the satisfaction you need from meeting with the appraiser then you can present your case to the Board on your hearing date. The panel will consist of 3 panel members (Collin County citizens who may or may not know a thing about property value) and an Appraisal District appraiser will be present.
- If you have met at the Hearing Board and are still not satisfied with the decision you may arbitrate or litigate.

A **helpful tool** you may consider using is [www.PropertyTax.io](http://www.PropertyTax.io). It is a web application that will instantly tell you if comparable sales in your area can help you reduce your value for property tax purposes, saving you money. They are a leader in Property Tax education in Texas and have been featured many times in various local media outlets. They are Texas based, come from an appraisal background and have reverse engineered the software that Appraisal Districts use. That allows them to offer an instant and free analysis of whether the data exists to obtain a value reduction in any given year. Even if the analysis is not promising, we always encourage you to sign up and let them try. There is never an invoice unless they actually save you money.

All you have to do is digitally sign a document and they will handle the rest of the protest for you, including filing the protest, negotiating with the Appraisal District, and attending any and all meetings on your behalf.

**We have partnered with Propertytax.io to secure a \$10 off discount for our network using this Promo-Code: P38414.**

If you have any questions and cannot find the answer in their help center, they have a live chat feature to help you. We hope you find value in using this resource and wish you luck with your appeal. Please let us know how you did!

The website is <https://promo.propertytax.io/P38414> or you can scan the QR Code to be taken to the website directly.

**Should you be considering a move or know someone that needs assistance in a home purchase or sale, our team would love to assist!**

**Connie Goodrich | Tony Lesmes | Cheryl McDaniel**



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