



Brazoria County Appraisal District

500 N. Chenango
Angleton, Texas 77515

Marcel Pierel III
Chief Appraiser

Brazoria County Appraisal District 2023 Values Increase due to Strong Market Sales in 2022 and State Property Value Study

The Brazoria County Appraisal District (BCAD) has announced an increase in appraised property values for 2023 due to the strong residential market sales in 2022 and the Property Value Study conducted by the State Comptroller's office, which reported that the district's values were too low and not at market value.

Appraisal Districts are a local subdivision of the State of Texas and follow the law and regulations set by the Texas Legislature. The Texas Legislature is responsible for creating and passing laws that apply to the property tax system and the operations of appraisal districts. These laws ensure that appraisal districts operate independently and that property values are assessed fairly and equally, without the influence of local officials (i.e. County Commissioners, Mayors, City Council, School Board members, BCAD Board of Directors, etc.).

Tax Code Section 23.01 requires taxable property to be appraised at market value as of Jan. 1. Market value is the price at which a property would transfer for cash or its equivalent under prevailing market conditions if:

- it is offered for sale in the open market with a reasonable time for the seller to find a purchaser;
- both the seller and the purchaser know of all the uses and purposes to which the property is adapted and for which it is capable of being used and of the enforceable restrictions on its use; and
- both the seller and purchaser seek to maximize their gains and neither is in a position to take advantage of the need or demand of the other.

It is important to note that an increase in appraised value does not necessarily mean an equal increase on the property tax bill. Tax rates are set by local entities such as the city, county, and school district. With the increases in appraised values throughout the county, it is expected that tax rates could be lowered, and property owners should request the **No New Revenue tax rate** from their entities beginning this August. This would keep their tax bill close to last year's amount.

In addition, homeowners are encouraged to ensure that all exemptions are applied to their property, especially the Homestead Exemption, which creates a 10% homestead cap (Tax Code Section 23.23) on the assessed value of a property. The State legislature is currently in session and could create a lower homestead cap or raise the school state exemption amount to provide further relief to taxpayers.

We want homeowners to be aware of the eligible exemptions that are available to them and to make sure they are taking advantage of them. The Homestead Exemption is an important tool that can help protect homeowners from large increases in taxable value.

The BCAD is committed to ensure that property values are assessed fairly, equally, and accurately. We are required by law to value property using mass appraisal.

We encourage everyone to Protest and talk with an appraiser informally for more detailed information about their property. For more information on protesting your value or available exemptions, homeowners can contact the BCAD at 979-849-7792 or visit the district's website www.brazoriacad.org.

Deadline to Protest is May 15th



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Homestead Cap Example:

Market Value

Per the Texas Property Tax Code, all taxable property must be valued at 100 percent of market value as of January 1 each year. This value is shown on your notice as "Market Value." Because it is based on recent sales, the Market Value may change upwards or downwards any amount depending on recent market trends and is not limited to increases of 10 percent or more. It may change as much as the current market changes.

Homestead Limitation (aka Residence Homestead "Cap")

A homestead limitation is a limitation or cap on the amount of value a property will be taxed from year to year. The appraisal district identifies the homestead limitation amount as the "appraised value". The limitation slows the annual increase of a property tax bill by reducing the amount of value subject to taxation. For residence homesteads, the annual increase is limited to 10% more than the previous year's appraised value (plus any new improvements). For example:

In 2021, a property with a residence homestead has a market value and appraised value of \$100,000. Over the next year, prices in the area soar and the appraisal district values the property at \$140,000 for tax year 2022. Since the property had a homestead on January 1, 2021, the appraised value can only increase by 10% plus any new construction. The market value for 2022 would be \$140,000, but the appraised value (with homestead limitation) would be \$110,000.

Last Year Value + 10% = Current Appraised Value

· \$100,000 x 1.1 = \$110,000

If the property owner added new construction in 2021, let's say a \$20,000 pool, the appraised value would be \$130,000.

Last Year Value + 10% + New Imp Value = Current Appraised Value

· (\$100,000 x 1.1) + \$20,000 = \$130,000

The limitation does not go into effect until the January 1 of the following year the property qualifies for the exemption.

Example 1: A property owner purchases their property in December of 2021, and they qualify for their homestead exemption on January 1, 2022. The homestead limitation will not go into effect until January 1, 2023.

Example 2: A property owner purchases their property in April of 2022, and they qualify for a prorated exemption on April 5, 2022. The homestead limitation will not go into effect until January 1 of 2024, one year after the January 1 date the exemption qualified.