

## Understanding your Property Taxes – Part 1 The Property Appraisal

Residents will be receiving their tax appraisal letter in the mail very soon and from the most recent articles and discussions the appraised values continue to rise.

Every year, there is confusion over the taxing process in Texas especially as tax appraisal letters start arriving. This multi-part series will discuss the property taxation process in Texas to better explain to property owners how properties are appraised and taxed. First, let's look at how properties are appraised in Texas.

Texas does not have an income tax and utilizes property taxes and sales taxes as the primary forms of taxation. To determine the value of properties for taxation, the State set up separate Tax Appraisal Districts in each respective County. Harker Heights lies in Bell County, Texas, and therefore falls under the Bell County Tax Appraisal District (sometimes referred to as Bell CAD). The role of the Tax Appraisal District is to appraise the real and business personal property within a County. Appraisal Districts must appraise properties per the Texas Property Tax Code as well as the Uniform Standards of Professional Appraisal Practices or USPAP.

Appraisal letters are now arriving at the homes of citizens and businesses. Please review your appraisal letter as it provides information on the past year's value of your property as well as the new appraised value of the property. On the back side of the letter it shows the percentage difference of your home's value from 2017 to 2022. If you feel your property is incorrectly valued by the Appraisal District, there is a formal process for you to protest your appraisal. **Please note the "PROTEST FILING DEADLINE" as shown on your appraisal letter.** Many taxpayers complain that they missed the window to protest. Your tax appraisal letter also has information on how to protest your tax appraisal. Options include an unscheduled walk-in period and scheduled online and in person or by mail protests. The back side of the letter also includes information on any exemptions you have qualified for. For more information on Bell CAD and property taxes visit [www.bellcad.org](http://www.bellcad.org).

One common misconception that the City hears is that the Tax Appraisal District is under the leadership of Bell County. Tax Appraisal Districts do not fall under the County Judge or Commissioners. In fact, they have their own Board of Directors that lead the District. The following excerpt from Bell County Tax Appraisal District discusses the role of the Board of Directors, "An appraisal district board of directors hires the chief appraiser and sets the budget. The directors have no authority to set values or appraisal methods. The chief appraiser carries out the appraisal district's legal duties, hires the staff, makes the appraisals and operates the appraisal office."

One of the complexities of understanding your property tax bill is the interplay between reappraisal increases/decreases and the tax rates set by several entities found on your tax bill. To understand how reappraisals, impact your taxes owed, let's assume that all the entities on your tax bill keep their tax rates constant from the prior year. In this case your property taxes owed will increase or decrease over the prior year based on the amount of increase or decrease in your reappraisal. The complexity of understanding your tax bill is increased by the fact that your bill has several taxing entities. Harker Heights' property bills for example have five taxing entities and their respective tax rates. In our next part of this series we will look at the taxing districts that make up your tax bill.