

Values to rise significantly in Bandera CAD

Notices will soon be mailed to taxpayers who own property in Bandera County.

“Most of the values are up dramatically as homes and land sales all over Texas have jumped since last year,” says Interim Chief Appraiser Richard Petree.

We are being pushed to increase the values to market levels by the failure of the Property Value Study conducted by the State Comptroller. That study and its results will mean substantial losses of state funding to Bandera and Medina school systems if the appeal is unsuccessful. It is a perfect storm causing the increasing values. The low interest rates of the past few years, the pent-up demand from the pandemic, and immigration to Texas from other states has driven prices to unrepresented levels. State law and the state constitution require the appraisal of property at market value.

There is some good news for taxpayers. State law prohibits an increase of more than 10% in the taxable value in a single year for all homesteaded property. Properties are appraised at market value, but the taxable value is no more than 10% of the previous year. Also, homesteads of over-65 and disabled persons receive a “capped” tax amount in the year following their qualification. Even though the value rises, no more tax is paid on those qualified properties. All schools in Texas are bound by this law and other jurisdictions may adopt the tax limitation. Bandera County has approved the cap for their over-65 and disabled homesteads.

In addition, there will be an election May 7 where voters can approve an additional \$15,000 school homestead exemption. That will increase the current \$25,000 to \$40,000 and is expected to pass easily.

Likewise, increasing property values do not necessarily mean that taxes will increase. Truth in taxation laws require all tax units to calculate a “no new revenue” rate that will produce the same amount of tax generated in the previous year so as the values rise, the tax rate is required to come down. To increase the rate above the “no new revenue

rate,” tax units must hold hearings and get input from local citizens. If the increase proposed is over 3.5%, an election is required to affirm the proposed tax rate.

Taxpayers who receive a notice and feel that they could not sell their property for the proposed value should file the Notice of Protest enclosed in the notice, or they may file online using a portal on the appraisal district website. They may present evidence to local staff, either in person or by email, to support their claim of a lower value. Good evidence includes such things as recent closing statements, a fee appraisal, pictures of interior issues with the property, or bids from a contractor to repair structural issues. All taxpayers will be given an opportunity to discuss their value with an appraiser. If the value cannot be agreed upon after the sharing of information, the taxpayer may move on to a formal appeal before the Bandera County Appraisal Review Board, a group of local citizens who listen to the evidence presented by each side and set a value. Appeals may be filed on their decision to district court or arbitration.

“We only want taxpayers to pay tax on accurate value. We will be happy to discuss the values and if appropriate, make adjustments to our proposed values,” Petree said.