

Notice of Appraised Value

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Every spring, Texas homeowners receive their annual property appraisal notice—a document that often triggers confusion and concern about rising home values and potential tax implications. While the appraised value may seem intimidating, homeowners have the power to challenge their property's valuation if they believe the assessment is inaccurate or unfair. Understanding the basics of these notices can help you navigate the complex world of property taxes and potentially save money on your tax bill.

What is a Notice of Appraised Value?

A Notice of Appraised Value is an official document sent annually by your local county appraisal district that provides the estimated market value of your property for tax purposes. The notice informs you of the proposed appraised value of your property for the current tax year, providing you an opportunity to review and, if necessary, protest the valuation before property taxes are levied. The notice includes several key pieces of information, including:

- A list of the taxing units in which the property is taxable.
- The preceding year's appraised and taxable values.
- The current year's appraised value.
- Details of exemptions applied in both the current and preceding years.
- Information on how to file a protest if you disagree with the appraised value.



Important Note: The Notice of Appraised Value is not a tax bill. Instead, it notifies property owners of their property's valuation and provides information on how to address any concerns regarding the appraisal. Actual tax statements are typically mailed later in the year, usually after **October 1**.

What does each value mean?

Each Notice of Appraised Value contains three important values that you need to understand.

- **Market Value** | What your property would sell for on **January 1**.
 - Reflects what is indicated by the market based on similar properties sold in the last year.
 - Local appraisal districts often use property characteristics when determining market value, such as size and type of improvement on the property, construction materials, quality and condition, and site characteristics.
- **Net Appraised Value** | Property value after homestead exemptions and other appropriate partial exemptions are applied.
 - Properties with a homestead exemption are eligible for net appraised value limitation.
 - Appraisal caps limit the year-to-year increase in the appraised value of a homesteaded property to 10% unless changes to the property create new value (like a new building, pool, etc.).
 - Each year, your net appraised value is a calculation of whichever is lower, **either last year's net appraised value plus 10%, or the current market value**.
- **Taxable Value** | Net appraised value minus any other exemption amounts.
 - Value used to calculate your property taxes



Visit UnlockMLS.com/PropertyProtest for more information and resources for understanding your Notice of Appraised Value!

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Understanding your Notice of Appraised Value Letter

The Notice of Appraised Value Letter will include your market value, net appraised value, and taxable value, and key information for your protest, like your unique identifying information, eFile pin number, and protest deadlines. Below is an example of the Notice of Appraised Value Letter you may receive.

Dear Property Owner:
We have appraised the property listed above for the tax year 2024. As of January 1, our appraisal is outlined below.

	Market Value	Net Appraised Value (Includes Homestead Limitation if Applicable)
	650,769	454,543

Taxing Unit	2023 Exemption	2023 Exemption Amount	2024 Exemption	2024 Exemption Amount	Exemption Amount Change	2023 Taxable	2024 Taxable	Freeze Year and Ceiling
AUSTIN COMM COLL DIST	HS	5,000	HS	5,000	0	408,221	449,543	
AUSTIN ISD	HS	100,000	HS	100,000	0	313,221	354,543	
CITY OF AUSTIN	HS	82,644	HS	90,909	8,265	330,577	363,634	
TRAVIS COUNTY	HS	82,644	HS	90,909	8,265	330,577	363,634	
TRAVIS COUNTY HEALTHCARE DISTRICT	HS	82,644	HS	90,909	8,265	330,577	363,634	

A Breakdown of Your Property's Values

Appraisal Information	Last Year's - 2023	Proposed - 2024
Market Value of Building & Other Structures	237,933	200,769
Market Value of Non Ag/Timber Land	450,000	450,000
Market Value of Ag/Timber Land	0	0
Market Value of Personal Property/Minerals	0	0
Total Market Value	687,933	650,769
Productivity Value of Ag/Timber Land	0	0
Appraised Value	687,933	650,769
Homestead Value Limitation	274,712	196,226
Circuit Breaker Value Limitation	0	0
Net Appraised Value (Possible Homestead or Circuit Breaker Limitations)*	413,221	454,543
Exemptions (DV - Disabled Vet; DP - Disabled Person; HS - Homestead; OV65 - Over 65)	HS	HS

*The Net Appraised Value of properties with a homestead exemption is limited to the lower of last year's net appraised value plus 10% or the current market value. (Texas Property Tax Code, Section 23.23). The Net Appraised Value of real properties without a homestead exemption and whose value is less than \$5 million is limited to the lower of last year's net appraised value plus 20% or the current market value. (Texas Property Tax Code, Section 23.231)

1 The appraisal district has estimated that this property would have sold for \$650,769 on **January 1**, 2024, which is actually down from the appraised value of \$687,933 from 2023.

2 Since this property has a homestead exemption, the 2024 Net Appraised Value is calculated at either last year's assessed value plus 10%, or the current market value, whichever is lower.

- In 2023, the Net Appraised Value for this property was \$413,221, which means increasing last year's value by the 10% limitation equals a value of \$454,453.
- Since this value is lower than the estimated 2024 Market Value, the 2024 Net Appraised Value should be \$454,453.

3 From here, take the 2024 Net Appraised Value and subtract the exemptions for each taxing entity to get the total taxable value for each entity. These taxable values will be used later in the year to calculate your property tax bill.



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