

How Is My Property Appraised?

At least once every 3 years, each parcel of property in Comanche County is visited and reviewed by an appraiser; however, all properties are analyzed every year by the appraisal district in accordance with Texas Law. Comanche Central Appraisal District (CCAD) is responsible for maintaining approximately 18,000 parcels covering 951 square miles.

During property inspection, the appraiser reviews property characteristics and records any changes from the last review cycle. (For example: if you have added or removed a building). The appraiser also looks closely at your improvements (*houses or buildings*) to see if there is any change in your property.

Appraisal district appraisers will not ask to inspect the interior of your residence. However, if the interior condition could change our appraisal the property owner may request the appraiser to inspect the interior with owner present.

The appraisers verify the:

- Size of your improvements
- Construction quality, and
- Physical condition of your improvements.

Using these facts, the CCAD will determine the market value of your property as of January 1, considering one of three methods of appraisal:

1. Sales comparison- Market approach
2. Cost approach
3. Income approach

Because the appraisal district is placing a value on a large number of properties annually, the appraisal district must utilize applicable features of each method and apply them uniformly to similar properties in a process known as **mass appraisal**.

Mass Appraisal

There are basically only two kinds of appraisal, *fee appraisal* and *mass appraisal*. Both types of appraisals utilize the same basic appraisal principles and theories. A fee appraisal utilizes the three methods discussed below, but with only one parcel of property being valued. Mass appraisal values the entire county where market areas, neighborhoods, subdivisions and large groupings of similar properties are appraised at one time by adopted standards.

Sales Approach

In order to determine the value of your property, CCAD must first know what properties have sold and how much they are selling for within your neighborhood, in today's market. By maintaining a database of real estate transactions, we can arrive at the property value by studying sales of comparable properties.

Cost Approach

This method of appraising property is based on how much it would cost today to build an identical structure on the property. If the property is not new, CCAD must also determine how much value the building has lost over time due to depreciation.

Income Approach

This method is preferred when appraising an income producing property. This approach determines value through analysis of income and expenses to determine market value. Consideration is given for operating expenses, maintenance costs, and the return (*or profit*) that could be reasonably expected on the property.

What about oil or gas property?

The value of your oil or gas property is based upon the reserves left in the ground rather than the amount of money you received in the last calendar year. If you need more information about the appraisal of this complex property, the appraisal district can provide you with Capitol Appraisal Group's contact information in order for someone to explain the appraisal method to you.

What's the difference between market and taxable value? When you receive a Notice of Appraised Value from the appraisal district in May, you will see a listing of market values, both from last year and proposed for this year for your land and improvements. If you have a residential homestead exemption on your property, you might notice that your *taxable value* is less than your *market value*. That's because Texas law provides the taxable value of a residence homestead property can only increase by ten percent per year, regardless of how much the market value increases. (*Your taxable value may increase at a rate of ten percent per year until it matches the district's appraised market value.*)

If you have applied for and are receiving a special valuation for agricultural or wildlife management use on your land, you will also see the productivity value that has been assigned to your property. In this case, your taxes will be based upon the productivity value rather than the market value of the property. CCAD has approximately 7,812 parcels under this special evaluation.

How can appraised value change from year to year?

Property tax is "ad valorem," which means "based upon value." When the market value of a property changes, so may its appraised value. Your property's market value can change as a result of the economy in general or because of changes you've made to the property; making it more valuable. A sluggish economy, slow growth and no demand or few potential buyers in the market may cause a decline in property values. Likewise, a growing economy with rapid growth may cause a rapid increase in property values.

What if I disagree with the value placed on my property by the appraisal district?

If you disagree with the value that has been proposed on your property, you should contact the appraisal district within 30 days of receiving a Notice of Appraised Value. If you are not satisfied with the explanation given to you, then you have the right to file a formal protest with the Appraisal Review Board (ARB). The ARB is a panel of local citizens that will listen to evidence presented by both you and the Appraisal District and make a determination regarding the issues you have protested.

Appraised Value and the Tax Rate

After the ARB process is completed in late July, the Chief Appraiser certifies that the records are correct and then sends the certified values to each of the taxing jurisdictions. The CCAD is not the tax collector and does not determine amount of taxes assessed. The CCAD is responsible for determining the January 1 market value of your property.

The taxing jurisdictions (*county, hospital, cities, schools, and water districts*) adopt a tax rate that will fund their operating budgets. These tax rates are expressed as a dollar amount for every \$100 of taxable value and are adopted every year in public hearings.

How are my taxes calculated?

Your taxes are calculated by dividing your taxable value by one hundred and multiplying by the jurisdiction's tax rate. For example:

| | |
|-----------------|------------------|
| Market Value | \$50,000 |
| Less Exemptions | -\$15,000 |
| Taxable Value | \$35,000 |
| Apply Tax Rate | \$0.50 per \$100 |
| Assessed Taxes | \$175.00 |

What can I do to lessen my tax burden?

There are a variety of exemptions that are available to homeowners and disabled veterans. If you own a farm or ranch, or grow some type of crop, you may be eligible to receive a special valuation under the provisions of open space land where your taxes will be based upon your land's productivity capability rather than its market value.

For more information visit our website or contact us.