

## **EXEMPTION INFORMATION**

The Appraisal District also administrators all exemptions, both homestead and absolute exemptions. A homestead exemption removes part of the value of your residence from taxation and lowers your taxes. In order to qualify for the homestead exemption, you must own your home as of January 1 or the tax year and use the home as your principal residence. If you have more than one house, you can only get exemptions for your main or principal residence. The amount of exemption granted by the taxing entities for each type of homestead exemption can be found under CURRENT TAX RATES on the REPORTS page. There are four types of homestead exemptions:

### **General Homestead**

For all homeowners.

### **Age 65 or Older Homestead**

In addition to the general homestead exemption, once you become 65 years of ages, you are entitled to the over-65 homestead exemption that exempts an additional amount for the value of your home. This exemption becomes effective on your date of birth and applies to the taxes for the entire year in which you turn 65 to ensure that you are receiving this exemption.

Once you receive the over-65 homestead exemption, you get a tax ceiling for your school taxes. In addition, Newton County and the City of Newton also grant a tax ceiling. The taxes on your home for the entities granting the tax ceiling cannot increase above the lesser of the amount of taxes you would have paid the year you turned 65 based on a full year with the Over 65 exemption or the amount of taxes paid in the following year. Should you move into a new residence after turning 65, this tax ceiling is transferable. Please contact the Appraisal District for more information on this matter.

### **Surviving Spouse Age 65 or Older Homestead**

If your spouse who was receiving the age 65 or older homestead exemption dies this exemption will transfer to the surviving spouse providing the spouse is 55 years of age or older and maintains ownership of the home. The surviving spouse must apply for this exemption.

### **Disability Homestead**

A person with a disability may get an additional exemption. A "disability" means either (1) you cannot engage in gainful work because of a physical or mental disability or (2) you are 55 years of age, blind, and cannot engage in your previous work because of your blindness. If you receive disability benefits under the Federal Old Age, Survivors and Disability Insurance Program administered by the Social Security Administration, you will qualify.

Disability benefits from any other program do not automatically qualify you for this exemption. You may need information on disability ratings from the civil service, retirement programs or form insurance documents, military records, or a doctor's statement.

You may receive the disability exemption in addition to the general homestead exemption but not in addition to the age 65 or older homestead exemption.

A tax ceiling is also offered on the disability exemption by the school districts, Newton County, and the City of Newton, and is transferable.

#### **100% Disabled Veteran Homestead**

If you are a disabled veteran who receives from the US Department of Veteran affairs (1) 100% disability compensation due to a service-connected disability; and (2) a rating of 100% disabled or of individual unemployability, you are entitled to an exemption from taxation of the total appraised value of your residence homestead. Beginning in 2012, this benefit has been extended to the surviving spouse upon the veteran's death with certain restrictions.

#### **Disabled Veteran Exemption**

Another type of exemption granted is the disabled veteran exemption. You may qualify for this exemption if you are either (1) a veteran who was disabled while serving with the US armed forces or (2) the surviving spouse of child (under 18 years of age and unmarried) of a disabled veteran or a member of the armed forces who was killed while on active duty. You must be a Texas resident. This exemption can be applied to any one property; the property does not need to be your homestead. This includes homesteads donated to disabled veterans by charitable organizations at no cost or not more than 50 percent of good faith estimate of the homestead's market value. The amount of exemption is determined according to the chart below:

<b>DISABILITY RATING</b>	<b>EXEMPTION</b>
0% to 9% disabled	\$ 0
10% to 29% disabled	\$ 5,000
30% to 49% disabled	\$7,500
50% to 69% disabled	\$10,000
In excess of 70% disabled	\$12,000
10% disabled or more and over 65 years of age	\$12,000
Loss of use of one or more limbs, total blindness in one or both eyes or paraplegia	\$12,000
100% disabled or unemployable	100% exempt

#### **Surviving Spouses of US Armed Service Member Killed in the Line of Duty**

The surviving spouse of a member of the US armed services who is killed in action is allowed a total (100 percent) property tax exemption on his or her residence if the surviving spouse has not remarried since the death of the armed services member.

### **Surviving Spouses of First Responders Killed in the Line of Duty**

The eligible surviving spouse of a first responder killed in the line of duty is allowed a total (100 percent) property tax exemption on his or her residence if the surviving spouse has not remarried since the death of the first responder.

### **How to file for a Homestead Exemption on Your Home**

You must use the District's application form. ([newtoncad.org/forms/](http://newtoncad.org/forms/)) go to the "Forms" section print a homestead exemption application form.

Exemption applications, other than the over-65 homestead exemption, must be filed between January 1 and May 1 of each tax year. The over-65 homestead exemption can be filed once you turn 65 years of age. Once an application is granted, you do not need to file again unless requested by the District. Be sure to include a copy of your Driver's license or state-issued personal identification card with your application. Provide all the information and the documentation requested. For example, if you are claiming an Age 65 or Older or Disability Homestead, you need to show proof of age or disability.

You may file late for a homestead exemption up to two years after the date the taxes would become delinquent and a disabled veteran's exemption up to five years after the date taxes would become delinquent. You will receive a new tax statement with a lower amount or a refund if you have already paid your taxes.

**REGULAR HOMESTEAD EXEMPTION**

**SCHOOL:** (LOCAL) 20% OR AT LEAST \$5000 PLUS (STATE MANDATE) \$25000  
**COUNTY:** (LOCAL) 20% OR AT LEAST \$5000  
**LATERAL ROAD:** (LOCAL) 20% OR AT LEAST \$5000 PLUS (STATE MANDATE) \$3000  
**CITY:** (LOCAL) 20% OR AT LEAST \$5000

**MUST BE JANUARY 1<sup>ST</sup> OWNERS AND LIVING THERE ON JANUARY 1<sup>ST</sup>. ALSO, MUST BE THE PRINCIPAL PLACE OF RESIDENCE AND DOES NOT HAVE A HOMESTEAD ON ANY OTHER PROPERTY.**

- 1. CAN FILE NO LATER THAN 2 YEARS AFTER DELINQUENCY DATE.**
- 2. SINCE JANUARY 2004 (TEMPORARILY AWAY) LESS THAN TWO YEARS FOR HOMESTEAD EXCEPT FOR HEALTH FACILITY OR MILITARY SERVICE.**

**OVER-65 HOMESTEAD EXEMPTION**

**A. SCHOOL: \$10000 (STATE MANDATE) WITH TAX CEILING.**

- 1. EXEMPTION IS FOR ALL YEAR EVEN IF THEY TURN 65 DURING THE YEAR**
- 2. DOES NOT HAVE TO BE JAN 1<sup>ST</sup> OWNER OR LIVING THERE JAN 1<sup>ST</sup>**
- 3. CAN TRANSFER TAX CEILING TO AND/OR FROM ANOTHER HOMESTEAD PROPERTY**
- 4. CAN PAY IN INSTALLMENTS**
- 5. CAN DEFER PAYING TAXES BUT INTEREST STILL ACCRUES.**
- 6. AGE 55 OR OLDER SURVIVING SPOUSE CAN RETAIN THE DECEASED SPOUSE'S EXEMPTION OR TRANSFER THE TAX CEILING TO ANOTHER HOME ANYWHERE IN TEXAS.**

**B. COUNTY: \$30,000 (LOCAL) WITH TAX CEILING (NEW FOR 2004) FREEZE IN 2005**

- 1. ALL OF THE ABOVE APPLIES FOR THE OA 65 EXCEPT TO TRANSFER TAX CEILING, IT HAS TO BE TO ANOTHER IN THE SAME TAXING UNIT.**

**C. LATERAL ROAD: \$30,000 (LOCAL) WITH THE SAME REQUIREMENTS AS COUNTY OA-65**

**D. CITY: \$5000 (LOCAL) FREEZE IN 2006**

**E. FIRE DISTRICT 1 & 2 ONLY: \$30,000**

**DISABILITY EXEMPTION:**

**A. SCHOOL: \$10,000 (STATE MANDATE)**

- 1. APPLIES ON TO HOMESTEAD ACCOUNTS WITH TAX CEILING (NEW 2004). WITH CEILING SET AT 2003 SCHOOL TAX BILL ON HOMESTEAD, QUALIFIED ON OR BEFORE JANUARY 1<sup>ST</sup> 2003. DISABLED HOMEOWNERS WHO QUALIFY THEIR HOMES IN 2004 OR THEREAFTER SET THEIR TAX CEILING BASED ON THE AMOUNT THEY PAY IN THE YEAR IN WHICH THEY FIRST QUALIFY.**
- 2. CAN QUALIFY ANYTIME DURING THE YEAR (NEW 2004)**
- 3. TO TRANSFER DP, OWNER MUST HAVE QUALIFIED THE FORMER HOME FOR A DP EXEMPTION FOR A TAX YEAR BEGINNING ON OR AFTER JAN 1<sup>ST</sup> 2003.**
- 4. DP CAN DEFER PAYING TAXES BUT INTEREST STILL ACCRUES OR THEY CAN PAY INSTALLMENTS.**

**B. COUNTY: \$10,000 (STATE MANDATE)**

- 1. ALL OF THE ABOVE DP EXEMPTIONS APPLY FOR THE COUNTY EXCEPT TO TRANSFER DP; IT HAS TO BE APPLIED TO THEIR HOME IN THE SAME TAXING UNIT.**
- C. LATERAL ROAD: SAME AS COUNTY**

**VETERAN'S DISABILITY: APPLIES TO SCHOOL, COUNTY, & CITY MUST BE A TEXAS RESIDENT. CAN BE APPLIED ON ANY ONE PROPERTY YOU OWN JAN 1<sup>ST</sup>.**

**1. BASED ON PERCENT OF DISABILITY**

<b>DV1 10%-29% \$5000</b>	<b>DV3 50%-69% \$10,000</b>
<b>DV2 30%-49% \$7500</b>	<b>DV4 70%-100% \$12,000</b>
<b>AGE 65 WITH 10%-100%</b>	<b>\$12,000</b>

**DISABLED VETERAN HOMESTEAD:**

- 1. A DISABLED VETERAN WHO RECEIVED FROM THE UNITED STATES DEPARTMENT OF VETERANS AFFAIRS OR ITS SUCCESSOR 100% DISABILITY COMPENSATION DUE TO SERVICE-CONNECTED DISABILITY AND A RATING OF 100% DISABLED OR OF INDIVIDUAL UNEMPLOYABILITY IS ENTITLED TO THE EXEMPTION.**
- 2. THE SURVIVING SPOUSE OF A DISABLED VET WHO QUALIFIED FOR AN EXEMPTION WHEN VETERAN DIED IS ENTITLED TO EXEMPTION IF THEY HAVE NOT REMARRIED AND PROPERTY WAS RESIDENCE HS WHEN VETERAN DIED AND REMAINS HS. IF IT IS A DIFFERENT HOME, THEY WOULD QUALIFY IN AN AMOUNT EQUAL TO THE DOLLAR AMOUNT OF THE EXEMPTION FROM FORMER HOMESTEAD.**

**RESIDENCE HOMESTEAD OF SURVIVING SPOUSE OF MEMBER OF ARMED SERVICES KILLED IN ACTION**

- 1. THE SURVIVING SPOUSE OF A MEMBER OF THE ARMED SERVICES OF THE UNITED STATES WHO IS KILLED IN ACTION IS ENTITLED TO AN EXEMPTION FROM TAXATION OF THE TOTAL APPRAISED VALUE OF THE SURVIVING SPOUSE'S RESIDENCE HOMESTAD IF THE SURVIVING SPOUSE HAS NOT REMARRIED SINCE THE DEATH OF THE MEMBER OF THE ARMED SERVICES.**

**HOMESTEAD EXEMPTION FOR FIRST RESPONDERS KIA**

**ENTITLES THE SURVIVING SPOUSE OF A FIRST RESPONDER WHO WAS KILLED OR FATALLY INJURED IN THE LINE OF DUTY TO A PROPERTY TAX EXEMPTION OF THE FULL VALUE OF THE SURVIVING SPOUSE'S HOMESTEAD IF THE SPOUSE:**

- 1. WAS AN ELIGIBLE SURVIVOR FOR PURPOSES OF GOVERNMENT CODE, CH 615 AS DETERMINED BY THE EMPLOYEES RETIREMENT SYSTEM OF TEXAS; AND**
- 2. HAS NOT REMARRIED SINCE THE DEATH OF THE FIRST RESPONDER.**

**THE EXEMPTION APPLIES REGARDLESS OF THE DATE OF THE FIRST RESPONDER'S DEATH, BUT WILL ONLY APPLY FOR THE TAX YEAR 2018 ON. THE EXEMPTION WILL FOLLOW THE SURVIVING SPOUSE TO A NEW HOMESTEAD, BUT IS LIMITED TO THE DOLLAR AMOUNT OF THE EXEMPTION FOR THE FIRST QUALIFYING HOMESTEAD IN THE LAST YEAR IT WAS RECEIVED.**

**DISABLED VETERAN EXEMPTION ON A PARTLY DONATED HOUSE**

**ENTITLES A PARTIALLY DISABLED VETERAN WITH A HOMESTEAD THAT WAS DONATED AT SOME COST TO THE VETERAN, TO A PARTIAL HOMESTEAD EXEMPTION, WHEREAS CURRENT LAW ONLY PERMITS SUCH AN EXEMPTION TO BE TAKEN IF THE HOMESTEAD WAS DONATED AT NO COST. THE EXEMPTION IS ALLOWED TO BE TAKEN AS LONG AS THE COST TO THE DISABLED VETERAN WAS NO MORE THAN 50% OF THE HOME'S MARKET VALUE.**

**HISTORICAL:**

**MUST BE APPLIED FOR ANNUALLY AND CITY GIVES 100% AND G01 \$3000**