

Harris County Appraisal District  
13013 Northwest Fwy.  
P. O. Box 922012  
Houston, TX 77292-2012  
(713) 812-5830  
33.065(08/04)

# Tax Deferral Affidavit for Appreciating Residence Homestead Value for \_\_\_\_\_

Year

Owner's Name

Account Number

Telephone Number (area code and number)

Owner's Date of Birth (**attach proof of age**)

THE STATE OF TEXAS  
COUNTY OF HARRIS

Before me, the undersigned authority, on this day personally appeared \_\_\_\_\_

\_\_\_\_\_, known to me and who, being by me duly sworn, on oath  
deposed and said:

"My name is \_\_\_\_\_ and I own and occupy as my  
residence homestead the following property:

Legal Description \_\_\_\_\_

Property Address \_\_\_\_\_

The above property is my principal residence and is qualified for a residence homestead  
exemption.

I hereby exercise my right pursuant to Property Tax Code Section 33.065 to defer or abate any suit to collect taxes on a portion of the tax due on this property until such time as it ceases to be my residence homestead. The tax deferred is the amount of tax imposed on the portion of the appraised value of my homestead that exceeds the market value of any new improvement plus 105 percent of the homestead's appraised value in the preceding year. I understand that 8 percent interest per year will accrue on the deferred or abated tax. I also understand that the additional penalty for attorney fees (if applicable) is imposed only if the tax remains delinquent on or after the 91st day after the deferral or abatement ends."

\_\_\_\_\_  
Signature of Affiant

SUBSCRIBED AND SWORN TO before me this the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Notary Public, State of Texas

My Commission Expires \_\_\_\_\_

# Deferral of Taxes on Increases in the Value of Residence Homesteads



Harris County Appraisal District

If you are having trouble paying property taxes on your home this year, a new law may provide limited help. The new law applies only in a few cases, and the provisions are not well known. If the law applies to you, by filing a special form with the county appraisal district you can postpone paying taxes on a portion of the increase in your home's value. Taxes will continue to accrue and you will owe interest at the rate of 8 % per year on the postponed tax amounts. However, taxing jurisdictions can not sue you to collect the postponed taxes. The taxes will become due and must be paid within 30 days of the date you sell the property or no longer occupy it. You must also pay the remaining amount of your taxes on time every year to keep the tax benefit.

Finding out whether the new law will benefit you requires a little math. You need to compare your home's 1997 appraised value to its 1998 appraised value, according to the appraisal district. If the value increased by more than 5 % from 1997 to 1998 (excluding any improvements you added to the home between 1997 and 1998), you can take advantage of the new law. The amount of tax you can defer depends on how great the increase was. Under the law, you can defer paying taxes on any amount of increase over 5 %. For example, suppose your 1997 appraised value was \$100,000 and the 1998 value was \$107,000. This represents a 7 % increase. A 5 % increase would have resulted in a value of \$105,000. The new law allows you to pay taxes as if the home's value was \$105,000 and to defer paying taxes on the remaining \$2,000 of value. On the other hand, if your home's value increased by 5 % or less, the law doesn't apply to you.

If the law applies, you must do three things to take advantage of it:

- 1) obtain the tax deferral affidavit from the appraisal district;
- 2) complete the form, have it notarized, and return it to the district; and
- 3) pay the 1998 taxes on all but the value over the 5 % increase, before the delinquency date, which is February 1, 1999.

Taxpayers need to be careful about using the new law, cautioned Harris County Chief Appraiser Jim Robinson. "First, don't rely on your own calculations. Contact the tax offices that sent you the tax bills to determine how much tax you can legally defer" he said. "Second", said Robinson, "be especially careful if your home has a mortgage. The Mortgage Company may be able to foreclose if you don't pay all your taxes on time." Finally, remember that the deferred taxes don't go away. They continue to accrue and to draw interest, and they may provide an unexpected problem if you try to sell the home. Robinson recommended discussing payment problems with the taxing units before filing the new affidavit.