

LERETA Q4 SUCCESS KIT



TEXAS PROPERTY TAXES



COLLECTION BASICS



- **October 1st** - Tax collections begin
- **January 31st** - Economic Loss Date
 - LERETA reports by 12/31, if bills are released
- **February 1st** - Penalty and interest charges begin to accumulate

If a tax bill is mailed after January 10th, the delinquency date is postponed to the first day of the next month to allow at least 21 days to pay the original bill. The delinquency date must be printed on the bill.

DISCOUNTS

Texas law allows agencies to release bills by 10/31 without extending the 3% discount. If they do not extend, they collect the 2% discount in November. Agencies offering discounts can vary from year to year.

- 3% if paid in October
- 2% if paid in November
- 1% if paid in December



EXEMPTIONS



LERETA does not support Texas installment reporting other than indicating an installment plan with a Handle Manual Code.

LERETA EXEMPTION REPORTING



LERETA reports exemptions as \$0.00 with a PAID indicator and EXEMPT Handle Manual Code.



ASSESSMENT PROTESTS/NOT CERTIFIED

Texas residents receive their appraised values by April 30 and have until May 31 to file a written protest of their value. To protest the appraised value a homeowner must complete the following steps:

- In Texas, if the values are being formally protested by the homeowner, the property is considered “Not Certified”. The protest affects all collecting agencies. If there are three tax lines on a property (County, City, and School) then all three will be Not Certified.
- LERETA delays assigning a “Not Certified” Handle Manual Code until after receipt of the Supplemental Certified Roll from the CAD in December. After the December supplemental certified roll, LERETA will apply the “Not Certified” Handle Manual Code. This delay allows the lender an opportunity to remit payment via the LERETA Tax Payment program.

90%

Of Uncertified
Reporting occurs in
Harris County
(421010000)

If a property is reported with a "Not Certified" Handle Manual Code, LERETA follows up on the 10th of each month until an amount is released and reports via the Handle Manual process

CONFIDENTIAL ACCOUNTS

Section 25.025 of the Texas State Tax Code allows for Peace Officers, their families, members of the Criminal Justice Department and citizens who are under the threat of violence to have their name and address information removed from tax collector websites.

This section does not prohibit the public disclosure of information in appraisal records that identifies property according to an address if the information does not identify an individual who has made an election under Subsection (b) in connection with the individual's address.

LERETA CONFIDENTIAL REPORTING

LERETA will make a best effort to procure tax amounts for these accounts. If unable to procure information, the Confidential Account Handle Manual Code will be used to indicate that the borrower needs to be contacted directly for the tax amount due.

Property Tax Deferrals



Interest on the amount due accrues at the rate of 5% per year

The property owner must file a deferral application with the Appraisal District before taxes become delinquent. - a tax deferral only postpones the tax liability. It does not cancel it.



Any penalty and interest that was due on the tax bill for the home before the tax deferral will remain on the property and become due when the deferral ends.

Any taxpayer can defer payments on value that exceeds 105 percent, a homeowner age 65 or older or disabled or an individual qualified for a Tax Code Section 11.22 disabled veteran exemption may defer or postpone paying any property taxes on the full taxable value of the home for as long as he or she owns and lives in it.

Past taxes and interest become due 181 days after the collector delivers a notice of delinquency once the property owner or qualified surviving spouse no longer owns or lives in the home that qualified as a homestead.