



# DFW Area Appraisal Districts

## Valuing Property

Each county's appraisal district determines the value of all taxable property within the county. Before the appraisals begin, the district compiles a list of taxable property. The listing for each property contains a description and the name and address of the owner.

The appraised home value for a homeowner who qualifies his or her homestead for exemptions in the preceding and current year may not increase more than 10 percent per year.

Property Tax Code Section 23.23(a) sets a limit on the appraised value of a residence homestead, stating that its appraised value for a tax year may not exceed the lesser of:

(1) the market value of the property; or (2) the sum of: (A) 10 percent of the appraised value of the property for last year; (B) the appraised value of the property for last year; and (C) the market value of all new improvements to the property, excluding a replacement structure for one that was rendered uninhabitable or unusable by a casualty or by mold or water damage. The appraisal limitation first applies in the year after the homeowner qualifies for the homestead exemption.

## How is your property valued?

The appraisal district must repeat its appraisal process for property at least once every three years.

To save time and money, the appraisal district uses mass appraisal to appraise large numbers of properties. In a mass appraisal, the district first collects detailed descriptions of each taxable property in the district. It then classifies properties according to a variety of factors, such as size, use and construction type. Using data from recent property sales, the district appraises the value of typical properties in each class. Taking into account differences such as age or location, the district uses "typical" property values to appraise all the properties in each class.

The appraisal district may use three common methods to value property: the market, income and cost approaches.

The market approach is most often used and simply asks, "What are properties similar to this property selling for?" The value of your home is an estimate of the price your home would sell for on Jan. 1. The appraisal district compares your home to similar homes that have sold recently and determines your home's value.

Other methods are used to appraise types of properties that don't often sell, such as utility companies and oil leases. The income approach asks, "What would an investor pay in anticipation of future income from the property?" The cost approach asks, "How much would it cost to replace the property with one of equal utility?"



### Collin County

collincad.org  
469/742-9200

### Dallas County

dallascad.org  
214/631-0910

### Denton County

dentoncad.com  
940/349-3800

### Ellis County

elliscad.org  
972/937-3552

### Hood County

co.hood.tx.us  
817/573-2471

### Hunt County

hunt-cad.org  
903/454-3510

### Johnson County

johnsoncad.com  
817/648-3000

### Kaufman County

kaufman-cad.org  
972/932-6081

### Parker County

parkercad.org  
817/596-0077

### Rockwall County

rockwallcad.com  
972/771-2034

### Tarrant County

tad.org  
817/284-0024

### Wise County

wise-cad.com  
940/627-3081

Texas Comptroller  
www.window.state.tx.us