TEXAS PROPERTY TAX SYSTEM

- Texas Legislature
- Appraisal District
- Appraisal Review Board
- Governing Body
- Texas Comptroller’s Office - PTAD
- County Tax Assessor/Collector
- Property Owner
GOVERNING BODY

- Local **governing bodies**, sometimes referred to as taxing units, include school districts, counties, cities, junior colleges and special districts. These **governing bodies** decide how much money they must spend to provide public services. Property tax rates are set according to taxing unit budgets. Some taxing units have access to other revenue sources, such as a local sales tax. School districts must rely on the local property tax, in addition to state and federal funds.
COUNTY TAX ASSESSOR-COLLECTOR

- In many counties, taxing units contract with the **county tax assessor/collector** to collect all property taxes due in that county. The tax assessor/collector then transfers the appropriate amounts to each taxing unit.

- The Montgomery County Tax Office collects for 81 entities including cities, schools and special districts.
PROPERTY OWNER

- The **property owner**, whether residential or business, is responsible for paying taxes and has a reasonable expectation that the taxing process will be fairly administered. The property owner is also referred to as the **taxpayer**.

- **Property owners** also initiate exemption filings and protest property valuations with the appraisal district.

- **Property owners** have the right to attend public hearings on governing body budgets and tax rates and voice their concerns and opinions.
TENAS
PROPERTY
TAX
CYCLE
APPRaisal PHASE

January 1 – May 15

January 1
Appraisal districts are required to appraise property at its value on this date. A lien attaches to each taxable property to ensure property tax payment.

January 1-April 30
Appraisal districts complete appraisals and process applications for exemptions.

April-May
Appraisal districts send notices of appraised value.

Graphic from Comptroller Website
“If I find happiness in my own back yard, will it increase my property taxes?”
EQUALIZATION PHASE

MAY 15 – JULY 20

May-July
ARBs hear protests from property owners, make determinations and approve appraisal records.

Graphic from Comptroller Website
ASSESSMENT PHASE

JULY 25 – SEPTEMBER 30

August-September
Local taxing units adopt tax rates.

Graphic from Comptroller Website
ASSESSMENT PHASE

TAX RATE TRANSPARENCY WEBSITE

WWW.TEXAS.GOV/PROPERTYTAXES

Taxing Entity Rates

Montgomery Cnty

2022 Montgomery Cnty

Current Rates (2022)
- No-New Revenue Rate: 0.3312%
- Proposed Rate: 0.3764%
- Voter Approval Rate: 0.4022%
- Adopted Rate: 0.3742%

Prior Rates (2021)
- No-New Revenue Rate: 0.4083%
- Proposed Rate: 0.3764%
- Voter Approval Rate: 0.4022%
- Adopted Rate: 0.3742%

Difference
- No-New Revenue Rate: 0.0771%
- Proposed Rate: 0.0319%
- Voter Approval Rate: 0.0597%
- Adopted Rate: 0.0341%

2022 Proposed Property Tax Bill Information

Visit Texas.gov/propertytaxes to find a link to your local property tax database or which you can easily access information regarding your property taxes, including information regarding the amount of taxes that each entity that taxes your property will impose if the entity adopts its proposed tax rate. Your local property tax database will be updated regularly during August and September on local-elected officials propose and adopt the property tax rates that will determine how much you pay in property taxes.

If you would like more information from each taxing unit, you may request their contact information from your local Tax Assessor-Collector:

Montgomery County Tax Office
Tammy McRae, Tax Assessor-Collector
400 N. San Jacinto St.
Conroe, TX 77301-2823

Visit Texas.gov/propertytaxes to view a proposed estimate of your 2022 property tax bill.
COUNTY TAXABLE VALUES

39.18% Increase
TAX RATE HISTORY

COLLECTIONS PHASE

OCTOBER 1 – UNTIL COMPLETE!

October 1
Local taxing units (or county tax assessor-collector, acting on their behalf) begin sending tax bills to property owners.

January 31 of the next year
Taxes due to local taxing units (or county tax assessor-collector, if acting on their behalf).

February 1 of the next year
Local taxing units begin charging penalty and interest for unpaid tax bills.

July 1 of the next year
Local taxing units may impose additional penalties for legal costs related to collecting unpaid taxes.
Path of a Property Tax Dollar

You pay your property taxes to the local tax collector.

The tax collector distributes funds to schools, cities and other local governments.

Local governments spend funds on:
- Schools
- Roads
- Hospitals
- Fire Departments
- Other Programs
WHAT YOU REALLY NEED TO TAKE AWAY TODAY!

Value protest deadlines and process

Tax payment deadlines and options
TAX PAYMENT DEADLINES AND OPTIONS
WHEN ARE TAX STATEMENTS MAILED?

• Tax Statements are mailed on October 1 or as reasonably possible afterward. The Montgomery County Tax Office historically mails tax statements in the first week of October.

• Some tax statements are held for research and review; for example if your account has had a change to your ceiling status for over-65 and disabled residents. These statements are historically available by October 15th.

• Properties that are in a Value in Dispute (VID) status will not be mailed until the value has been settled and the Appraisal District has released the account to the Tax Office via a monthly supplement.

• All Tax Statements (and receipts) are available to print online at www.mctotx.org, and are generally available as early as October 5th.

Payment Deadline is January 31
HOW CAN I PAY MY TAXES?

• Property taxes can be paid online at www.mctotx.org
  • eChecks are accepted online with NO additional fees.
  • Credit cards are accepted online with a convenience fee of 2.08% (bank charged)
    • Visa, Mastercard, Discover & American Express
  • Debit cards are accepted online with a convenience fee of 1.00% or $1.50 minimum (bank charge)
• Taxes can be paid by phone by calling 1.800.351.7929 (Online convenience fees apply).
• Taxes can also be paid by mail using the pre-addressed envelope provided with your original statement or mailing your stub and check to: 400 N. San Jacinto, Conroe, TX 77301
• Taxes can be paid in person at any of our five Tax Office Locations.
ARE THERE ANY PAYMENT PLAN OPTIONS?

• Over-65/Disabled/Disabled Veteran Installment Plans
  • Four Equal installments with no Penalty and Interest (Jan, Mar, May & Jul)

• Homestead Payment Plans
  • Must be your homesteaded property (must have homestead exemption)
  • Up to 12 months

• Informal Payment Plans
  • Pay as early as October 1
  • Any amount paid prior to January 31 will avoid Penalty and Interest
ARE THERE ANY PAYMENT PLAN OPTIONS?

- Escrow Payment Plans
  - Pay in monthly payments in advance throughout the year

- Formal Payment Plans
  - Signed agreements with the Delinquent Collection Law Firm will avoid further legal action
    - Commercial Property – Up to 6 months
    - Business Personal Property – Up to 6 months
    - Residential (Non Homestead) – Up to 9 months

Payment Deadline is January 31
WHAT IF I DON’T PAY MY TAXES BY JANUARY 31?

• Pursuant to the Texas Property Tax Code, all property taxes are delinquent on February 1st each year. Penalties and interest will begin to accrue. 7% P&I starts in February and increases by 2% each month until paid in full.

• If your taxes are still unpaid by May, you will receive a delinquent notice informing that a collection fee will be added to your real property on July 1. This collection fee is 20% and required by the Texas Property Tax Code.
  • Business Personal Property Taxes begin accruing the collection fee on April 1.
WILL THE COUNTY TAKE MY HOUSE IF I DON’T PAY MY TAXES?

• Montgomery County makes every effort to collect your property taxes without taking your property. Payment plans are offered and various payment options are available.

• Should your taxes remain unpaid after multiple attempts to collect the, a lawsuit will be filed to enforce the lien on your property.

• Although foreclosure is always the last option, if the taxes are not paid after the lawsuit is filed, a judgement will be sought with the courts and your property could ultimately be sold at a Constable’s Sale.

Payment Deadline is January 31
WILL MY TAXES CHANGE IF I FILE A LATE EXEMPTION?

• Anytime the Appraisal District approves an exemption, they apply it to the record and notify the Tax Office.

• If your tax levy changes based on the exemption, the Tax Office will mail you a corrected statement with the new amount due.

• If you’ve already paid your taxes, the Tax Office will automatically refund the overpayment. Refunds are generally processed within 2 weeks.
DO I HAVE TO PAY MY TAXES IF I FILE A DEFERRAL?

- Property Tax Deferrals are filed with the Appraisal District.
- With an approved deferral, your taxes are still due on the account, but are not collectible until the sale of your property or your death.
- Standard penalty and interest is removed and replaced with a 5% per annum penalty.
- Once the deferral is removed, the heirs of the property have 180 days to pay the balance in full before full penalty and interest is applied to the account.

Payment Deadline is January 31
I told you your costume was too scary!
HELPFUL WEBSITES

- www.mctotx.org
- www.mcad-tx.org
- www.mocotaxes.org
- www.Texas.gov/propertytaxes
- www.comptroller.texas.gov/taxes
QUESTIONS?