



Property Exemption Over 65

If you qualify for the over 65 exemption, there is a property tax “ceiling” that automatically limits school taxes to the amount you paid in the year that you first qualified for the Over 65 Exemption.



Over 65 Tax Ceiling

In the year you turn 65 the **amount of taxes** you pay the school district has a tax ceiling / freeze. **Not the value; Not the tax rate.**

Example

Market Value	\$200,000
- Homestead Exemption	\$ 100,000
- <u>Over 65 Exemption</u>	<u>\$ 10,000</u>
= taxable value /100	\$ 90,000
x tax rate	\$ 1.00
= TAXES (CEILING)	\$ 900.00

Taxing entities with local option tax ceiling – County, City & College



HOMESTEAD CAP LIMITATION

Sec.23.23

On a taxpayer’s “HOMESTEAD” property, the appraisal district must still appraise at 100% of Market Value. However, the taxable value the taxpayer will ultimately pay taxes on --- has a limit of a 10% increase **per year** from the last year it was re-appraised excluding any new value added.

➤ Year	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
➤ Mkt Value	\$100,000	\$130,000	\$140,000	\$140,000
➤ 10% cap loss	<u>ZERO</u>	<u>\$20,000</u>	<u>\$19,000</u>	<u>\$6,900</u>
➤ Assessed	\$100,000	\$110,000	\$121,000	\$133,100