



Protesting Property Value

The most effective tax relief for Texas property owners!

V3.23



Abbreviations Used Throughout

- ARB = Appraisal Review Board
- CA = Chief Appraiser (over CAD)
- CAD = County/Central Appraisal District
- CPA = Texas Comptroller of Public Accounts
- GCTO = Galveston County Tax Office
- TAC = County Tax Assessor Collector

Texas Taxes 101

The property tax process has four phases:

- ⇒ **appraisal** (determination of value by CADs)
- ⇒ **equalization** (protesting CAD value)
- ⇒ **assessment** (tax rate adoption, billing by TAC)
- ⇒ **collection** (by TAC)

Taxes are assessed/calculated as follows:

$$[(\text{Value} - \text{Exemptions}^*) \div \$100] \times \text{Rate} = \text{Tax Levy}$$

*Percentage exemption applied first to provide greatest benefit to you

CADs appraise property as of January 1st. The appraisal phase is complete once preliminary values are approved by the ARB in April. Appraisal notices are mailed to all new owners and if tax liability increases (based on the prior year tax rates). If you have a tax agent you may not receive a notice so monitor the CAD website. **You do NOT have to receive a notice to protest.**

This document will guide you through the **equalization** process. A successful appeal does NOT guarantee lower taxes if the value increased substantially (for homesteads protected by the 10% appraisal cap) or if tax rates increase.

Your Rights As A Property Owner

You have the right to protest any adverse action by the CAD concerning your property. The most common are:

- ⇒ any action by the CA, CAD or ARB that adversely affects you/increases tax liability (including a value increase)
- ⇒ denial of an exemption
- ⇒ failure of the chief appraiser or ARB to deliver notice

The Process

You have until **May 15th** or **30 days from the date of the notice** to file a formal protest. State law now requires that an informal conference be held in advance of the formal hearing. If you “just show up” as in years past, you will be asked to complete the formal protest form. When you mail, email or fax the protest form, **request the evidence packet and appraisal card with sketch**. It is also wise to request the plat and neighborhood maps. You are legally entitled to receive this no less than 14 days before the ARB hearing. This will enable you to be better prepared. Homesteaded properties are eligible for an online protest (which is considered the informal). Only use this process if you have good evidence or justification for a decrease (such as a recent contract purchasing at a lower value or a recent appraisal). Offers are received from **no-reply@trueautomation.com** (save this email address in your contacts or categorize as “safe”) and you will have seven (7) days to accept or deny or to upload documents or photos to support a lower value.

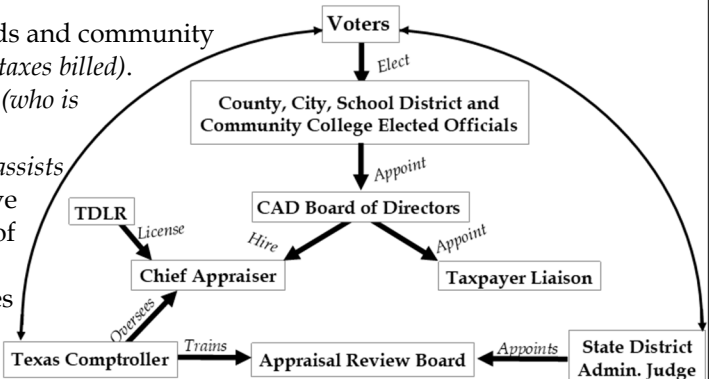
Staff appraisers conduct the informal conference. This is when the majority of reductions occur resulting from corrections of the records or depreciation being reported that was unknown (the appraisers have the authority to reach an agreement without the need for an ARB hearing). If you reach an agreement with the appraiser, you will be asked to sign a waiver. If not fully satisfied, you should note this on the waiver when signing. If you do not wish to accept the proposed value, you may go straight to the ARB or ask to be rescheduled for a later date—it is best to be prepared for the ARB hearing. If you are not satisfied with the ARB decision, you may file a lawsuit in District Court or request binding arbitration.

Evidence Packet

As stated previously, when mailing the protest form, request the evidence packet and appraisal card with sketch, the neighborhood and plat maps. My office can assist (email account number to galcotax@co.galveston.tx.us)

Who's Who in the Process?

Voters elect county commissioners, city councils, school boards and community college boards who appoint the CAD board (based on the total taxes billed). The CAD board adopts the budget, hires the Chief Appraiser (who is responsible for day-to-day CAD operations and staff), adopts the Reappraisal Plan and appoints the Taxpayer Liaison Officer (assists with citizen concerns). The (elected) State District Administrative Judge (in all counties) appoints the ARB. The Tx Department of Licensing & Regulation (State agency overseen by Governor appointed board) licenses appraisers. The CPA (elected) oversees CADs through the property value/ratio study, Methods and Assistance Program and adopting and enforcing standards.



or you can download them from the GCAD website.

The evidence packet includes the following:

- ⇒ Property Record Card (with photo not sketch)
- ⇒ All sales in your neighborhood (NBHD SALES)
- ⇒ Sales Comparable Property Grid
- ⇒ Uniform & Equal list of homes in your neighborhood (NBHD U&E)
- ⇒ U&E Comparable Grid

The most efficient way to file your protest and obtain the records is via email to gcad@galvestoncad.org.

Confirm Information & Know Your Neighborhood

Whether or not you protest the value, obtain a copy of the **appraisal card** and **neighborhood map**. Confirm the records are accurate including the condition. Codes used on the card are listed on page 9. Insure all exemptions you are entitled to are included (*such as the homestead, over-65, disabled person, disabled vet or surviving spouses of each*). Become familiar with your “neighborhood” so that you can gather real estate information when properties are listed or sold.

The appraisal district assumes all property in the area it defines as the “neighborhood” (*definition on page 5*) have the same quality of construction and features and are in the same condition. If sales occur of at least 10% of the properties in the neighborhood, values increase/decrease. Know what you are being compared to. (*See sample appraisal card on page 6 – the map ID is circled in blue or may also be found on the CAD website on the property “home page” under Location information shown below*).

Find your property – your neighborhood is color coded.

Property Details	
Account	
Property ID:	168945
Legal Description:	ABST 20 PERRY & AUSTIN ESTATE SUB ADDN #1
Geographic ID:	3470-0000-0004-000
Agent:	MEFFERD & ASSOCIATES
Type:	Real
Location	
Address:	700 WATTLEWOOD DR
Map ID:	70-D
Neighborhood CD:	3465

Market Value Protest

If your property is not “ready to sell” (*is not in similar condition or have similar features of those selling*) or requires repairs, take photographs, make a list and obtain cost estimates. If you are unsure of market demand, contact a friendly real estate agent and have him or her help define needed updates, attend an open house or visit real estate websites for listings (*this is your competition*). Sites such as **Homewyse.com** make it easy to determine ballpark costs of specific updates or repairs. This analysis is typically adequate for an online or informal protest.

Review the properties included in the evidence packet. Search for other sales. Call real estate agents.

In addition to researching comparables provided by the CAD, perform your own analysis of homes in your neighborhood using the Protest Spreadsheet (*available at GCTO website at the bottom of the Tax Office homepage or use the paper version included on pages 10 and 11*). Adjust the “comps” by adding or subtracting for differences (*see adjustments in the CAD packet as well as the example in the spreadsheet and on pages 6 and 7*). The worksheet includes formulas that perform many of the calculations for you. Focus on the differences!

CADs use mass appraisal which does not adjust for unique features. The key, therefore, is to provide information that shows your property is different from sales or other properties in the neighborhood.

The date of value is January 1 so if you made repairs or updates after January 1, present the cost or receipts as the basis for reducing the value. In the event of a disaster, you are now Constitutionally entitled to apply for a temporary exemption within 105 days of the disaster declaration. Additional information is available on most CAD websites.

Unequal Value Protest

A protest based on unequal value requires the CAD to prove the appraisal ratio of your property is equal to or less than the median level of appraisal of a reasonable/representative sample of other properties in the CAD, those that are similarly situated or of the same character. More simply put, is the value equal to or less than the median appraised value of a reasonable number of comparable properties after adjusting for differences.

This method of protest is a bit more complicated *unless you live in a subdivision where identical homes have been built* and you find one with a lower value than yours. **This is “the perfect storm” for unequal protest!**

If you locate identical homes – even those not in your specific neighborhood but within the same subdivision – take photos, obtain the appraisal cards or other information necessary to demonstrate similarities. Adjust for differences using the Protest worksheet. **The ARB is more likely to approve an unequal value appeal than appraisers in an informal conference particularly if the analysis reveals inequality with regard to the land value.**

Except for the “perfect storm” you may want to hire a property tax consultant to present an unequal value case.

Depreciation

Depreciation impacts value. There are three types:

- ⇒ **Physical** (*condition – addressed by cost of repairs*)
- ⇒ **Functional** (*poor floor plan, overbuilt or over improved for neighborhood, easements – addressed by cost to correct*)
- ⇒ **Economic** (*foreclosures, oversupply of properties for sale, high interest rates – sales will typically reflect this through lower sale prices.*)

Meeting with the Appraiser

Since you must now file a formal protest in order to meet with an appraiser, you will have the sales in advance so review them and be prepared to discuss the differences and/or why they are not truly comparable to your property. The meeting with the appraiser is the best opportunity to both obtain and provide information.

Consider it a fishing trip! Have they considered all adjustments to bring the sales in line with the condition and features of your property (including lowering the quality which will reduce the price/square foot)? Discuss the differences. Present bids, estimates of repairs and photos. Complete the Improvements Listing. Your knowledge of the neighborhood and adverse conditions that may exist may be unknown to the CAD (excessive traffic, propensity for flooding, foreclosures, abundance of properties for sale, crime rates, pipeline or electrical easements).

When talking with the appraiser, **understand the value of a reduction** – do not walk away from a \$10,000 offer (\pm \$300 in taxes) over a \$1,000 disagreement (\pm \$30 in taxes).

Give the appraiser time to consider your information. He or she will try to reach an agreement. If one is reached, you will be asked to sign a waiver and agree to the value. **Do not feel forced to accept an offer.** (Some appraisers will state reductions are 'off the table' if you go to the ARB and, although not bound by an offer, the ARB should consider offers made by the CAD appraisers if they are reasonable – especially if you can get the appraiser to note it on your notice or if you have an actual email with an offer from filing online.

If unable to reach an agreement, ask to be rescheduled for an ARB hearing at a later date. **It is in your best interest to be prepared for the ARB!** You are legally entitled to one reschedule. **NOTE:** ARBs are required to provide for hearings on a Saturday or after 5:00 pm weekdays.

The ARB

Section 41.461 of the Tax Code requires the following be provided at least 14 days before a hearing:

- 1) Taxpayer Rights and Remedies
- 2) ARB hearing procedures
- 3) Information pertaining to your right to receive copies of the data, schedules, formulas and information that will be introduced at the hearing. (CADs may NOT use any other evidence.) Further, Section 41.67(d) provides that if information is requested but **not delivered at least 14 days before the hearing** it may NOT be used by the CAD in the hearing. Certified mail is the best method of documenting receipt but so is email.

Assemble a packet for the hearing (original + four copies):

- * **Summary sheet** A brief description of the property, date purchased and amount, the CAD and your opinion of value, reason for the protest and a list of packet contents.
- * **Appraisal notice from CAD** if you have one

* CAD appraisal card

* **Photos** Include front, back, areas needing repair – anything to satisfy the ARB's need to know what the property looks like and any deterioration. Label the photos.

* Estimates or receipts of repairs

* **Map of sales, comparable properties and listings**
Use plat or neighborhood map

* **Protest Worksheet** Focus on the sales the CAD used (providing reasons why a sale is NOT comparable) as well as others you find that support your position. The worksheet is particularly important when protesting for unequal value as it shows the adjustments. You may want to separate land and improvement value for the comps, particularly in determining whether land value should be reduced. The worksheet, properly adjusted, will provide a range in value for your property. Be prepared to discuss how you arrived at your estimate of value.

* **Appraisal by fee appraiser** The CAD is required to accept a "fee appraisal" if it meets the requirements of the Tax Code Section 41.43 (see Definitions).

Practice your presentation. Know what you intend to say. Keep it simple. Be prepared to present the case in four minutes or less. Be concise. Keep in mind that **you have the advantage** of being able to out-prepare the CAD. You have one property, they have thousands.

The Hearing

Participants at the hearing include the three member ARB panel, a CAD appraiser and clerk recording it. The proceedings (typically lasting about 20 minutes) will be conducted by the panel chair after introductions and a brief description of the process **as well as your right to complete a State survey online or in writing.** All parties will be sworn in. The legal description, address and account number are read into the record.

Both you and the CAD have an opportunity to present information and resolve any disputes about the property that should have been resolved in the informal meeting (incorrect square footage, etc.).

If an offer for reduction was made by the appraiser in the informal, include that in your opening statement!

Present any written offer (such as an email) as evidence to support at least a partial reduction. Questions and closing remarks are permitted. Thank the ARB and remind the panel that **Texas law requires each property to be appraised on its individual characteristics.** State why your property is different from the sales. Note that **the CAD has the burden of proving its value by a preponderance of the evidence** and if the CAD fails to meet that standard, the protest **shall** be in favor of the property owner (Section 41.43 of the Texas Tax Code).

The ARB panel may deliberate and will announce a decision. It may reduce the value or leave it alone – **it can no longer increase a value** (unless agreed to by you or involves an exemption or denial of agricultural use)! It must



issue a written order via certified mail within 30 days (*in counties of less than 4M*) along with information regarding the right to sue in District Court or go to arbitration.

Be aware that if disputes regarding the property cannot be resolved (*particularly regarding the accuracy of CAD information*), the ARB chair may recess the hearing for a field check and continue the hearing after it is completed. **If you believe the CAD records are inaccurate, pursue this!**

Other: The Chief Appraiser and property owner (*or agent*) may file an agreed joint motion on a value with the ARB. The ARB must issue an order within five days.

Ask

Chief Appraisers may maintain a list of people who provide free assistance to homeowners!

Appealing an ARB Order

If not satisfied with the ARB decision, your options are to file a lawsuit in State District Court or request arbitration. Few lawsuits actually make it to a courtroom as agreements are typically reached before then. This is a great option for those with an attorney in the family or if you are not intimidated by legalities.

Binding Arbitration A Viable Option

Although initially a costly option, binding arbitration is a good alternative to filing a lawsuit. Preparation is similar to preparing for the ARB but an independent, impartial third party hears and examines the facts then makes a decision that is binding on both parties.

The ARB will provide an 'order of determination' after the formal hearing. If the disputed value does not exceed \$5M (*except for residence homesteads for which there is no limit*), the taxes have been paid, you have not filed a lawsuit, and the request is timely and properly filed, you are eligible for this option (*assuming the dispute pertains to value not denial of an exemption, etc.*).

An arbitration request form may be filed online through the Comptroller Online Arbitration Center along with payment (*fees range from \$450 to \$1,550*) within 60 days of the ARB order. The form, along with a money order or cashier's check may also be mailed or delivered to the CAD. The CAD is required to forward the request and payment to the Comptroller within 10 days.

The Comptroller may not reject an application unless a defect is not corrected within 15 days of notice. Once approved, the Comptroller will appoint an arbitrator whom will set a date, time and place for a hearing.

The arbitration could be in person, by teleconference or via submission of documents (*both you and the CAD must agree to this*). Since the CAD had the advantage before,

If a value is lowered by the ARB or in arbitration, it may not be increased the next year unless supported by clear and convincing (rather than substantial) evidence (except for unequal protests).

make suggestions to the arbitrator for a location that you are comfortable with.

The arbitrator is required to provide hearing procedures that will be used. You may hire a property tax consultant, attorney, real estate broker/agent, CPA or appraiser to attend the hearing with you or on your behalf (*if on your behalf, a designation of agent form must be submitted with the application*). Having a tax professional is a good decision!

You will present your case and the CAD will present the ARB case. Time constraints in an arbitration are not as restrictive as the ARB hearing. Take your time and lay out the entire case. Bring evidence and explain why your value is more appropriate than the ARB's.

The arbitrator shall deliver a copy of the award to the property owner, CAD and Comptroller within 20 days. If the award is nearer in value to the property owner estimate, the Comptroller shall refund the property owner all but \$50 of the deposit and the CAD pays the arbitrator's fee. **Be aware** that the value could be lowered but not sufficiently to reduce the fee. It could also be left at the ARB value. The decision of the arbitrator is final and binding on all parties (*unless fraud, corruption or willful misbehavior occurred*).

Before attempting arbitration, review the information available on the Comptroller's website at <https://comptroller.texas.gov/taxes/property-tax/arbitration/>.

Protest Savvy

- A. Don't miss the May 15th deadline (*or 30 days from notice date*) to postmark/mail the formal protest form. If you did not receive a notice, go online to see if the value increased (*newest values posted after notices are mailed which is typically by mid April*). Late protests are allowed for good cause (*e.g. medical*).
- B. If your value increased, it is likely your neighbors did as well. Ask. Encourage everyone to protest.
- C. If a property is well maintained, the effective age will be less than the actual age. Check the records and condition of your property.
- D. Contact buyers, sellers or agents about sales. Was personal property included? Was either party highly motivated? This means the sale does not conform to the market value definition. Were there special circumstances? **Do your homework!**
- E. The computer performed an analysis of information inputted. You must prove the data is inaccurate or that important information is omitted.

Be aware of "neighborhood adjustment factors" which are developed and used to adjust prices per square foot to bring them up to what the market is indicating cost/square foot should be. Ask for a clear and concise explanation of this factor (in the ARB hearing) and if one cannot be provided, the CAD has failed to prove its value.

- F. The CAD has the burden of proof in an ARB hearing or when an appraisal <180 days old is presented.
- G. Tell the truth. Lose credibility and you lose your case.
- H. The CAD and ARB panel members are not interested in buying your property so **don't suggest it.**
- I. Avoid name calling (*YOU PEOPLE is not well received*). Do not get angry. Be positive and polite. Relax.
- J. Crying doesn't help (*but you can try and it may sway the ARB*)



Other Options

Hire a Property Tax Consultant. Several are listed below.

<u>Property Tax Agent</u>	<u>Telephone</u>
Advalorem ^{tax} .net	281-957-9600
Appealpropertytax.com	713-526-1465
Bettencourt Tax Advisors	713-263-6100
Harding & Carbone Inc	713-664-1215
Mefferd & Associates PC	713-376-5583
Novotny & Company	713-932-7672
OConnor & Associates	713-686-9955
Premier Property Tax	281-304-5222
Property Tax Solutions	281-482-6300
Republic Property Tax	713-609-9430
Roberts Tax Appeals	713-703-6532

Definitions

Acceptable appraisals are for properties with a value of \$1M or less. The appraisal must be filed with the ARB and delivered to the chief appraiser no later than 14 days before the hearing, must support the value claimed by the owner and have been performed by a certified appraiser (*under Occupations Code Chapter 1103*) not later than 180 days before the date of the first hearing. It must be notarized, include the name and business address of the appraiser, description of the property, a statement that the appraised or market value was as of January 1, was determined using a method of appraisal authorized or required by Chapter 23 of the Tax Code and performed in accordance with USPAP.

Acceptable sales must have occurred within 36 months of the date of value in counties of 150,000 or more including foreclosures and sales in a declining economy.

Market value is the price at which a property would sell for under prevailing market conditions if: "(a) exposed for sale in the open market with a reasonable time for the seller to find a purchaser; (b) both the seller and the purchaser know of all the uses and purposes to which the property is adapted and for which it is capable of being used and of the enforceable restrictions on its use; and (c) both the seller and purchaser seek to maximize their gains and neither is in a position to take advantage of the exigencies of the other" Tax Code Section 1.04(7). This means that when sales involve a highly motivated buyer (or seller), they **do not represent market value.**

Typically referred to as "**neighborhoods**" comparable

properties "...shall be determined based on similarities with regard to location, square footage of the lot and improvements, property age, property condition, property access, amenities, views, income, operating expenses, occupancy, and the existence of easements, deed restrictions, or other legal burdens affecting marketability" Tax Code Section 23.013(d).

Resources

Galveston CAD

www.galvestoncad.org 1-866-277-4725
 Email: gcad@galvestoncad.org FAX (409) 935-4319

Krystal McKinney, Interim Chief Appraiser
kmckinney@galvestoncad.org

Don Gartman, Chairman, Board of Directors
D.gartman@sbcglobal.net

Norman Franzke, Taxpayer Liaison Officer
 Email: liaison@galvestoncad.org

Harris CAD

www.hcad.org 713-957-7800
 Email: help@hcad.org

Teresa Terry, HCAD Taxpayer Liaison Officer
 Email: tterry@hcad.org

Galveston County Tax Office

www.galcotax.com 1-877-766-2284
 Email: galcotax@co.galveston.tx.us

Harris County Tax Office

www.hctax.net 713-368-2000
 Email: tax.office@hctx.net

State District Administrative Judge Kerry Neves

Kerry.Neves@co.galveston.tx.us

Texas Comptroller

www.comptroller.texas.gov/taxinfo/proptax
 1-800-252-9121 (press 2 then 1 for Info Services team)
 Email: ptad.cpa@cpa.texas.gov

Possible Sources of Sales

www.online-home-values.com www.har.com
 www.housevalues.com www.zillow.com

Disclaimer: This information is intended to help lower your value at most CADs. Procedures may vary from one CAD to another. No guarantees are made regarding your success when protesting. Extensive research and official sources were used to compile this brochure. There is no substitute for professional or legal advice and your own common sense.

Presented courtesy of:



Cheryl E. Johnson, PCC, CTOP

Galveston County Tax Assessor Collector
 722 Moody Ave, Galveston, Texas 77550

1-409-766-2260

Cheryl.E.Johnson@co.galveston.tx.us

Appraisal card (shown below) available via email or telephone. Online info. shown at right.

GALVESTON CENTRAL APPRAISAL DISTRICT		PROPERTY APPRAISAL INFORMATION 2021		Entities	Values
PROPERTY 169091	R	OWNER ID 524012	1312 STEELE DR	C37 100%	IMPROVEMENTS 945,980
Legal Description			FRIENDSWOOD, TX 77546-2019	CAD 100%	LAND MARKET + 62,110
ABST 20 PAGE 5 LOT 14 & PT OF LOT 3 BLK 12		OWNERSHIP 100.00%		D06 100%	MARKET VALUE = 1,008,090
LONGWOOD PARK				RFL 100%	PRODUCTIVITY LOSS - 0
				S12 100%	APPRAISED VALUE = 1,008,090
Ref ID: 281651	Ref ID: R16909	ACRES: 1.0080			HS CAP LOSS - 642,670
4505-0012-0014-000	Map ID 93-A	EFF. ACRES:			ASSESSED VALUE = 365,420
SITUS 1312 STEELE DR FRIENDSWOOD, TX 77546		APPR VAL METHOD: Cost			

GENERAL		
UTILITIES	AP	LAST APPR. SE
TOPOGRAPHY	LEVEL	LAST APPR. YR 2018
ROAD ACCESS	ASP	LAST INSP. DATE 02/25/2020
ZONING	SFR	NEXT INSP. DATE
BUILDER		
NEXT REASON		
REMARKS	BP20- ADD IMPS @ PC. BP19-FRAMES FOR SLAB ONLY BP19- DEMO HOUSE, POOL & SPA STILL THERE; ADD GAZEBO. 18PICTO BP12-POOL_SPA	

This card is provided with evidence packet. Ask for card with sketch for your property.

Note: Value lowered to \$725,000. Class Code lowered

EXEMPTIONS	
HS	Homestead



BUILDING PERMITS			
ISSUE DT	PERMIT TYPE	PERMIT AREA	ST PERMIT VAL
SALE DT	PRICE	GRANTOR	DEED INFO
01/22/2007	275,000	VETERANS AFFAIRS SWD // 20070	
09/08/2006		NATIONAL CITY MO WD // 20060	

Neighborhood Adjustment Factors (updated in 2020)

IB	TYPE	DESCRIPTION	R1	B2D	AREA	UNIT PRICE	UNITS	BUILT	EFF YR	COND	VALUE	ADJ PR	PHYS	ECON	FUNC	COMP	ADJ	ADJ VALUE
1	RESIDENTIAL	STCD: A1			5,747.0					Y (100%)	518,920							518,920

IMPROVEMENT INFORMATION																		
IB	TYPE	DESCRIPTION	R1	B2D	AREA	UNIT PRICE	UNITS	BUILT	EFF YR	COND	VALUE	ADJ PR	PHYS	ECON	FUNC	COMP	ADJ	ADJ VALUE
1	POOL	POOL	F	✓	.0	0.00	0	2011	2011		7,500	100%	100%	100%	100%	100%	100%	7,500
2	POOL	SPA	F	✓	.0	0.00	0	2011	2011		2,500	100%	100%	100%	100%	100%	100%	2,500
3	MISC IMP	STCD: A1			1,199.0					Y (100%)	10,000							10,000
4	MISC IMP	STCD: A1			1,482.0					Y (100%)	37,050							37,050

IMPROVEMENT FEATURES			
Fireplace	1	FP	1,800
Construction Style	1	SFC	0
Roof Style	1	CS	0
Exterior Wall	1	BV	0
Foundation	1	CS	0
Flooring	1	CP	0
Flooring	1	TI	0
Interior Finish	1	SR	0
Heating/Cooling	1	CH-CA	1,800

LAND INFORMATION																			
IB	DESCRIPTION	CLS	TABLE	SC	HS	METH	DIMENSIONS	UNIT PRICE	GROSS VALUE	ADJ	MASS ADJ	VAL SRC	MKT VAL	AG APPLY	AG CLASS	AG TABLE	AG UNIT	PRC	AG VALUE
1	RL		L-54805	A1	Y (100%)	SG	43,905.0000 SQ	.00		0.90	1.00	F	62,110	NO				0.00	0

IMPROVEMENTS LISTING USING APPRAISAL CARDS OR SALE INFORMATION

Address	Total Value	MA Imp SF & \$ (no dep)	Lot SF & \$	Class Code	Eff Age/ Yr Built	Cond %	Describe Other Imps (with dep)	Other Info (# Stories, Lot Type)
1312 Steele Dr	\$725,000	3968SF \$623,415	43,905 SF \$62,110	B18	2019	98%	2 OP 578 SF; GA 399 SF; 2 CP1 772 SF. Pool; spa; gazebo; 1482 SF storage bldg @ \$39,475. Little depreciation.	FP, 2 story, Harvey rebuild on lot that frequently floods & adjoins 2 buyout lots, interior lot; condition 2

Property Improvement - Building							
Type:	RESIDENTIAL	State Code:	A1	Living Area: 3,968.00sqft Value: \$623,415			
Type	Description	Class CD	Year Built	SQFT			
OP	OPEN PORCH	B18	2019	210.00			
OP	OPEN PORCH	B18	2019	368.00			
GA	GARAGE	B18	2019	399.00			
MA2	MAIN AREA 2ND FLOOR	B18	2019	1,323.00			
MA	MAIN AREA	B18	2019	2,845.00			
CP1	CARPOR/SLAB	B18	2019	772.00			
CP1	CARPOR/SLAB	B18	2019	457.00			
Description: POOL/SPA Type: MISC IMP State Code: A1 Living Area: 0.00sqft Value: \$8,131							
Type	Description	Class CD	Year Built	SQFT			
POOL	POOL	*	2011	0.00			
SPA	SPA	*	2011	0.00			
Type: MISC IMP State Code: A1 Living Area: 0.00sqft Value: \$1,220							
Type	Description	Class CD	Year Built	SQFT			
GZ	GAZEBO	*	2018	150.00			
Description: MISC IMP Type: MISC IMP State Code: A1 Living Area: 0.00sqft Value: \$30,124							
Type	Description	Class CD	Year Built	SQFT			
STG	STORAGE	*	2019	1,482.00			
Property Land							
Type	Description	Acreage	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
RL	RL	1.0079	43,905.00	0.00	0.00	\$62,110	\$0

Property Values	
Improvement Homestead Value:	\$662,890
Improvement Non-Homestead Value:	\$623,415
Land Homestead Value:	\$39,475
Land Non-Homestead Value:	\$662,890
Appraisal Market Valuation:	\$0
Market Value:	\$725,000

Complete improvements listing using appraisal card as shown in the example on previous page or from CAD website (www.galvestoncad.org) as shown here.



INSTRUCTIONS FOR USING IMPROVEMENT BLANKS AND SPREADSHEET

The purpose is to become familiar with your property and others that are being used to increase your value and to perform a comparison. Once you have identified the neighborhood, see if there are identical houses in it or in your entire subdivision (*this is best for unequal value*). When filing the formal protest with the CAD, you will be able to request the evidence packet which will include the sales used. Obtain the appraisal card for your property and verify accuracy of improvements listed.

Follow the steps below to perform a comparison. This is useful for discussing the differences between their sales and how they differ from your house. You likely have more knowledge of these properties than the CAD and you certainly know more about your house than they do!

1. Download the 2023.Protest Worksheets.xlsx (www.galcotax.com/Home Page or Property Tax/Protest Information).
2. Complete **Improvements Listing** using CAD appraisal cards, information on the CAD website or the Residential Equity Taxpayer Evidence Packet Report. A blank **Improvements Listing Using Web Information** is on page 10.
3. Complete top row of **Spreadsheet 4 You to Use** (if you cannot open, try a different web browser) with your property info and comparable properties using **Improvements Listing**.
4. If the condition of your property is below the norm for the neighborhood and the CAD has 100% under DEPR, you will need to determine the total cost of repairs. Divide that amount by the Imp Value to determine the Cond % (eg \$10,000 in repairs ÷ \$196,110 = 5% condition adjustment. Subject from 100.) Enter 95% as the Cond %. See **Instruction and Dep Calculator** tab in spreadsheet.
5. As you enter information, the shaded cells will automatically calculate and adjust the comps to your property. An adjusted value will result in the Adj Value column.
6. Complete INDICATED VALUE RANGE at bottom. **In determining those most like yours, which required the least adjustments, have similar features such as size, class code, age and other improvements?** If you do not have a pool, do not use that comp unless all other factors are the same.

PROTEST WORKSHEET																						
#	Address	Class Code	Total Value	MA Imp Value	MA Imp SF	\$/SF MA	Quality Adj/SF	Quality Adj	Land Value	Land SF	\$/SF Land	Land Value Adj	Eff Age	Size Diff	Size Adj	Dep %	Dep Adj	Other Imp Value	Other Imp Value Adj	Total Adj	Adj Value	
	1312 Steele Dr	B18	\$725,000	\$623,415	3,968	\$157.11			\$62,110	43,905	\$1.41		2019			98%		\$39,475				
1	1310 Steele Dr	B17	\$758,000	\$691,671	5,380	\$128.56	\$28.55	\$153,584	\$54,210	24,095	\$2.25	\$7,900	2010	-1,412	-\$181,531	100%	-\$13,833	\$61,440	-\$21,965	-\$55,846	\$702,154	
2	1407 Steele Dr	B14	\$515,000	\$315,266	2,796	\$112.76	\$44.35	\$124,015	\$69,790	63,300	\$1.10	-\$7,680	1995	1,172	\$132,150	90%	\$25,221	\$129,944	-\$90,469	\$183,238	\$698,238	
3	1203 Thomas Dr	B13	\$581,610	\$461,070	3,903	\$118.13	\$38.98	\$152,133	\$120,540	70,450	\$1.71	-\$58,430	1995	65	\$7,679	88%	\$46,107	\$42,620	-\$3,145	\$144,343	\$725,953	
4	1207 Thomas Dr	B15	\$660,800	\$603,350	4,624	\$130.48	\$26.63	\$123,130	\$49,950	22,200	\$2.25	\$12,160	1995	-656	-\$85,596	88%	\$60,335	\$54,380	-\$14,905	\$95,123	\$755,923	
5	1302 Thomas Dr	B13	\$442,080	\$380,830	3,398	\$112.07	\$45.04	\$153,032	\$58,830	25,000	\$2.35	\$3,280	1995	570	\$63,883	88%	\$38,083	\$28,990	\$10,485	\$268,763	\$710,843	
6	1202 Crawford	F13	\$434,850	\$380,740	3,336	\$114.13	\$42.98	\$143,381	\$54,110	24,050	\$2.25	\$8,000	2018	632	\$72,131	100%	-\$7,615	\$24,990	\$14,485	\$230,382	\$665,232	
7	1208 Crawford	B16	\$634,700	\$583,210	3,746	\$155.69	\$1.42	\$5,326	\$51,490	22,884	\$2.25	\$10,620	2002	222	\$34,563	100%	-\$11,664	\$37,670	\$1,805	\$40,650	\$675,350	
8	1311 Crawford	B13	\$439,400	\$378,260	3,075	\$123.01	\$34.10	\$104,855	\$61,140	32,240	\$1.90	\$970	1995	893	\$109,849	88%	\$37,826	\$36,080	\$3,395	\$256,895	\$696,295	
9	2303 Judy	F15	\$570,870	\$524,070	3,428	\$152.88	\$4.23	\$14,505	\$46,800	23,772	\$2.07	\$15,310	2015	540	\$82,555	100%	-\$10,481	\$52,070	-\$12,595	\$89,294	\$660,164	
10	1102 Myrtlewood	B15	\$375,000	\$316,720	3,515	\$90.11	\$67.01	\$235,524	\$58,280	28,000	\$2.08	\$3,830	1996	453	\$40,818	88%	\$31,672	\$19,570	\$19,905	\$331,749	\$706,749	
11	1106 Myrtlewood	B12	\$441,190	\$395,020	3,473	\$113.74	\$43.37	\$150,625	\$41,170	18,295	\$2.25	\$20,940	1995	495	\$56,301	88%	\$39,502	\$45,730	-\$6,255	\$261,114	\$702,304	
12	1201 Myrtlewood	B16	\$532,000	\$449,070	3,664	\$122.56	\$34.55	\$126,583	\$82,930	36,858	\$2.25	-\$20,820	1997	304	\$37,259	94%	\$17,963	\$33,880	\$5,595	\$166,580	\$698,580	
		INDICATED VALUE RANGE:		Low:			\$660,164	High:			\$755,923	Properties Most Like Subject:		Size - 3 & 7; Age - 1, 6, 9; Quality - 1, 7 & 12; Least adj to 1, 7 & 9. Overall, most like 7.				Estimated Value:		\$675,350		
Value of other improvements reflected in Residential Equity Evidence Packet amount reduced to reflect successful protest reductions Comp 2, 3, 6, 7, 9 & 12 in Comp Equity Grid U&E																						

RESIDENTIAL CLASS (classification) CODES

Residential class codes are a measure of complexity that effects the cost of construction. The codes define the exterior then grade of construction. Structure types include B=brick, BH=beach house, F=frame and TH=townhome. The five class code groupings used by GCAD follow. Properties in a subdivision will have little difference in coding.

Class 1-5 Low Quality Residence

General Description: Low quality structure, inexpensive materials, poor design, workmanship. Not attractive in appearance.

Foundation: Concrete blocks, masonry or light slab, wood or concrete piers
Roof: Roll composition, metal, very light composition or wood shingles
Windows: 5 **Corners:** 4 **Baths:** One
Floors: Softwood, bare, light asphalt tile or low cost linoleum
H/C: Stove heaters and no CA, low cost window units
Utilities: Very few outlets, cheap fixtures **Garage:** None, very low cost carport
Size: 400-800 square feet of living area or garage



Class 6-10 Fair Quality Residence

General Description: Minimum FHA/VA residence, fair design, materials & workmanship. Small frame rear porch standard

Foundation: Light concrete or pier and beam
Roof: Light composition or wood shingles
Windows: 6-8 **Corners:** 6 **Baths:** One
Floors: Low quality carpet, hardwood or tile
H/C: Small central heating units or wall heaters **Utilities:** Basic outlets
Garage: One car garage or carport, concrete drive
Size: 800-1,200 square feet of living area



Class 11-15 Average Quality Residence

General Description: FHA or VA standards; average materials, workmanship, standard design. Front and rear porches. "L" shape or other variation from rectangle.

Foundation: Concrete slab, pier and beam **Roof:** Composition or wood shingles
Windows: 7-9 **Corners:** 6-8 **Baths:** 1 1/2 to 2 baths
Floors: Carpet, tile or varnished hardwood
H/C: Central heat and air **Utilities:** Ample outlets, average fixtures
Garage: 1-2 car garage or carport, concrete drive
Size: 1,200-1,800 square feet of living area



Class 16-20 Good Quality Residence

General Description: Very good structure built of excellent materials, design and workmanship. Usually custom built from good architectural plans, attractive in appearance. Irregular shape. Large front and rear porches or patios.

Foundation: Heavy concrete slab or pier and beam
Roof: Heavy comp or wood shingles, tile or built-up
Windows: 12-14 **Corners:** 10-12 **Baths:** 2-3, custom features
Floors: Good quality carpet, tile or varnished hardwood
H/C: Central heat & air **Utilities:** Custom features
Garage: 2-3 car garage or carport, concrete drive **Extras:** Fireplace
Size: 2,300-3,000 square feet of living area



Class 21-24 Excellent Quality Residence

General Description: High quality structure of excellent materials, design and workmanship. Custom built from good architectural plans, attractive in appearance. Large balconies, skylights, atriums or saunas.

Foundation: Heavy concrete slab or high quality pier and beam
Roof: Heavy wood shingles or high quality composition or tile
Windows: 14-16 **Corners:** 10-12
Floors: High quality carpet, tile or terrazzo
H/C: Central heat & air **Utilities:** Numerous outlets, custom features
Baths: 3-4 baths, custom fixtures
Garage: 3-4 car garage, concrete approach **Extras:** Fireplace
Size: Over 3,000 square feet of living area



LAND & IMPROVEMENT CODES

Land Codes

BA	Back Acreage
BF	Beach Front
BX	Boat Slip
BV	Beach View
CDO	Condo Land
CL	Commercial Lot
CN	Canal
CO	Commercial Acreage
CR	Corner
DE	Drainage Easement
DKM	Dockminiums
DS	Drill Site
FR	Freeway Frtg.
GB	Green Belt
GC	Golf Course
GF	Golf Course
IL	Interior Land
IND	Industrial
LT	Lot
ML	Marshland
NP	Native Pasture
OS	Oversized Lot
OT	Other
PF	Primary Frtg
PL	Pipeline
PU	Public Use
PWL	Power line
RF	Road Frontage
RH	Rural House
RL	Residential Lot
RS	Residential
RW	Right of Way
SF	Secondary Frtg.
SV	Site Value
TL	Townhome
UN	Undeveloped
UW	Underwater
WA	Wood Acreage
WF	Water Front
WL	Wasteland
WV	Water View

Improvement Types

BD1	Light Boat Dock
BD2	Medium Boat Dock
BD3	Heavy Boat Dock
BZ	Breezeway
CP1	Carport, Wood/Conc.
CP2	Carport 2, Wood/Dirt

CP3	Carport 3, Metal/Dirt
CP4	Carport 4 Under BH
CPY	Canopy
DG	Detached Garage
EP	Enclosed Porch
FBH	Metal/Frame Boat House
ELV	Elevator or Dumbwaiter
FUB	Metal/Frame Utility Bldg.
GA	Attached Garage
GH	Greenhouse
HO	Hoist
HT	Hot tub/Jacuzzi
LPOOL	Large Pool
MA	Main Area 1 Story
MA1	Main Area 1.5 Story
MA2	Main Area 2 Story
MA2.5	Main Area 2.5 Story
MA3	Main Area 3 Story
MAA	Main Area Addition or Mobile Home
MBH	Masonry Boat House
MUB	Masonry Utility Bldg.
OB	Out Building
SP	Screen Porch
SPA	Spa
SPool	Small Pool
ST	Storage (attached 2 house)
STG	Storage (det. from house)
SV	Salvage
WD	Wood Deck
XPool	Extra Large Pool

Building Attributes

Construction Style

SF-M	Single Family Modern
SF-C	Single Family Conv.
SF-S	Single Family Spanish
MF-C	Multi Family Conv.
R-CT	Recreation Type
L-CM	Light Commercial

Structure Types

B	Brick
BH	Beach house
F	Frame
TH	Townhouse

Exterior Finish

BV	Brick Veneer
WF	Wood Frame
COMP	Composition

ST	Stucco
CB	Concrete Blocks
A.S	Asbestos
BW	Brick & Wood
SV	Stone
SI	Sheet Iron
SS	Structural Steel

Roof Style

HP	Hip
GA	Gable
WS	Wood Shingle
CS	Comp Shingle
TG	Tar & Gravel
TI	Tile
RA	Rigid Asbestos
RC	Rolled Composition
MT	Metal

Plumbing

1	One Full Bath
1.5	One & One-Half
2, etc.	Two Full Baths, etc.

Foundation

CS	Concrete Slab
PB	Pier & Beam
WPR	Wood Piers
WPL	Wood Pilings
PT	Post Tension Conc.

Heating / AC

CA	Central Air
CH	Central Heat
ST	Stove or Gas Jets
WH	Wall/Floor Furnace

Flooring

CP	Carpet
VI	Vinyl
HW	Hard Wood
CO	Concrete
TI	Tile
TE	Terrazzo

Interior Finish

SR	Sheetrock
PA	Panel
WP	Wallpaper

Fireplaces

HE	Heatator
FP	Fireplace
FP1	Fireplace Class 1
FP2	Fireplace Class 2

Condition Ratings Guide

<u>Code</u>	<u>Rating</u>	<u>Definition</u>
1	Excellent	Building is in perfect condition, very attractive and highly desirable.
2	Very Good	Slight evidence of deterioration; still attractive, quite desirable
3	Good	Minor deterioration visible; slightly less attractive and desirable but useful.
4	Average	Normal wear and tear apparent; average attractiveness and desirability.
5	Fair	Marked deterioration but quite usable; rather unattractive and undesirable.
6	Poor	Definite deterioration is obvious; definitely undesirable and barely usable.
7	Very Poor	Condition approaches unsoundness; extremely undesirable; barely usable.
8	Unsound	Building is unsound and practically unfit for use.

PROTEST WORKSHEET

#	Address	Class Code	Total Value	MA Imp Value	MA Imp SF	MA Imp Value + Imp SF	Quality Adj/SF	Quality Adj	Land Value	Land SF	\$/SF Land	Land Value Adj	Eff Age	Size Diff	Size Adj	Dep %	Dep Adj	Other Imp Value	Imp Value Adj	Total Adj	Adj Value					
1																										
2																										
3																										
4																										
5																										
6																										
7																										
8																										
9																										
10																										
11																										
INDICATED VALUE RANGE:			Low:											High:											Estimated Value:	
Formulas & Notes:			MA Imp Value + Imp SF		\$/SF MA Subject - \$/SF MA Comp		Quality Adj/SF x \$/SF MA		Land Value + Land SF		Land Value Sub - Land Value Comp		Subject Size - Comp Size		Size Diff x \$/SF		Subject Dep % x MA Imp Value of Comp		Sub Other Imp Value - Comp Other Imp Value		Quality Adj + Land Value Adj + Size Adj + Dept Adj + Imp Value Adj		Total Value - Total Adj			

Taxes Five Step

(The Cliff Notes Version of Protesting Your Value)

A robust real estate market is wonderful for your financial statement or when selling but not when it comes to taxes. CADs mail appraisal notices in mid April. The deadline to call for an appointment, mail the formal notice or file an online protest is **May 15th** or 30 days after the date of the notice. Protest—you may lower your taxes!

Step 1. Mail, email or fax the formal protest form or file an online protest by May 15th



Protest the value based on either it being over valued (*condition concerns*) or unequal appraisal (*same house elsewhere in the neighborhood valued for less*). Request the evidence packet. **Condition is as of January 1.**

Step 2. Research CAD records



Request the “appraisal card” via email and validate information. If you recently purchased the property for less or have a recent appraisal with a lower value, you are ready to go. If you paid more and discovered problems later or if repairs are needed, take photos and obtain estimates. Provide information at the informal meeting with the appraiser and at the formal ARB hearing or submit with online protest.

Step 3. Be sure to attend the informal conference scheduled before the ARB Hearing



Request the documents and review information provided. If you attend the informal conference and are not prepared to go to the ARB hearing, ask to be scheduled for the ARB at a later date! **YOU ARE LEGALLY ENTITLED TO ONE RESCHEDULE.**

Step 4. Appraisal Review Board (ARB) Hearing



The ARB is a three member citizen panel appointed to hear protests. Also in attendance is a CAD appraiser and a hearing clerk who records the proceedings. **Bring four copies of your evidence.** You will be sworn in. The CAD appraiser will present its case, you will present yours and the ARB will announce its decision.

Step 5. Arbitration or File Lawsuit in State District Court



ARB decisions can be overturned in binding arbitration or by filing a lawsuit. Arbitration requires payment of a \$450 fee (*amount varies*). If you are successful (*meaning the arbitrator determines the value nearer to your estimate than the CAD's*), all but \$50 will be refunded. Most lawsuits do not go to court but, before taking this step, consider the cost versus savings.

With limited qualifiers, Section 41.43 of the Tax Code establishes that CADs have the burden of establishing the value by a preponderance of the evidence presented at the hearing. If the CAD fails to meet that standard, protests shall be determined in favor of the property owner.