

Collin County Community College District Board of Trustees

1. Finance and Audit Committee

August 22, 2017

Resource: Ken Lynn
Administrative Services

DISCUSSION ITEM: Establishment of a Residential Homestead Exemption

DISCUSSION: Collin College currently offers annual property tax exemptions of \$30,000 to taxpayers over the age of 65 and \$20,000 to taxpayers who qualify for a disability exemption.

Property values are accelerating at a rapid rate in Collin County because of the desirability of the neighborhoods and schools. Even though the tax rate imposed by the College is only approximately 3.7% of the overall property tax bill of a taxpayer who owns a residential homestead, the College is mindful of the impact of rising property tax values.

Section 11.13(n) of the Texas Property Tax Code allows the governing body of a taxing unit to exempt from taxation a percentage of a residence homestead if the exemption is adopted by the governing body prior to July 1. The Code also provides that, if a taxing unit establishes such an exemption, the minimum exemption of any residence homestead shall be \$5,000.00.

A Resolution will be presented that affirms and continues the current property tax exemptions of \$30,000 for an over 65 exemption, \$20,000 for a disabled person exemption, and establishes, effective for the 2018 tax year, a residential homestead exemption of the greater of \$5,000 or 1% of the appraised value of a residential homestead in the College's taxing jurisdiction. The exemptions authorized by the Resolution shall remain effective for each successive tax year until otherwise amended or repealed by the Board of Trustees or other appropriate authority.