



Armstrong County Appraisal District Homestead Audit Procedures

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HOMESTEAD AUDIT PROCEDURES

SB 1801 Effective 09/01/2023

SB 1801 amends Section 11.43 of the Property Tax Code. Section 11.43(h-1) requires the chief appraiser of an appraisal district to develop a program for the periodic review of each residence homestead exemption granted by the district under Section 11.13 to confirm that the recipient of the exemptions still qualifies for the exemption. The program must require the chief appraiser to review each residence homestead exemption at least once every five tax years. A portion, approximately 20%, of properties will be reviewed each year.

The review will consist of:

1. Verifying an application is on file for the current owner
2. Verifying mailing address matches property address
3. Verifying date of birth entered for owner and spouse
4. Check other information:
 - a. Driver's license matches property location
 - b. Death of owner
5. Verifying ownership changes and sending new owner homestead applications

Tracking of homestead audit:

1. Property group codes will be used to determine which properties will be audited each year
 - a. Year 1: HS Audit 1
 - b. Year 2: HS Audit 2
 - c. Year 3: HS Audit 3
 - d. Year 4: HS Audit 4
 - e. Year 5: HS Audit 5
2. Use of property group codes
 - a. Group codes have been assigned to all HS properties
 - b. Do not remove group codes unless property no longer has an exemption
 - i. Each year at the start of the project, a query will be run to identify properties by group code and exemption
 - ii. If no HS exemption, group code will be removed
 - c. For exemptions granted on properties that do not have a HS, add property group code HSAUDIT5
3. A spreadsheet for each year will track date reviewed and results of the review
 - a. Accounts will be distributed between staff
 - b. Each staff member will have a tab with their assigned accounts
 - c. Each tab will have
 - i. PID
 - ii. Address
 - iii. Name
 - iv. Exemption
 - v. Verified – to document when verified Y or N
 - vi. Remove – for remove exemption Y or N
 - vii. Date – for date worked
 - viii. Staff – for staff initials once worked
 - ix. Notes – for any notes about removal, reapply, etc.

- Initial mailing of homestead survey-September 1st
- No response to initial mailing: 2nd notice mailed-November 1st (30 days)
- All returned surveys with current driver's license will be processed. (marked off list, information checked, and scanned in Appraisal system)
- No response after January 1st: the exemption(s) will be removed and coded for Canceled/Reduced Exemption Notice (Sec. 25.193) in April.

There will be a specific letter for homestead removals from the homestead audit. The homestead audit letter names will start with HSAUDIT. Additional letters will be added as needed.

Approved on: 12.11.2023

Rachel Myers
BOD, Chairman

BOD, Secretary

Marina Clement
Chief Appraiser