

---

## City Council Regular Meeting

**DEPARTMENT:** Finance  
**FROM:** Harlan Jefferson, Deputy City Manager  
**MEETING:** November 18, 2024

---

**SUBJECT:**

Receive a report, hold a discussion, and provide staff direction regarding the impact of the Tarrant Appraisal District (TAD) and Central Appraisal District of Johnson County's Reappraisal Plans for 2025-2026. (Staff Contact: Harlan Jefferson, Deputy City Manager)

**SUMMARY:**

On September 9, 2024, a public hearing was held on the proposed appraisal plan for 2025-2026 for the Central Appraisal District of Johnson County (JCAD). After the public hearing, the board of directors unanimously adopted the plan. The plan is intended to provide a better understanding of JCAD's responsibilities and appraisal activities throughout the business year. The TAD board of directors also adopted a similar reappraisal plan.

**The JCAD Board of Directors has instructed the chief appraiser to do the following:**

- Adjust the reappraisal cycle from every year to every three years
- JCAD will not raise market values without clear and convincing evidence by the Texas Property Tax Code 23.01(e)
- Sustain 2024 values for the 2025 and 2026 tax years
  - o Except for properties that are required to be looked at annually, such as:
    - ✓ Business Personal Properties through renditions
    - ✓ Mineral Properties
    - ✓ Utility Properties
    - ✓ Industrial Properties
- The following requires a JCAD Board of Directors action and approval:
  - o Reappraisal due to changing markets; or
  - o Reappraisal in response to the state study; or

o Reappraisal if property values decrease substantially

- Analyze appraised values
- The appraised value of a residence homestead (HS Cap Loss) is below the market value and must be raised as required by the Texas Property Tax Code 23.23
- The appraised value of a property qualified for the Circuit Breaker is below the Market Value and must be raised as required by the Texas Property Tax Code 23.231
- To provide for new property or improvements and property that escaped taxation (omitted property) as required by the Texas Property Tax Code 25.21 or if the property escaped reappraisal during the previous reappraisal cycle
- Continue to follow USPAP guidelines as required by the Texas Property Tax Code

**The TAD Board of Directors has instructed the chief appraiser to do the following:**

- The Board of Directors for the 2025 tax year has instructed the chief appraiser to hold residential values at the 2024 final values except for properties with new construction or new Improvement value.
- Additionally, residential properties will only be reappraised in odd years to coincide with the property value study starting in 2027. All other property types will be reappraised annually.
- The district will continue to work residential accounts as normal to allow for reporting on the impacts of the plan compared to a full reappraisal.
- Section 23.23 Limitation on Appraised Value of Residence Homestead will not be affected by non-reappraisal years. Appraised values will continue to increase 10% if the property has a homestead cap until it meets the market value.
- Certain properties must still be appraised annually, including:
  - ✓ All Commercial Properties
  - ✓ Business Personal Properties (through renditions)
  - ✓ Mineral Properties
  - ✓ Industrial Properties
- Monthly ratio studies for residential property will be conducted to monitor the impact of the market conditions on values.
- Ratios that fall outside the Property Value Study margin of error of 5% will be brought to the board of directors in March 2025 prior to appraisal values being concluded and appraisal notices generated.
- Though market analysis is being conducted, the board has required the district to only change residential values in upcoming years with clear and convincing evidence if the calculated market value exceeds a 5% increase.

As TAD and JCAD progresses into the actual reappraisal process, they reserve the right to modify the plan as necessary to meet the requirements as set forth in the Texas Property Tax Code

**RECOMMENDATION:**

Staff recommends that the Committee discuss the Reappraisal Plans and develop a recommendation regarding the average growth rate of taxable property value of the City of Burleson.

**PRIOR ACTION/INPUT (Council, Boards, Citizens):**

N/A

**REFERENCE:**

N/A

**FISCAL IMPACT:**

N/A

**STAFF CONTACT:**

Harlan Jefferson  
Deputy City Manager  
[hjefferson@burlesontx.com](mailto:hjefferson@burlesontx.com)  
817-426-9651