

A PRIMER FOR TEXAS HOMEOWNERS

The Texas Property Tax Protest, Explained.

Every spring, Texas homeowners receive a Notice of Appraised Value from their county appraisal district. That number drives your property tax bill for the year. Most homeowners assume the number is correct. Most are wrong.

You have the legal right to protest that value — and most who do receive some form of reduction. This guide explains how the process actually works, what the county looks at, what evidence matters, and what to expect from the hearing process. It is not legal advice. It is the plain-English version of a system that was never designed to be easy to understand.

What a Notice of Appraised Value Actually Is

In Texas, each county's appraisal district (CAD) is responsible for estimating the market value of every taxable property as of January 1 each year. That appraised value is then used by your local taxing entities — school district, city, county, hospital districts — to calculate your tax bill.

Your notice usually arrives between mid-April and mid-May. It will list a market value, an assessed value (which may be capped if you have a homestead exemption), and the deadline by which you must protest if you disagree.

The Deadline

For most Texas properties, the protest deadline is May 15 — or 30 days from the date the notice was delivered, whichever is later. Miss it, and your options shrink dramatically. There are narrow exceptions for late protests (substantial errors, change of ownership, specific valuation issues), but the safe assumption is: file by May 15 or wait until next year.

What the Appraisal District Looks At

CADs don't visit every property every year. Instead, they rely on mass appraisal — statistical models that estimate value based on recent sales in your neighborhood, characteristics pulled from county records, and MLS data where available. This process is generally accurate in aggregate, but often wrong in specific cases.

Common reasons a property is overvalued:

- **Stale or wrong property characteristics.** Square footage, lot size, bedroom count, or condition can be recorded incorrectly from old permits or listings.
- **Bad comparables.** The CAD's model picked recent sales that aren't truly comparable — larger homes, updated homes, homes in better pockets of the neighborhood.

- **Unequal appraisal.** Similar properties in the same area are assessed at lower values than yours. Under Texas law, you're entitled to be appraised equally with comparable properties.
- **Condition issues.** Foundation problems, deferred maintenance, flood damage, or functional obsolescence the CAD doesn't know about.
- **Market reality.** The CAD's January 1 valuation may not reflect what the property would actually sell for, especially in a softening market.

How a Protest Actually Works

The protest process has three phases: filing, informal negotiation, and formal ARB hearing.

1. Filing the Protest

You (or your agent) file a Notice of Protest with the appraisal district before the deadline. This is a simple form that preserves your right to challenge the value. Filing alone doesn't win anything — it just opens the door.

2. Informal Negotiation

Most protests are resolved informally, before any hearing. You'll be assigned an appraiser who reviews your evidence (comparable sales, photos, repair estimates, equity comparables) and makes an offer. You can accept, counter, or reject. Most reductions happen here.

3. Formal ARB Hearing

If the informal offer isn't acceptable and the case warrants it, the protest advances to a formal hearing before the Appraisal Review Board (ARB) — a panel of trained citizen volunteers, independent of the CAD. Evidence is presented, both sides make their case, and the ARB issues a binding decision. If you lose at ARB, your remaining options are litigation or binding arbitration, which only make sense for high-value properties.

What Evidence Actually Matters

The CAD's model works with averages. A good protest case uses specifics. The strongest evidence categories, roughly in order of impact:

Sales Comparables ("Sales Comps")

Recent sales of genuinely comparable properties — similar size, age, condition, and location. The closer and more recent the comps, the better. Sales from the 12-18 months before the appraisal date carry the most weight.

Equity Comparables ("Equity Comps")

Properties similar to yours that are currently assessed at lower values. Texas law specifically allows protests on unequal appraisal grounds — you're entitled to be assessed equitably with comparable properties. This argument wins cases that sales comps alone can't.

Condition Issues

Documented repair needs, foundation problems, flood damage, or other condition issues the CAD isn't aware of. Photos, contractor estimates, and inspection reports all help.

Income Evidence (Rentals)

For rental properties, actual net operating income can be used to argue market value — especially if the CAD's value implies a cap rate that doesn't match market reality.

What to Realistically Expect

Protesting property taxes is worth doing almost every year, but it's not magic. Some realistic expectations:

- **Most protests produce some reduction.** Typical reductions in DFW vary widely by year and property, but something in the low single-digit to low double-digit percentage range is common.
- **Some years produce zero movement.** If the market genuinely increased and your comps support the CAD's value, you may not win a reduction. That doesn't mean the protest wasn't worth filing.
- **No one can guarantee an outcome.** Anyone who does is selling you something. The ARB is independent, the evidence varies case-by-case, and appraisal is inherently subjective.
- **Even a small reduction compounds.** Texas has a 10% homestead cap on annual increases for homesteaded properties. Lowering this year's value holds down future years' starting points.

Should You Hire an Agent?

You don't have to. Texas law allows any property owner to file and argue their own protest. For a single homesteaded property with straightforward facts, many owners handle it successfully on their own.

Hiring a licensed property tax agent makes more sense when any of the following is true:

- You own multiple properties (efficiency matters).
- Your property has unusual characteristics or condition issues that require argumentation.
- You don't want to sit in an appraisal district waiting room or a formal hearing.
- You don't have time to pull your own comparable sales and build a case before the deadline.
- You value a known, flat fee over the time cost of doing it yourself.

Most Texas tax agents charge a contingency fee — a percentage (typically 25–50%) of whatever tax savings they produce. A flat-fee model, where you pay a known amount per property regardless of result, is less common but removes the perverse incentive to only work cases with large potential reductions.

Texas Tax Lock is a flat-fee property tax protest service for Texas homeowners. We file the protest, build the evidence, and negotiate with the county — you don't attend a thing. One fee per property, based on your notice value. No contingency, no percentage of your reduction.

[texastaxlock.com](https://www.texastaxlock.com)

This guide is for general informational purposes only and does not constitute legal, financial, or tax advice. Consult a qualified professional for advice specific to your situation.