

New 20% Circuit Breaker Property Value Limitation- Tax Code Section 23.231

Starting this year, a new limitation called the **Circuit Breaker Limitation** will apply to all real property, including minerals. **It will not apply to Business Personal Property.**

Here is a simplified explanation for the real estate Circuit Breaker:

Who it applies to: Owners of real property valued at \$5,000,000 or less, excluding agricultural land production value and homestead properties that already have a 10% limitation. It does not apply to Business Personal Property.

What it does: It caps the increase of your property's TAXABLE value to 20% per year unless there have been improvements to the property. It is similar to the 10% cap for a homestead's TAXABLE value.

When it starts: The limitation takes effect on January 1 of the year following your first full year of property ownership. For example, if you owned your property January 1, 2023, you would qualify for this limitation in 2024.

How it works: Your property will have two values - the circuit breaker limited TAXABLE value (which your taxes are based on) and the MARKET value (the actual value of the property). If your property was worth \$100,000 last year and is appraised at \$125,000 this year, your taxes will be based on a limited TAXABLE value of \$120,000, but the MARKET value is \$125,000.

Expiration: The limitation expires when the property changes ownership. The new owner's TAXABLE value will be reset to the current MARKET value until they qualify for the limitation.

Duration: The Texas Legislature has authorized this limitation for the tax years 2024, 2025, and 2026.

Application: You do not need to apply for this limitation. The appraisal district will automatically calculate and apply these benefits every year.

Online Appraisal and Protest: You can now access your industrial appraisal information online. You can also conveniently protest online for industrial at www.cagi.com. You will need your owner number (up to six digits) and account number (four fields such as ex. 222-2-222222-222222).

If you have any questions, please contact our office at 325-573-8549 or scad@scurrytex.com or Capitol Appraisal at 512-233-0330. You can also visit the Capitol Appraisal website to access your mineral appraisal at www.cagi.com.

Thank you,
Jackie Martin, Chief Appraiser