PRORATED HOMESTEAD EXEMPTIONS

Starting in 2022, state law allows property owners to claim a pro-rated general residence homestead exemption on a property that becomes their principal residence at any point in the year. Previously, property owners could only claim this exemption if they owned and lived in the home as of January 1.

To qualify for a pro-rated exemption:

The property owner must own and live in the home.
A property owner must use the property as their principal residence.

The property must have been purchased on or after January 1, 2022.
Properties purchased prior to January 1, 2022 are not eligible. Property owners who purchased their homes prior to that date must still meet the January 1 standard to be eligible for an exemption in tax years prior to 2022.

The property cannot already have a general residence homestead exemption for the year.
If the previous owner has already claimed the general residence homestead exemption for the year on the property, the new owner will not be able to claim the exemption that year.

> *Example: Beth has a homestead exemption. In February 2022, she sells her home to Mary. Mary files for a prorated homestead exemption but is denied and told she will not be eligible for that exemption until 2023. The 2022 property tax bill will still be calculated using Beth's exemption, so Mary will benefit from a lower tax bill. She can apply for her own exemption on the property in 2023.*

The property owner cannot already be claiming a general residence homestead exemption for the year on another property.
State law does not allow a property owner to claim a homestead exemption on more than one property in a tax year. State law also does not allow property owners to transfer general residence homestead exemptions to another property. (Over 65 and disabled persons exemptions can be transferred.)

> *Example: Bob owns his home and claims a general residence homestead exemption. In March 2022, he buys and moves into a new home. He files for a pro-rated homestead exemption but is denied and told he will not be eligible for that exemption on his new home until 2023. The 2022 property tax bill for his original home will still be calculated using his exemption status and benefit from a lower tax bill. He can apply for an exemption on his new home in 2023.*

For more information contact the
Travis Central Appraisal District
Exemption Helpline
512-873-1560

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