

TAX DEFERRAL Q & A

What is a tax deferral?

A tax deferral is available to taxpayers who have a senior or a disability exemption on their residence homestead. A tax deferral allows taxpayers to postpone paying their property taxes for as long as they live in their residence homestead.

When are deferred taxes due?

Deferral taxes are due during the 180-day grace period after the deferral ends.

When does a tax deferral begin?

A tax deferral begins when a taxpayer files a "Over-65 and/or Disabled Homestead Tax Deferral Affidavit" with their appraisal district.

When does a tax deferral end?

A tax deferral can end several ways:

1. Taxpayer can request it
2. Taxpayer leaves residence homestead with no intention of returning
3. Taxpayer passes away

What if the Taxpayer is married?

A surviving spouse, age 55 and older, can request the tax deferral be continued. If they do not, the tax deferral ends.

Are deferred taxes delinquent?

Yes.

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Do deferred taxes have any penalty or interest assessed against them?

Interest is assessed at a rate of 8% for each year and every year the tax remains unpaid. No penalty is assessed.

What happens if the tax is not paid in 180 days after the tax deferral ends?

The following events occur on the 181st day

1. Collection activity starts by the taxing jurisdictions to collect the delinquent tax
2. Regular penalty & interest is assessed against the delinquent tax
3. Attorney fees can be assessed against the delinquent tax

Does my Lienholder (mortgage company) have to honor a tax deferral?

No. Most Lienholders have language in their contracts regarding payment of property tax. It's best to check with your Lienholder to determine if they will honor a tax deferral on your homestead.

Where would I go to learn more about tax deferral?

Travis Central Appraisal District and the Texas Comptroller are the resources for more information about tax deferrals.

Travis Central's website is: www.traviscad.org

Texas Comptroller's website is: www.window.state.tx.us/