

KING COUNTY APPRAISAL DISTRICT 2019 ANNUAL REPORT

Introduction

The King County Appraisal District is a political subdivision of Texas. The Constitution of the State of Texas, Texas Property Tax Code and the Texas Comptroller's Property Tax Assistance Division rules govern the operation of the Appraisal District.

Mission

The mission of the King County Appraisal District is to discover, list and appraise property as accurately, ethically and impartially as possible in order to estimate the market value of all property within the boundaries of the district for ad valorem tax purposes. The effective date of each appraisal is January 1st, unless the property owner has elected to have their business personal property appraised as of September 1st. The district must make sure that each taxpayer is given the same consideration, information and assistance as the next person or business. This will be done by administering the laws under the Texas Property Tax Code and operating under the rules and standards of:

The Property Tax Assistance Division of the Texas Comptroller's Office (PTAD)
The International Association of Assessing Officers (IAAO)
The Uniform Standards of Professional Appraisal Practice (USPAP)

Governance

The appraisal district is governed by a Board of Directors whose primary responsibilities are:

- Establish the district's office
- Adopt an operating budget
- Contract for necessary services
- Hire the Chief Appraiser
- Appoint the Appraisal Review Board (ARB)
- Provide advice and consent to the Chief Appraiser for the Ag Advisory Board
- Make general policies concerning the appraisal district operations
- Develop a written biennial plan for the reappraisal of all property within the district's boundaries

To be eligible to serve on the Board of Directors of the appraisal district, a person must have resided within the boundaries of King County for at least two years prior to their appointment. They serve two-year terms beginning January 1. The Chief appraiser is appointed by the Board and must be licensed by the Texas Department of Licensing and regulation (TDLR).

Members of the Appraisal Review Board are appointed by the Board of Directors. ARB members serve two-year staggered terms. They are limited to serving three consecutive two-year terms. They must be certified by the Texas Comptroller. Their responsibility is to settle value disputed between the taxpayer and the Chief Appraiser. Their decisions regarding value are binding for the tax year protested.

The Ag Advisory Board is appointed by the Board of Directors at the recommendation of the Chief Appraiser. They provide information and assistance in determining the agriculture practices for the county.

Taxing Jurisdictions

The King County Appraisal District is responsible for appraising all properties for each of the taxing jurisdictions that have territory located in King County.

The following are the taxing entities for King County:

King County
King County Farm to Market Flood Control
Gateway GCD
Guthrie CSD
Crowell ISD

Property Types Appraised

The King County Appraisal District is responsible for appraising all residential, commercial, land and business personal property. The district contracts with Pritchard and Abbott, Inc. to appraise Minerals, Utilities, Industrial, Business Personal Property, and land qualified as open space agriculture. Mapping is contracted with Pritchard and Abbott, Inc. For tax year 2019, KCAD contracted Pritchard and Abbott to build residential schedules.

The following is a summary of the property types, parcel count and certified market value for 2019.

PROPERTY TYPE	PARCEL COUNT	MARKET/TAXABLE VALUE
Single Family	36	1,474,070
Vacant Lots	178	284,480
Agriculture Land	1742	19,592,710
Non Ag Land & Rural Res	103	8,050,220
Commercial Property	14	14,455,280
Oil & Gas	2190	125,142,920
Utilities	60	27,794,530
Industrial	61	2,964,583
Mobile Homes Personal	7	185,190
Exempt Property	376	8,194,123

Property Discovery

The appraisal district seeks to discover all newly constructed property by reviewing:

- Requested 911 addresses
- Recorded Deeds
- Road Hand Information
- Mobile Home Installation Reports
- Realtors and Appraisers

Exemption Data

Property owners may qualify for a variety of exemptions as provide by the Texas Constitution. Some examples of exemptions are described below. Other less common exemptions are available and described in the Texas Property Tax Code, Chapter 11.

Residential Homestead Exemptions

King County	20% or \$5,000
FMFC	\$3,000 + 20% or \$5,000
Guthrie CSD	State Mandated Exemption + 20% or \$5,000
Crowell ISD	State Mandated Exemption

For school tax purposes, Over 65, Disability, Surviving Spouse and 100% Disabled Veteran, residential homesteads create a tax ceiling prohibiting increases in the taxes on the homestead on existing buildings. New additions to the home site will cause the ceiling to be readjusted.

All homeowners who qualify for the residential homestead exemption are subject to the placement of a cap on the qualifying property which prohibits the increase of taxable value on the homestead property to 10% per year.

Disabled Veterans

In addition to the residential homestead exemption, allowable to disabled veterans with a 100% service connected disability, disabled veterans are allowed a general exemption on property they own based upon the percentage rating as determined by the Department of Veterans Affairs. Current exemptions amounts based upon their rating are:

10-29 %	\$5,000
30-49%	\$7,500
50-69%	\$10,000
70-100%	\$12,000

Ratio Study Analysis

At least once every two years, the comptroller shall conduct a study in each appraisal district to determine the degree of uniformity and the median level of appraisal districts within each major category of property. The comptroller shall publish a report of the findings of the study including the median levels of appraisal for each major category of property, the coefficient of dispersion around the median level of appraisal for each major category of property and any other standard statistical measures that the comptroller considers appropriate. In conducting the study, the Texas State Comptroller shall apply appropriate standard statistical analysis techniques to data collected as part of the study of school district taxable values required by Section 03.302. Government Code. The published findings of a ratio study conducted by the Comptroller's Property Tax Assistance Division shall be distributed to all members of the legislature and to all appraisal districts.

Ratio studies generally involve seven basic steps.

1. Determination of study objectives and parameters
2. Design of the study
3. Collection and preparation of market data
4. Matching appraisal and market data
5. Stratification
6. Statistical analysis
7. Evaluation and use of the results

Legislature Updates

Legislature updates are implemented at which time the legislators or voters correct or update existing laws or implement new laws.